

LGA Corporate Peer Challenge

Bedford Borough Council

31st October to 3rd November 2023

Feedback report





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1. Executive summary

Bedford borough has a combination of assets, geography, connectivity and opportunity that would be the envy of many. They are central to addressing the challenges which the council and its partners are very aware are facing the borough. The Administration is seen to be ambitious. Brave, bold and ‘championing’ leadership is required to ensure Bedford capitalises upon the opportunities and potential it has and delivers on the priorities for the borough. There is a crucial place-shaping role for the council to play.

Changes are being seen by people both within the organisation and beyond in relation to the council’s approach and culture. This includes partners indicating a council where the ‘doors are opening’ more. The council is engaging increasingly with the wider local government sector and is demonstrating a growing appetite for drawing in learning and understanding. The changes that people internally feel are taking place in relation to the way the organisation functions and its culture are being viewed positively.

Six months into a new Administration, partners and staff are seeking greater clarity on the future strategic direction of the organisation and the borough. They are looking for this to be reflected in a clear set of priorities that drive the council and its work with partners – with the emerging Corporate Plan as the vehicle for delivering this. There is a sense currently that everything is a priority and ideas and initiatives ‘pop up’ from the Executive in ways that risk generating confusion and undermining delivery. There needs to be rigour around determining the direction and an enhanced undertaking of evidence-based decision-making is integral to this.

The council and Administration are keen to develop the organisation’s next Corporate Plan through engagement with staff, partners and communities. The way the Plan is developed is vital, with the approach being just as important as the output itself.




Partners want to be involved and engaged in shaping the future and working jointly to develop approaches and solutions to Bedford's challenges. They have expertise and capacity that they wish to lend. Engaging communities effectively in shaping the future is also vital, not least in a context of the increasing diversity and growth in the borough and the way in which there are different considerations across different geographies.

The council has described the current period as representing a 'reset' for the organisation. The changing approaches and culture being experienced necessitate the urgent re-clarification of respective roles and responsibilities across the senior political and managerial leadership. Time is of the essence in forging the necessary relationships at this level. The borough and the organisation require collective, corporate and visible leadership. It will be important to invest the necessary time and effort in 'top team' development in the council in order to deliver this.

It is crucial that officers ensure good quality and accurate reports are provided to elected members in a timely way. Ensuring high standards in report writing is important in protecting the reputation of the authority in the eyes of the public and maintaining the trust and confidence of elected members.

There has traditionally been relatively strong financial management by the council. The current year has continued to see cost and demand outstripping budget provision. The financial forecasts, together with a comparatively low level of reserves and the challenging spending situation, place the council's future financial sustainability at risk.

We recommend a completely refreshed approach to budget-setting for the financial years 2025/26 and beyond. This should be founded upon collective endeavour and cross-cutting thinking and there needs to be absolute clarity around roles, responsibilities and timescales. The council also needs to ensure clarification of




respective roles and responsibilities when it comes to budget management at the service level.

There are two areas in relation to the council's financial approach that we feel it is appropriate to highlight in order to stimulate thinking and discussion within the organisation. The first relates to what would seem to be the prevailing attitude towards borrowing – the subject of which prompts very cautionary reactions. In a context of the ambitions and opportunities that exist for the borough, for which capital investment is likely to be key, we feel it would be beneficial for the council to develop further its understanding of approaches to borrowing and what they bring in terms of opportunities and risks. The second area is the 'cuts'-based narrative that seems to be dominating thinking in the organisation. This contrasts with the approach of many councils which is centred upon increased revenue generation through economic growth, for which Bedford is very well positioned.

The ambitions of the Administration reflect a strong desire for capital investment in the borough. Moving to a position in which these ambitions and the related investment are outlined in a more structured and connected way would be beneficial. This could be achieved through the development of a capital strategy, whilst the horizon of the council's capital programme could also usefully be revisited. Appropriate Executive oversight of the council's approach to capital needs to be established.

'Transformation' in the council has clearly secured savings but is widely seen internally to have done so on a directorate-by-directorate rather than cross-cutting basis and to have led to the organisation moving away from having key corporate approaches and provisions. There is now less corporate expertise and support available to guide people in such areas as procurement; HR processes; and finance. Staff also highlighted an under-investment in corporate systems. There is something around ensuring the systems staff and managers are working with are as 'enabling'



as possible and that they can call upon training and expert support to aid their levels of understanding and user-ability. Such 'unintended consequences' are seen to be impacting negatively upon staff retention, resulting in the loss of capacity and expertise and increased proportions of agency staff.

There is an extensive set of arrangements around performance reporting, although it is unclear what difference this is making. The move to establish the new Corporate Plan represents an opportunity to develop a streamlined approach to performance reporting, aligned with financial reporting and weaving in benchmarking.

The previous organisational re-structure is seen to have established a number of anomalies and idiosyncrasies. It feels appropriate to revisit the senior management structure in the coming months.

