LGA Corporate Peer Challenge

Warwickshire County Council

Tuesday 8th to Thursday 10th March 2022

Feedback report

1. Executive summary

This is a council that is ambitious both for the county of Warwickshire and in relation to how the organisation operates. A new Council Plan was adopted last month, with this acting as the "guiding light" for the organisation and which reflects that, in order to enable the delivery of the ambitions, the organisation will need to be a great council and partner.

The council's Leader and Chief Executive are held in high regard both internally and externally. There is a clear sense of them being action-orientated and supportive of those they are working with. There has been a fundamental shift in the managerial leadership approach within the council, driven by the Chief Executive and supported by the Corporate Board, reflected in a more enabling and permissive culture.

There is a strong sense of the council being a very different organisation from a few years ago, with people reflecting it has changed for the better. The authority's transformation agenda and revised approaches demanded by the pandemic have been two of the primary drivers behind this. A clear set of organisational values and behaviours have been central to the changed organisation. The council is genuinely focusing on staff well-being and it is clear that people enjoy working in the organisation.

A set of socio-economic disparities within Warwickshire which elected members, staff and partners demonstrated they are very conscious of. Data and insight are being increasingly seen as important within the organisation. In order to enhance this, we see benefit in the development of an increasingly cross-partner approach to its use, particularly to inform targeted activity focused on communities with poorer outcomes. Linked to this, a council policy position on the government's 'Levelling Up' agenda is being developed for the summer. The council is positioning this as "a catalyst … to tackling inequality in Warwickshire". To deliver on this, we would advocate a place-based partnership plan focused on targeted approaches.

The council has solid partnerships with organisations across the county as well as the wider region. It is generally seen as collaborative, approachable and part of a wider team across the range of partnership geographies. Taking forward the

ambitions for Warwickshire would potentially be further enabled through an over-arching partnership body being established for the county – 'Team Warwickshire'. The organisation, with partners, is seen to have responded well during the pandemic and relationships not just with partners but also with communities have been enhanced through it. Building on the existing Voluntary and Community Sector Strategy and learning from the pandemic, 'Community Powered Warwickshire' has emerged as a central theme of the new Council Plan and as a reflection of the strength that exists within the county's communities. The council is clear that this is fundamentally about the ways in which the council and others act and work. The ethos reflects a council that is increasingly 'willing to let go'. We would urge it to continue on that journey, focusing on playing an 'enabling' role and creating the conditions which enables key aspects of Warwickshire life to flourish.

The council has traditionally valued good governance and this is being maintained. With around half of those councillors elected in May last year being new to the county council, the authority has worked to familiarise them with established ways of working and governance arrangements. There are positive relationships between elected members and officers, centred on trust and mutual respect. It is important for the council to identify and implement mechanisms and approaches that would enable councillors to raise, and be more aware of progress on, casework matters.

The change in the political landscape of last year, with an increased Conservative majority following the elections, provides an opportunity for more distributed political leadership. There is already evidence of good cross-party working but this feels as though it could be built on.

The council is seen to have delivered sound financial planning and management over many years. It has planned prudently and established substantial levels of reserves and there has been effective delivery of savings to date. The council's medium-term financial strategy (MTFS) to 2026-27 was agreed last month and is aligned with the Council Plan. Effective demand management will be crucial in delivering the ambitions of the MTFS. Given demand management is an area that the council acknowledges has been "variable" to date, the approach will need to be robust.

Investment is being made in the short term in adult services, children's services and education in order to achieve change through transformation and enable savings to be derived in later years. This fits with the council's approach of proactively funding the cost of change. There will need to be clear and robust oversight and governance across the organisation in order to ensure that the anticipated return on investment is realised.

Overall, change is seen to have been well managed in the organisation during the transformation journey. The pandemic has significantly shifted ways of working further for the council. It feels like an important moment now to take stock and clarify what is being sought moving forward.

We see the above forming part of a taking stock generally by the organisation. There was some talk during our visit of the council needing to "mature our operating model" and gear up for the next stage of transformation. This needs to be balanced with what we also picked up around the importance people see of consolidating and embedding the changes of recent years.

There is a shift taking place in relation to where education sits in the organisation and this transition needs to be managed, alongside a more focused approach to improvement across the service. We would suggest that the council puts in place an externally chaired improvement board that oversees the multiple changes and challenges.

The council has made a commitment to be carbon neutral as an organisation by 2030 and to achieve this for the county as a place by 2050. People we spoke to indicated Warwickshire has a "great vision and ambitions" around the climate change and net zero agenda. However, they also reflected that the council needs to invest in this agenda as a place leader and that there is much work to be done as an organisation and with partners to develop the necessary approaches and solutions. There has been progress on this agenda in a wide range of areas to date. Difficult decisions will need to be made going forward concerning both policy and resource allocation.

