

LGA Corporate Peer Challenge – Progress Review

Rushmoor Borough Council

24 April 2025

Feedback



Corporate Peer Challenge



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1. Introduction

The council undertook an LGA Corporate Peer Challenge (CPC) during 24-27 June 2024 and promptly published the full report with an action plan.

The Progress Review is an integral part of the Corporate Peer Challenge process. Taking place approximately ten months after the CPC, it is designed to provide space for the council's senior leadership to:

- Receive feedback from peers on the early progress made by the council against the CPC recommendations and the council's RAG-rated CPC Action Plan;
- Consider peers' reflections on any new opportunities or challenges that may have arisen since the peer team were 'on-site' (including any further support needs);
- Discuss any early impact or learning from the progress made to date.

The LGA would like to thank Rushmoor Borough Council for their commitment to sector-led improvement. This Progress Review was the next step in an ongoing, open and close relationship that the council has with LGA sector support.

2. Summary of the approach

The Progress Review at Rushmoor Borough Council took place onsite on 24 April 2025.

The Progress Review focussed on each of the recommendations from the Corporate Peer Challenge.

For this Progress Review, the following members of the original CPC team were involved:

- Chief Executive Peer – William Benson, Chief Executive, Tunbridge Wells Borough Council
- Officer Peer – Alan Finch, LGA Associate
- Peer Challenge Manager – Anne Brinkhoff, LGA Associate

The team was joined by Cllr Richard Henry, Leader, Stevenage Borough Council.

3. Progress Review - Feedback

Out of the CPC's ten recommendations, the council's RAG rated Action plan reports that 80 per cent of actions are either complete or in progress and 20 per cent have not yet been progressed.

Recommendation 1 – in progress

Members and officers need to recognise and act on the Council's precarious financial position. Urgent action needs to be taken to develop a realistic plan to ensure financial sustainability.

Rushmoor Borough Council (RBC) has clearly recognised its precarious financial position and is acting on it. It has a Financial Recovery Plan in place overseen by a Working Group. This is the right kind of approach, and the peer team did pick up a sense of reality about the importance of the challenge, but without gaining the impression that everyone had a true sense of its scale and implications.

Going forward, challenges and risks remain. The council has set a balanced budget for 2025/26 which relies on realising £1.8m unidentified savings (into which target figure the council has made some inroads) and £3.4m from reserves. Following a reassessment of asset disposal opportunities to meet the council's initial £40m target for capital receipts, it has become clear that a larger proportion of savings will need to come from service budgets.

Systemic over-budgeting, however, has contributed to a more positive outturn position in each of the last two years. (The issue of over-budgeting is picked up in comments relating to Recommendation 4 below).

The Medium-Term Financial Plan set in February 2024 envisaged a return to a balanced budget, without recourse to reserves in 2026/27 but this is now not expected to take place until the following year. An additional £2.8m in reserves will be utilised over the four-year budget period.

Amidst this changing picture, the council needs to re-establish a clear and high-level

narrative about the savings that are required both in-year and over the duration of the MTFS and how they are to be delivered. This is important to ensure that the organisation remains sighted on the on-going financial challenges.

The disposal of Union Yard has provided a much-needed capital receipt. At the time of the revisit the peer team did not see a clear timeline for future asset disposals, although the council has since confirmed a timeline has been in place. The peer team urges the council to ensure that this issue remains at the forefront of corporate consciousness and that asset disposals remain and a visible and well understood part of its strategy.

As the emphasis shifts towards revenue savings from services, it underscores the importance of the savings being understood and owned and delivered corporately across the organisation. At the same time, an appropriate balance needs to be struck between the real and fundamental need to deliver a balanced budget and the need to resource political priorities and services in the short to medium-term.

Finally, in the course of our on-site visit, we saw some signs that the precariousness of the Council's financial situation is beginning to be overshadowed by local government reorganisation (LGR).

Recommendation 2 - complete

The new administration needs to set out a clear vision for what it wants to achieve and how it wants to operate.