Our discussions with staff and managers at a range of levels emphasised just how much they want to be informed and involved. This forms part of a broader picture that exists of managers at all levels wanting to feel more empowered and having the scope to shape and influence things, capitalising upon their professional expertise.

2. Key recommendations

There are a number of observations and suggestions within the main section of the report. The following are the peer team's key recommendations to the council:

Recommendation 1

Ensure the approach to developing the Corporate Plan maximises engagement internally and with partners and communities

Recommendation 2

Determine a clear set of council priorities through the development of the Corporate Plan

Recommendation 3

Continue the work to strengthen evidence-based decision-making in the council

Recommendation 4

Engage with partners around the idea of a strategic partnership body being established for the borough

Recommendation 5

Invest the time and effort to forge the necessary relationships across the council's senior political and managerial leadership – investment in 'top team' development

Recommendation 6

Ensure the senior political and managerial leaders are providing the required collective, corporate and visible leadership for the borough and the organisation

Recommendation 7

Urgently re-clarify respective roles and responsibilities across the senior political and managerial leadership

Recommendation 8

Capitalise upon the widespread desire to develop pre-decision scrutiny and, in due course, commission an externally-led review of the approach to Overview and Scrutiny

Recommendation 9

Ensure reports for elected members are always of good quality and accurate

Recommendation 10

In a context of the council's future financial sustainability being at risk, ensure the driving forward of mitigating in-year actions and urgently clarify responsibilities and timescales for determining budget options for 2024/25

Recommendation 11

Establish a completely refreshed approach to budget-setting for 2025/26, founded upon collective endeavour and cross-cutting thinking and with absolute clarity around roles, responsibilities and timescales

Recommendation 12

Corporately provide training for officers on budgetary responsibility and ownership

Recommendation 13

Develop a capital strategy, underpinned by a clear understanding of the council's capital assets base

Recommendation 14

Ensure the council has the expert capacity necessary to leverage appropriate levels of capital funding, including Section 106 monies

Recommendation 15

Extend the council's horizon of the council's capital programme in a context of the ambitions of the Administration and the borough

Recommendation 16

Ensure appropriate Executive oversight of the council's approach to capital

Recommendation 17

Address the series of 'unintended consequences' that are resulting in issues around staff retention, high proportions of agency staff, ineffective use of people's time and managers at all levels being focused on operational matters

Recommendation 18

Develop a streamlined approach to performance reporting, aligned with financial reporting, relating to the new Corporate Plan and include benchmarking to enable the comparison of Bedford with similar councils

Recommendation 19

Establish the necessary mechanisms and approaches to:

- Enhance the informing and engaging of staff across the organisation
- Enable managers at all levels to feel more empowered

Recommendation 20

Switch the thinking, narrative and approach of the organisation to reflect the huge opportunities for the borough and engage, enable and inspire others to ensure they are capitalised upon

3. Summary of the peer challenge approach

3.1 The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected the focus of the peer challenge and peers were selected on the basis of their relevant expertise. The peers were:

- Denise McGuckin, Managing Director, Hartlepool Borough Council
- Councillor Philip Broadhead, Leader of the Opposition, Bournemouth, Christchurch and Poole Council (Conservative)
- Councillor Craig Cheney, Deputy Mayor and Cabinet Member for Finance, Governance and Performance, Bristol City Council (Labour)
- Jake Bacchus, Director of Finance, Westminster City Council and Westminster Builds
- Chris Bowron, Peer Challenge Manager, Local Government Association

3.2 Scope and focus

The peer team considered the following five themes which form the core components of all corporate peer challenges. These areas are critical to councils' performance and improvement.

1. **Local priorities and outcomes** - Are the council's priorities clear and

informed by the local context? Is the council delivering effectively on its priorities?

2. **Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges?
5. **Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?

The council asked that an added emphasis be placed upon the 'Governance and culture' and 'Financial planning and management' elements of the above.

3.3 The peer challenge process

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared by reviewing a range of documents and information in order to ensure they were familiar with the council and its context, challenges and opportunities. The team then spent three and a half days onsite in the borough of Bedford, during which they:

- Gathered information and views from more than 25 meetings, in addition to further research and reading
- Spoke to more than 170 people, including a range of council staff, elected members and external stakeholders

This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government officers and elected members.

4. Feedback

4.1 Local priorities and outcomes

Bedford borough has tremendous assets and huge opportunities, including an increasing diversity and growth in the population and an exciting economic and housing growth agenda. The borough features a mix of urban and rural. The River Great Ouse runs through it and there is a wide range of villages, open spaces, country parks and nature reserves. The towns of Kempston and Bedford, with its Victorian parks and the Embankment and which hosts the Riverside Festival (the second largest free festival in Europe), are home to two-thirds of the population.

The borough is fantastically positioned both in terms of its geography and connectivity. Half of the UK's population is within a two-hour drive. The borough lies close to both the M1 and A1 and is only 30 miles north of the M25. London is as little as 40 minutes away by train and there are five airports within easy reach. There is significant potential offered by the linkage of the borough along the Oxford to Cambridge route of 'East-West Rail'.

The council is playing a role in facilitating housing and economic growth in the borough, including the regeneration that has been delivered in the Riverside area; the creation of the new by-pass; capital investment in schools; and development at Wixams, which ultimately will feature 4,500 new homes. The emerging Local Plan estimates that 1,355 new dwellings will be required in the borough each year through to 2040.

This combination of assets, geography, connectivity and opportunity would be the envy of many. They are central to addressing the challenges which the council and its partners are very aware are facing the borough. The Corporate Plan emerging under the new council Administration outlines priorities around families and the vulnerable; the environment; economic growth; and health and wellbeing. One of the challenges being faced is the quality and offer in the town centres of Bedford and Kempston, with the council having secured 'Town Deal' funding of over £22m. There are stark health inequalities within the borough, with different factors and considerations in different geographies across the urban and rural mix. The new Administration has a strong focus on the need to enhance the quality of the primary care estate. There are also challenges around the levels of educational attainment; connectivity in rural communities; and homelessness, including rough sleeping and demand on temporary accommodation.

The council, with its partners, can be proud of the response to the pandemic, including the 'Community Hub' and 'Community Champions' initiatives. The cost-of-living crisis has seen the emergence of the 'Warm Homes' and 'Warm Spaces' initiatives, with the latter now shifting to becoming 'Welcoming Spaces' in order to help tackle isolation and loneliness. The council received a 'Good' inspection judgement for children's services under OFSTED in November 2021. The council's work and delivery in the area of special educational needs and disability (SEND) represent a leading light nationally, with the very significant progress made in recent years seeing it now acting as an 'improvement partner' supporting the wider local government sector.

Drawing on the 'LG Inform' data and performance information system which the Local Government Association hosts on behalf of the sector, it is feasible to see the following for Bedford when compared to the 15 other councils in its Chartered Institute of Public Finance and Accountancy (CIPFA) 'family' grouping of similar authorities, using the most recently available data:

Where Bedford is amongst the better performers:

- Non-domestic rates not collected as a percentage of non-domestic rates due
- Proportion of population aged 16-64 qualified to at least Level 2
- Percentage of child protection cases which were reviewed within required timescales
- Care leavers in education, employment or training
- Total households on the housing waiting list

Where Bedford is less high performing:

- Average attainment at Key Stage 4
- Permanent exclusions from primary schools
- Proportion of 16 and 17 year olds not in education, employment or training
- Care leavers in suitable accommodation
- Vacant dwellings
- Number of households living in temporary accommodation
- Processing of planning applications – major and minor
- Residual household waste
- Percentage of household waste sent for reuse, recycling and composting

Where performance in Bedford is around the average:

- Council tax not collected as a percentage of council tax due
- Percentage of children becoming the subject of a child protection plan for a second or subsequent time
- Children looked after rate
- Number of affordable homes delivered
- Access to employment by public transport
- Processing of planning applications – other applications

The following is a link to the 'Headline Report' for Bedford in the LG Inform system:

[Headline Report for Bedford Council - Bar Chart View | LG Inform \(local.gov.uk\)](#)

4.2 Organisational and place leadership

Brave, bold and ‘championing’ leadership is required to ensure Bedford capitalises upon the opportunities and potential it has and delivers on the priorities for the borough. There is a crucial place-shaping role for the council to play. This includes both facilitating the ambitions, goodwill, efforts and capacity of local partners in support of a shared borough-wide agenda and maximising influence at a wider geographical level and with Government to secure the greatest benefits for Bedford.

The Administration is seen to be ambitious and is clearly committed to improving things for local people. This is reflected in the desire to support the enhancement of the primary care estate – essentially that of local General Practitioners (GPs) – in certain parts of the borough which, whilst not a mainstay of the role of a local authority, is clearly a priority within a number of communities. Replicating this drive and determination in its engagement with partners beyond the borough – ‘banging the drum’ for Bedford – will be key in Bedford succeeding.


Changes are being seen by people both within the organisation and beyond in relation to the council’s approach and culture. This includes officers crediting the Administration for “seeking to do things in the right way” and its stated commitment in the draft Corporate Plan to “appreciate our staff”. Externally, many partners at the regional, sub-regional and local level indicated a council where the ‘doors are opening’ more at the senior leadership levels, both managerially and politically. The approach being taken to the Integrated Care Board (ICB) across Bedford, Luton and Milton Keynes, with the engagement and leadership being seen from the Portfolio Holder and Chief Executive, amongst others, is a primary example.

The changes that people internally feel are taking place in relation to the way the

organisation functions and its culture are being viewed positively but are also recognised as evolving rather than crystallised. The Chief Executive is held in very high regard both internally and externally. It was interesting to note from our engagement with staff the importance they were attaching to a female appointment having been made at this level. People reflected the Chief Executive as being visible and taking a strong interest in them but, of course, even more people want the opportunity to meet and engage with her. This is particularly the case in parts of the organisation furthest from the 'corporate centre' and Borough Hall, including the council's depot and frontline staff in adult social care.