The council agreed new corporate priorities in November 2024. With the announcement of LGR in December 2024, it suspended work on a longer-term Corporate Plan in favour of an annual Council Delivery Plan for 2025-26. The Plan sets out five priorities and specifies key activities, outcomes and key measures of success for each of these. The plan has been put together in the context of LGR and makes explicit reference to the delivery of the Financial Recovery Plan.

The peer team noted a possible tension between the resources required to deliver some of the political priorities and the financial position of the Council which will need to be reconciled.

Recommendation 3 – in progress

Strengthen governance arrangement (including Audit, Scrutiny and Policy and Project Advisory Board (PPAB))

The peer team heard encouraging signs of progress in response to this recommendation including the establishment of the 'Golden Triangle' meetings, the inclusion of HR in the Corporate Governance Group and a likely positive response to the Centre for Governance and Scrutiny (CfGS) report which has been received in draft and which is being considered by a cross-party councillor working group before being formally considered and approved by the Council. We understand that the scope of the Audit Committee is to be reduced providing for a clearer focus on governance issues. We look forward to the recommendations being agreed and implemented in the next few months.

The peer team heard concerns from senior non-executive councillors within the ruling group that they do not feel involved 'upstream' in decision-making and that they are not being provided with requested information or information in a timely fashion. In the peer team's view this risks undermining confidence in the organisation and in the role of non-executive members and the council should take steps to address this.

The peer team heard some disturbing reports of poor behaviour at council meetings and RBC has been affected by a number of protests (which has led to security being required at meetings). Positively, work is ongoing with 'belong – the cohesion and integration network', using government funding, to address community tensions. The peer team believe that further work could be undertaken within the council to promote respect and to encourage councillors to 'disagree better'.

The peer team understand that Group leaders are now meeting to discuss LGR; it might be that these meetings are broadened out to encompass discussions on 'lowering the temperature' and that the Council could consider debating a motion to sign the LGA's 'Debate not Hate' public statement.

Recommendation 4 – in progress

Review and implement improvements to financial management and reporting arrangements.

The Council has created and successfully recruited to two further finance positions to supplement the capacity and technical capability of the Finance Team, building on the relatively recent appointments of the Executive Head of Finance and his deputy. A new budget module has been implemented within the financial management system to improve real-time budget monitoring, budget forecasting and monthly financial reporting to the senior leadership (officers and members) has been in place since December 2024. The former spreadsheet-based system had contributed to a tendency to overbudget, which undermined the credibility of the budget-setting process. Work to address these issues is ongoing and should shift an inherent culture of complacency about the scale and nature of the need to deliver savings. However, the management information provided through the budget module is vital to the organisation and the council needs to ensure that the new system is accepted and utilised by all budget managers.

Monthly meetings have been introduced between service managers and their service accountants to review budgets and provide appropriate challenge. It is intended to develop this 'business partnering' approach further, with training underway.

The implementation of CIPFA's recommendations continues to be monitored at officer and member levels.

The peer team heard concerns that these improvements to the management information of the revenue budget are not yet mirrored by similar improvements to capital and asset management information systems.

Recommendation 5 – in progress

Take time to work on relationships and build trust between senior members and officers as a foundation for moving forward.

LGA-facilitated sessions took place in Autumn 2024 with officers and cabinet separately, but these sessions have not been drawn together. The delay is a result of the changes to the Council's senior management structure and the subsequent discussions on LGR. The appointment of an Interim Managing Director and the departure of several senior managers presents an opportunity to re-cast the senior leadership team as set out below (under recommendation 7).

The peer team heard encouraging signs that the new administration is now settled and is increasingly focused on delivery demonstrated, for example, by the approval of the Council Delivery Plan. We have also heard that it is demonstrating a wider interest in all aspects of Council services and delivery, as opposed to key projects, and we heard both positive appreciation of this from some staff and concern from others that this greater emphasis on the operations of the Council might detract from a wider strategic focus.

With the challenges facing the Council, a continued focus on building relationships and trust is going to be vital – both within the senior management team and between the CMT and cabinet.