Six months into a new Administration, partners and staff are seeking greater clarity on the future strategic direction of the organisation and the borough. They are looking for this to be reflected in a clear set of priorities that drive the council and its work with partners – with the emerging Corporate Plan as the vehicle for delivering this. There is a sense currently that everything is a priority and ideas and initiatives 'pop up' from the Executive in ways that risk generating confusion and undermining delivery. In a context of the limited capacity that the council has to call upon, it is important that there is a strategic approach to determining, and that there is consistency in, what officers are asked to deliver. There needs to be rigour around determining the direction and an enhanced undertaking of evidence-based decision-making is integral to this.

Not everything can be delivered at once. Mapping out what is realistically achievable by when will help to develop shared understanding between elected members and officers and avoid misunderstanding and tension developing. An example here relates to implementing solutions to the rapidly escalating demand for temporary accommodation in the borough. The council has commissioned an independent review of homelessness which will help to provide a crucial evidence-base to inform strategic thinking and decision-making, including potential further capital investment. Something similar is taking place in relation to understanding the increasing demand




and expenditure on children's services placements. Benefits will be derived from this in the medium to long-term. Helping people understand the detail of the medium-to-long term approaches will enable realistic expectations and that these are being balanced with a range of mitigating actions to positively impact in the more immediate term.

The strengthening of evidence-based decision-making is a theme that runs throughout this report, whether it relates to developing an enhanced understanding of communities; the way the council is seeking to strengthen its approach to the use of data and intelligence; the potential to streamline performance reporting in order to help drive the organisation; or the development of a better shared understanding of the council's financial position at key junctures.

The council and Administration are keen to develop the organisation's next Corporate Plan through engagement with staff, partners and communities. The way the Plan is developed is vital, with the approach to engagement – and the messages this sends about the council's and the Administration's ways of operating – being just as important as the output itself.

We expand later in this report upon the desire council staff, particularly managers, have for greater involvement and engagement in both the development of the Corporate Plan and more generally. Partners are exactly the same. Voluntary sector partners cited the approach taken at a recent Community Network event, focused on developing the Health and Wellbeing Strategy, as an approach that they would like to see being built upon, including with the Corporate Plan. The re-introduction of the Community Network has been welcomed and partners are keen that it is driven by two-way engagement. The Parish and Town Council Network is also a valuable forum, with the 46 councils invited to participate representing a potentially vital sounding board for the council's ambitions and thinking.



The sentiments expressed by the partners participating in the Community Network and Parish and Town Council Network reflected those of partners more generally – wanting to be involved and engaged in shaping the future and working jointly to develop approaches and solutions to Bedford’s challenges. It was interesting to see the engagement that took place during and immediately after a workshop we held with economic and housing growth partners which explored, amongst other things, the importance of diversifying the borough’s economy. The variety of perspectives that existed and the many contributions that could be made to the thinking and delivery of this demonstrated just how much there is to play for.

Interest was expressed by some partners within the borough in a strategic body being established that could facilitate the shaping of the future direction of Bedford and the development of a shared vision and agenda. Partners at all levels and across all sectors have expertise and capacity that they wish to lend.


Engaging communities effectively in shaping the future is also vital, not least in a context of the increasing diversity and growth in the borough and the way in which there are different considerations across different geographies. The population of just over 185,000 has grown by nearly 18% in the ten years to 2021, which is the fastest rate in the East of England region. There are over 100 different community languages spoken in the borough. One in three people living there describe themselves as belonging to an ethnic minority.

Bedford borough is the sixth most deprived local authority area in the East of England region according to the Indices of Multiple Deprivation. Whilst, nationally, the borough is in the mid-range on overall deprivation, there are unusually large differences in deprivation across the borough, particularly between urban and rural areas. In urban areas, the individual indices acting as the primary contributors to deprivation are identified as being health and disability; income; employment; education, skills and training; and crime. Areas of overall deprivation are mostly

concentrated in the urban areas of Kempston and Bedford town centre. In rural areas, the individual indices of deprivation that feature most prominently are barriers to housing and services and the living environment (including housing quality and air quality). Income deprivation, fuel poverty and overcrowding are more common in the most ethnically diverse urban wards.

Life expectancy gaps for males and females between the most and least deprived quintiles in the borough overall are similar to the national average but this risks masking the large gaps that exist between different wards. For example, life expectancy for males in Oakley is 86.6 years, compared to 72.1 years in Harpur. For females, the starkest difference exists between Kempston Rural (88.9 years) and Harpur (78.2 years). There is a two-fold difference between the wards of Harrold and Cauldwell in the proportion of children being overweight or with obesity in Year 6.