Recommendation 6 – in progress

Leverage the skills and goodwill of partners.

The new administration is engaging with external partners and the Leader is actively engaged in discussions on LGR with neighbouring North Hampshire councils. He sits on the Economic Prosperity Board (which was established following the demise of the Local Enterprise Partnership). He and the new Interim Managing Director are also beginning to engage more positively with significant stakeholders including housebuilders such as Grainger and registered social landlords and aerospace-related businesses. The council is working on place branding with recognised national experts for both Farnborough and Aldershot. Moves are afoot to replicate the Aldershot Town Centre Taskforce in Farnborough.

The peer team welcome the consideration being given to the potential establishment of a 'Place Board(s)' with interested partners.

These developments are encouraging and on-going engagement with partners (private, public and voluntary & community) will be crucial if the Council is to 'end well' and create a positive and lasting legacy as it progresses towards LGR.

Recommendation 7 – not started

Review the organisational structure in line with the administration's new priorities and introduce appropriate policies to shape the approach to flexible

working.

An Interim Managing Director has been appointed in April 2025 and is charged with implementing a revised senior management structure.

The peer team heard that, understandably, the past few months have been uncertain and unsettling for staff. With a revised and settled Cabinet portfolio structure that is aligned to the priorities in the 2025-26 delivery plan, this now provides an opportunity to ensure that the officer structure is designed to support Cabinet in delivering its priorities.

Once that new senior leadership team is in place, work needs to be resumed to ensure that it performs and that team members understand and appreciate each other's learning styles, strengths and weaknesses. Further work then needs to be undertaken to optimise the working relationship between the political and managerial top teams (as set out in recommendation 5 above).

The council has reviewed its policy and framework for hybrid working but it recognises that further refinement might be required to ensure that this framework meets the needs and expectations of individuals, teams and the community.

Recommendation 8 – not started

Alongside any review of structure, reconsider your capacity and capabilities, including the approach to transformation.

The council has rightly prioritised the challenges and changes it needed to address since June 2024 and it is understandable, in the context of impending LGR, that it has not settled on an approach to transformation.

The restructure should consider the resources and capacity the council will need to deliver the financial savings, the Council Delivery Plan and LGR such that the Council can ensure it 'ends well'.

To this end, thought needs to be given both to how the Council can help staff prepare for LGR and to embrace the potential of positive change.

Recommendation 9 – complete

Review and refresh the approach to internal communication

Good progress has been made and the council has clearly moved from 'broadcasting' to actively engaging with staff. Examples include the use of 'Staff live', Sharepoint, Viva Engage, Staff Connect workshops, service-specific initiatives, weekly updates from the Interim MD/Director and the 'Rushmoor Roundup'. We have heard positive feedback from the Leader's approach to communicating with staff.

Positively, on LGR, the Council has committed to a principle of 'staff first' – a commitment to tell staff about any developments before they hear about it from anyone else.

Recommendation 10 – in progress

Do more to shout about your successes and recognise your achievements.

The peer team heard lots of positive examples of how the council is celebrating achievements internally. Examples included visits to the recently completed flagship Union Yard scheme, and the 'staff showcase' which gave staff a chance to showcase what they have done. The council have also run an 'attitude of gratitude' initiative which allowed staff to recognise the contribution of colleagues and a 'values event' enabling peer-to-peer recognition. A corporate staff awards event is being planned and we heard positive feedback on the Christmas party.


The peer team heard less about how the Council is validating and celebrating accomplishments externally, and we understand that this might be picked up as part of the planned Communications Strategy and associated Plan.

4. Final thoughts and next steps

The LGA would like to thank Rushmoor Borough Council for undertaking an LGA CPC Progress Review.

We appreciate that senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation wishes to take things forward.

Under the umbrella of LGA sector-led improvement, there is an on-going offer of



support to councils. The LGA is well placed to provide additional support, advice and guidance on a number of the areas identified for development and improvement and we would be happy to discuss this.

Will Brooks (Principal Adviser) is the main point of contact between the authority and the Local Government Association (LGA) and their e-mail address is

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