The move by the council to re-commence the regular undertaking of a Citizens' Survey is positive, with the results of the first such survey for several years expected soon. The opportunity exists, though, to take community engagement to the next level. The Denny Review into healthcare inequalities commissioned by the ICB is being held up as a model to follow in terms of effective engagement with communities. The approach undertaken included a focus on Gypsies and Travellers and women from ethnic minority groups living in areas of deprivation. The main themes that emerged related to spoken language, literacy and understanding of culture. Enhanced community understanding and engagement represents a key strand of informing evidence-based decision-making. Partners have a valuable contribution to make around this, including the data and insight knowledge and expertise possessed within the health sphere and those within the voluntary and community sector around their understanding of both geographical communities and communities of interest.



The council's approach to communications (of which engagement internally and externally is a key strand) will be a major factor in determining the authority's success going forward. It is therefore important to ensure the function is valued and appropriately invested in, which contrasts with the approach we understand has been adopted by the Administration in its first few months.

The council has described the current period as representing a 'reset' for the organisation. The changing approaches and culture being experienced as part of the 'reset' necessitate the urgent re-clarification of respective roles and responsibilities across the senior political and managerial leadership. Time is of the essence in forging the necessary relationships across the council's senior political and managerial leadership, with any local authority requiring absolute trust to exist across its senior leadership and for them to have the time and space to engage in collective strategic-level discussion.

The borough and the organisation require collective, corporate and visible leadership, with this being integral in enabling the shared understanding and joint endeavour, both internally and across partners, necessary to effectively address the challenges and realise the opportunities facing Bedford.

It will be important to invest the necessary time and effort in 'top team' development. There are three primary dimensions to this. The first involves aiding the development of the Executive both collectively and individually. Whilst some support around this has been commissioned by the council, we feel that it needs to be put on a more comprehensive and formalised footing. The second entails developing a true corporate leadership approach amongst Directors with the Chief Executive. The third dimension is enhancing engagement and joint working between the Executive and senior managerial leadership both bilaterally (between individual Portfolio Holders and Directors) and collectively (as Cabinet and Management Team). The council

can call upon support which is readily available from within the local government sector around all of this.

4.3 Governance and culture

The number of elected members of Bedford Borough Council increased in May this year from 40 to 46 following a Boundary Review. This, combined with the switch of Administration and the fact that one-third of councillors were newly elected in May, means that there has been a considerable amount of change at the elected membership level.

The elected member induction programme following the elections is seen to have been comprehensive. This reflects a desire on the part of the council to ensure councillors feel supported and enabled to fulfil their roles appropriately and to good effect from the outset. Particular value was attached to the practical and hands on approach of many of the sessions and the input of external speakers was seen to have been useful and engaging. The anecdotal feedback suggests that the programme was, however, intense with it being concentrated in a relatively short period of time. In addition, more opportunities to participate virtually would have been welcomed and establishing clarity earlier over the scheduling of the sessions would have been beneficial. This suggests that there is valuable learning that can be drawn out in order to inform both future induction activity and on-going elected member training and development more generally.

There is a stated commitment on the part of the Administration to ‘work together for the benefit of residents’, referring to the way in which Opposition parties on the council are informed, engaged and enabled to input. The holding of meetings of the Group Leaders with the Chief Executive, both collectively and individually, is positive and there is a universal view that these are beneficial and valued.

Overview and Scrutiny is seen to absorb significant capacity amongst both elected members and officers and to offer greater opportunity that has yet to be realised. There seem currently to be two primary purposes to this crucial governance function of the council. The first is the holding to account of the Executive – the scrutiny element. The second is fulfilling an elected member thirst for information and updates – which results sometimes in an approach that could be compared to the ‘committee system’ of local government.

In talking with elected members in a variety of capacities, we identified a widespread (although not universal) desire to undertake a greater level of pre-decision scrutiny – the Overview element. This was driven by a desire for them to feel they are being able to input their experience and understanding in a way that helps to shape the council’s thinking and approach in key areas of policy and project development, thus deriving greater benefit for communities and increased fulfilment in their role. We would encourage the council to explore this potential adaptation in approach. Over and above that, we would also recommend the council commission an externally led review of its approach to Overview and Scrutiny.

It is important to ensure the Elected Mayor’s Office has the appropriate officer capacity. People are currently noticing an issue around responsiveness when seeking to make contact. We understand the posts that exist within the Office will shortly having been fully recruited to in a way that should address this matter.

Elected members highlighted a variety of avenues that exist for them to raise ward casework matters. This ranges from the automated systems that process reports of potholes and fly-tipping to an informal system of e-mail, telephone and face to face contact with officers for a wide range of other issues. Councillors are largely happy with the current arrangements and, crucially, feel that officer responsiveness is generally good.

Whilst there could well be an argument of ‘if it ain’t broke, don’t fix it’, we see the potential to develop a more systematic and managed approach to casework that aids consistency, efficiency and improvement. Casework represents a valuable source of learning for the council, particularly in the identification of trends and patterns in issues being reported in a way that can enable co-ordinated and proactive approaches, rather than individualised responses, to be established.

There is also a risk under the current system of certain functions and individuals coming to be seen as the ‘go to’ people to get things done on ward matters, which risks overloading and diverting them. Also, establishing clarity over the timescales in which elected members might reasonably expect to receive a response would be beneficial. Developing a system which enables responses to be tracked would help to avoid things ‘falling between the cracks’, facilitate greater consistency in responsiveness and bring benefits in learning around the responsiveness of the organisation.

Another aspect of liaison between elected members and officers is that of ensuring councillors are kept informed of things taking place in their ward. This would seem to be ‘patchy’ in the council and can generate tension in relationships. It is right and proper, both for them and for the organisation, that councillors can be seen to be ‘in the know’ when approached by their residents on developments in the ward. Some councils have developed a simple system of regular ward updates that draws information from the likes of planning and highways and shares this with the relevant councillor/s.

Finally in relation to governance, it is crucial that officers ensure good quality and accurate reports are provided to elected members in a timely way. We gleaned instances of basic inaccuracies in reports, such as the ward/s that they related to, and ‘typos’ that don’t reflect well on the report author. In other instances, the ‘implications’ elements of reports were seen to lack robustness and there had even

been one or two issues relating to ‘version control’ around reports entering the public domain. Report writing provides a window into a council and forms impressions in people’s minds. Ensuring high standards around them is important in protecting the reputation of the council in the eyes of the public and maintaining the trust and confidence of elected members.

4.4 Financial planning and management

There has traditionally been relatively strong financial management by the council. This is reflected in the Auditor’s Annual Report for 2020/21 which highlighted the council as having a strong track record of delivering its savings plans and achieving its forecast outturn with few variances. The report also outlined the council as having had a clearly defined budget-setting and budget-monitoring process, with financial performance and forecasts regularly reported through the budget report and Medium-Term Financial Strategy (MTFS) updates. It also referenced there being robust on-going monitoring against budgets. The Annual Audit Reviews for 2021/22 and subsequent years have not yet been published.


In 2022/23, there was a £2.6m overspend after a range of actions had been undertaken by the council through the course of the year. For the 2023/24 budget, £17m was built in for inflation cost pressures and £13m for demand pressures. However, the current year has continued to see cost and demand outstripping budget provision, with a projected overspend of £8m (equivalent to 5.3% of net revenue budget) being reported in September.

It is important to highlight that the nature of the financial pressures being experienced by the council are no different to those being experienced by upper tier councils across the country – namely demand for temporary accommodation linked to homelessness; demand for adult social care; and, within children’s services, cost increases around specialist care places and school transport.

The council is seeking to develop its understanding of the approach in some of the key services where both demand and cost are rising significantly. This includes a review of homelessness led by Andy Gayle as a recognised expert in this field. Another example is a 'Use of Resources' view in the area of adult social care, which is being commissioned from the LGA. The position in relation to the increasing demand and costs for children's social care placements is also being looked at. The undertaking of such learning is important in informing evidence-based decision-making but will clearly take time – both in terms of the diagnostic work being completed and reported and appropriate measures being determined and implemented by way of response. This necessitates the continued driving forward of mitigating in-year actions in the meantime. Such actions have seen the projected overspend of £8m reduced from an initial forecast of over £12m.

The council's General Fund balance currently stands at £11m, which is equivalent to 7% of the net revenue budget and is close to the council's own risk-assessed level. The CIPFA Financial Resilience Index compares councils' financial strength, including the level of reserves as a proportion of net revenue expenditure and change in the level of reserves. The comparisons involved must be treated with some caution because of the inclusion of technical reserves. However, subject to that caveat, the council's total reserves at the end of the financial year 2021/22, as a proportion of net revenue expenditure, were at around the lower quartile for unitary authorities and the same applied to change in reserves over the previous four years. There was a reduction in the council's overall reserves of £13m in 2022/23 and current forecasts suggest that these will reduce further again by the end of the current financial year, thus reducing financial resilience. The financial forecasts, together with the comparatively low level of reserves and the challenging spending situation, place the council's future financial sustainability at risk.

In September this year, the forecast budget gap for 2024/25 was £11.4m, with a total gap over the medium term of £38m. The council has indicated that work is underway



to develop budget options for next year. This is a key area where the changing approaches and culture being experienced as part of the 'reset' necessitate the re-clarification of respective roles and responsibilities across the senior political and managerial leadership. This needs to be supplemented with urgent clarification for the wider organisation of the approach, timescale and responsibilities around the development of budget options for next year in order that people can be reassured and the appropriate engagement, planning and activities undertaken.

Building on this, we recommend a completely refreshed approach to budget-setting be devised for implementation next year for the financial years 2025/26 and beyond. This should be founded upon collective endeavour and cross-cutting thinking, reflecting the complex and interwoven nature of the challenges being faced by communities and councils and the opportunities that exist, which increasingly don't fit neatly within individual directorate or service portfolios and budgets. There also needs to be absolute clarity around roles, responsibilities and timescales in the refreshed approach.

The 'reset' has also generated the need to ensure clarification of respective roles and responsibilities when it comes to budget management at the service level. In this context, corporately provided training for officers on budgetary responsibility and ownership would be beneficial.

Some of the approaches that have been taken around budget-setting at Council could usefully be enhanced. This links closely to the theme of strengthening evidence-based decision-making in the council and what we highlighted earlier in relation to the need to ensure good quality and accurate reports for elected members. It is important to ensure that an up-to-date MTFS is available to elected members at the time of setting the budget. The council is committed to making this available next year in January rather than in March, which seems traditionally to have been the approach. The same applies to providing up-to-date information on the

current year's financial position to councillors in the February, with them having to rely in recent years on financial updates from the November.

There are two areas in relation to the council's financial approach that we feel it is appropriate to highlight in order to stimulate thinking and discussion within the organisation. The first relates to what would seem to be the prevailing attitude towards borrowing – the subject of which prompts very cautionary reactions, particularly on the part of elected members. We noted that the council's historic borrowing levels are relatively low, as is the amount of borrowing required to support the capital programme. In a context of the ambitions and opportunities that exist for the borough, for which capital investment is likely to be key, we feel it would be beneficial for the council to develop further its understanding of approaches to borrowing and what they bring in terms of opportunities and risks.

The second area is the 'cuts'-based narrative that seems to be dominating thinking in the organisation. This contrasts with the approach of many councils which is centred upon increased revenue generation through economic growth, for which Bedford is very well positioned.

Ensuring the council has the expert capacity necessary to leverage appropriate levels of capital funding would be a logical investment given what we gleaned in relation to the authority's challenges around maximising levels of affordable housing and Section 106 contributions from developers.

The council's capital programme is agreed on a three-year rolling basis. The planned capital expenditure over the period from 2023/24 to 2025/26 is £250m. Of this amount, £28m is to be funded from borrowing. Not uniquely to Bedford, there has been slippage in the delivery of the council's capital programme, with the capital outturn report for 2023/24 indicating £52m had been spent out of a total programmed


expenditure of £75m in 2022/23. This level of slippage was similar to that seen in earlier years.

The ambitions of the Administration reflect a strong desire for capital investment in the borough, including the primary care estate and the town centres of Bedford and Kempston. Moving to a position in which these ambitions and the related investment are outlined in a more structured and connected way would be beneficial. This could be achieved through the development of a capital strategy, crucially underpinned by a clear understanding of the council's capital assets base. The horizon of the council's capital programme could also usefully be revisited, with us suggesting it look forward at least ten years. Appropriate Executive oversight of the council's approach to capital also needs to be established, with the strategic body currently in place – the Capital Asset Forum – comprising only officers and not being seen to be operating to optimum effect.

4.5 Capacity for improvement

The council is engaging increasingly with the wider local government sector, at both regional and national level. One example is the Chief Executive's lead role on the health inequalities agenda regionally. The Director of Children's Services sits on the Board of the Association of Directors of Children's Services, whilst the Director of Adult Services is the Sponsor for the 'People at the Heart of Care' adult social care reform programme for the region.

The council is demonstrating a growing appetite for drawing in learning and understanding. The council undertook an LGA 'Test of Assurance' in the area of adult social care, in response to which the council has established and recruited to three new senior roles. The commissioning of the corporate peer challenge is, of course, another example – with this being its first since May 2016. There is also the work we touched on earlier that is being undertaken to develop understanding around homelessness; the use of resources in adult social care; and increasing demand and



costs for children's social care placements. All of this is reflective of the need to enable greater evidence-based decision-making becoming increasingly widely recognised in the council.

The greater use of data and insight is a key strand of enhancing evidence-based decision-making. The council recognises that there is currently a lack of an insights-driven approach to service planning and that manual processes and decentralised data is creating inefficiencies and losing opportunities. It is also aware of the need to attract, develop and retain business intelligence and analytical skills. As part of its approach here, the council has created a Data Academy to enhance the skills set and capacity of existing staff. Enhancing the use of data and insight is particularly important in a context of Bedford as the increasingly diverse and growing borough that we outlined earlier. We previously outlined the approach of the Denny Review and the way this has demonstrated the importance of, and ability to, develop rich insight to communities. The approaches and expertise being demonstrated within Public Health in this field reflect a model for the council to build upon, ideally linking with partner organisations as closely as possible in order to maximise understanding of 'place'. Examples of the work Public Health are engaged in include the creation of a dynamic Joint Strategic Needs Assessment for the borough and the work to establish a Population Health Intelligence Unit on behalf of the ICB.

'Transformation' in the council has clearly secured savings, with these totalling around £31m between 2017 and the end of the last financial year. Based on our discussions with staff at different levels, this is widely seen to have done so on a directorate-by-directorate rather than cross-cutting basis and to have led to the organisation moving away from having key corporate approaches and provisions. As an example, people outlined the way in which they have seen things shift away from corporately provided training in such areas as IT, including use of the council's Agresso system; manual handling; heavy goods vehicle (HGV) driver training; and asbestos safety. They reflected the provision of such training now needing to be


funded, and potentially sourced, by individual directorates and services. Managers also reflected less corporate expertise and support being available to guide them in such areas as procurement; HR processes, including recruitment; undertaking Equalities Impact Assessments; and understanding budgets.

Also highlighted by staff was an under-investment in corporate systems which sees them dedicating significant proportions of their time to manual data inputting (as touched on earlier), for example in relation to performance data. Whilst there may be an element of frustration within all of this which is common to many councils, linked to the requirement for managers to 'self-serve' more, there is something around ensuring the systems they are working with are as 'enabling' as possible and that they can call upon training and expert support to aid their levels of understanding and user-ability.

The above reflects what we have termed a set of 'unintended consequences', whereby bottom-line budget savings have been secured through reductions in corporate capacity and provision but with the 'cost' now being borne by directorates and services. Such 'cost', whilst there are financial aspects to it, also has wider dimensions. Staff reflected a feeling of being less 'invested in' than before. Managers indicated that they feel they are finding themselves using their time ineffectively and being focused essentially on administrative and operational matters, to the detriment of contributing at the more strategic level.

For us, the low level of take-up of staff performance and development appraisals in the council is symptomatic of the situation we have outlined. Whilst this needs to be addressed, the solution must be developed within a wider context of considering how the council invests in and develops its people rather than simply moving to 'mandating' their undertaking.

The 'unintended consequences' are seen to be impacting negatively upon staff




retention, resulting in the loss of capacity and expertise and contributing to high proportions of agency staff being employed. Work is underway to develop an 'employee value proposition' focused on establishing Bedford very clearly as an attractive organisation where people feel valued and want to come and work. Addressing the implications of the 'unintended consequences' and under-investment in corporate systems need to be made central to this.

There is an extensive set of arrangements around performance reporting at the Executive level. This includes monthly and quarterly performance meetings with the Mayor; monthly and annual Executive dashboards; and performance being considered in a variety of ways at the likes of overview and scrutiny, Management Team and 'performance clinics'. However, it is unclear what difference this set of arrangements is making. The move to establish the new Corporate Plan represents an opportunity to develop a streamlined approach to performance reporting, considering both what information and data is gathered and reported and the efficiency and effectiveness of the systems that support this. A move to align performance reporting with financial reporting would also be beneficial, enabling both to be seen 'in the round'.

There is also a crucial role for benchmarking to play in performance management in the organisation. We noted from the Executive dashboard that the approach to comparing of performance within that rests largely in considering how the council is performing currently relative to how it did so the previous year. Enabling increased comparison of Bedford with similar councils would further enhance the evidence-base to inform decision-making. The free-to-use LG Inform system that exists for the sector, and data from which we drew upon earlier in this report, can be helpful here.

The previous organisational re-structure is seen to have established a number of anomalies and idiosyncrasies. Some of these arrangements have subsequently been addressed but others remain outstanding. In the light of some changes being



seen currently within the managerial leadership, it feels appropriate to revisit the senior management structure in the coming months. This could potentially be coincided with the Executive taking stock of the Portfolio structure. There has always been an intention to review the Cabinet arrangements after a period of time during which priorities, focus and effort have deliberately been concentrated elsewhere other than structure. Six to twelve months into the new Administration feels the right sort of timescale to undertake this.

Staff feel that internal communications has improved in recent times, with the 'OneTeam' theme central to this. This entails a weekly e-mail to all staff and online sessions, led by the Chief Executive, for all staff to participate in. The move to undertake regular 'Pulse Surveys' and the creation of the 'Bedford Leaders' forum for senior managers represent further positive internal communications developments but there is a major job of work to do around informing and engaging staff across the organisation. Perversely, this is emerging at the same time as the senior political leadership is seeking for the related resource to support and enable it to be reduced.

Our discussions with staff and managers at a range of levels emphasised just how much they want to be informed and involved, including, for example, the opportunity to shape the Corporate Plan. There is a chance to extend the 'OneTeam' initiative through increased opportunities for two-way engagement. 'Bedford Leaders' can also be enhanced, with people we spoke to indicating they would welcome a greater balancing between 'broadcast' mode and one that aids the development of shared understanding and cross-cutting approaches. This forms part of a broader picture that exists of managers at all levels wanting to feel more empowered and having the scope to shape and influence things, capitalising upon their professional expertise.

5. Next steps

It is recognised that the council's senior political and managerial leadership will want to consider, discuss and reflect on these findings.

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The corporate peer challenge process includes a Progress Review within twelve months of the corporate peer challenge. This provides space for the council's senior leadership to update peers on the authority's progress against the action plan and discuss next steps.

In the meantime, Rachel Litherland, Principal Adviser for the East of England region, is the main contact between your authority and the Local Government Association. Rachel is available to discuss any further support the council requires and can be reached via rachel.litherland@local.gov.uk