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:

- Develop a cross-Warwickshire approach to Levelling Up to consider and respond to disparities in outcomes in the county
- Establish a 'Team Warwickshire' partnership for key statutory partners and umbrella voluntary and community sector organisations with key areas of focus. Examples might include addressing socio-economic disparities, tackling climate change and ensuring a strategic economic growth plan exists for the county
- Take the opportunity for more distributed political leadership in the context of the changed political landscape (post 2021 elections), through a range of mechanisms to include both the Administration and Opposition
- Put in place an appropriate governance structure to oversee the multiple changes and challenges relating to the education service
- Establish a clear shared understanding of the approach to, and related expectations around, the 'return to the workplace'
- Review and ensure clarity around the leadership development offer for managers at different levels of the organisation
- Develop an approach and programme to aid cross-organisational working below Assistant Director level
- Continue to drive forward the use of data and insight to inform decision-making and service improvement
- Take stock as an organisation – consolidating and embedding

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:

- Rachael Shimmin, Chief Executive, Buckinghamshire County Council
- Councillor John Hart, Leader, Devon County Council
- Debbie Knopp, Director of Transformation Delivery and Support, Essex County Council
- Ariane Crampton, Head of Climate Programme, Wiltshire Council
- Mark Palethorpe, Executive Director of Integrated Health and Social Care and Accountable Officer, St Helens Council and NHS St Helens Clinical Commissioning Group
- Chris Bowron, Peer Challenge Manager, LGA

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 also asked the peer team to provide observations and feedback in relation to the approach to:

- The transformation journey – progress made, cultural change delivered, lessons learned and plans for the next phase of transformation (the readiness, capability and capacity to deliver the new Council Plan)

- Learning from the pandemic – has the council identified the strengths to build on, issues to tackle and weaknesses to strengthen?

- Place and partnerships – partnership and relationship focus including Community Powered Warwickshire and the Integrated Care System

- Climate change and delivering carbon net zero ambitions

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 that they were familiar with the council and the challenges it is facing. The team then spent three days onsite in Warwickshire, during which they:

- Gathered information and views from more than 40 meetings, in addition to further research and reading.
- Spoke to more than 100 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 members.

4. Feedback

4.1.   Local priorities and outcomes

A new Council Plan was adopted last month, with this acting as the "guiding light" for the organisation. It outlines three strategic priorities for Warwickshire:

- To have a thriving economy and places that have the right jobs, skills, education and infrastructure

- To be a county where all people can live their best lives

- To be a county with a sustainable future

These priorities are underpinned by seven areas of focus featuring elements such as safe and inclusive communities; digital connectivity; improved transport options; tackling climate change; improving life opportunities for children and young people; and supporting people to live independent lives. The Council Plan reflects that, in order to enable the delivery of the ambitions, the organisation will need to be a great council and partner.

Developing a more integrated approach to planning as an organisation, encompassing data and insight; policy and strategy; performance; resources; and risk has been a key focus of the last year and the council is confident that the work on this so far means the Council Plan and the Medium-Term Financial Strategy are now aligned. Such integrated planning is designed to offer, starting in the coming months, greater insights to performance and the progress being made on key projects and initiatives. It will enable these aspects to be considered from different levels, such as Cabinet, Overview and Scrutiny, Leadership Team and individual service areas, ranging from offering a broad strategic overview to a more detailed set of insights relating to a specific metric.

Integrated planning will be underpinned by a Delivery Plan that is intended to go to Cabinet in April. In addition, Cabinet on 10th March considered a new performance framework for the council. This framework has usefully been informed by a cross-party working group of elected members and provides a focus on outcomes. The Delivery Plan will draw on the performance framework; show the tangibles of what is being delivered and the impact they will have; and act as a mechanism to reassure elected members and the public that the council is focusing on the right things and making a difference. The process of devising the Delivery Plan will aid prioritisation within the council, with many of our discussions touching on the need for the organisation to determine what it is going to stop doing.

The performance framework is to be supported by the new council Consultation and Engagement Framework which has recently been developed. Key elements of this include the 'Voice of Warwickshire' residents' panel and a variety of forums enabling young people to provide their views and perspectives, such as the Youth Council, Children in Care Council and Care Leavers Forum.

The 'State of Warwickshire' 2022 report and Joint Strategic Needs Assessment provide detailed insights to the make-up of the county. These reflect a set of socio-economic disparities within Warwickshire which elected members, staff and partners demonstrated, during our discussions, that they are very conscious of. The sorts of areas where disparities exist across the county include educational attainment, health, access to quality jobs and connectivity. One example is life expectancy being 8.2 years lower for men and 5.7 years lower for women in the most deprived parts of the county. In addition, over six per cent of Warwickshire's population live in the 20% most deprived areas in England and Wales, which tend to be located in the north of the county. Around 19,000 children live in relatively low-income families and 14.5% of the population was in fuel poverty in 2019 – with the latter being likely to be increasing with rising energy costs. At Key Stage 4 (young people aged 14 – 16) there is a 37% gap in educational attainment between disadvantaged pupils and non-disadvantaged pupils. Whilst educational attainment levels are generally high, there are disparities, reflected in poorer outcomes in Nuneaton and Bedworth.

Data and insight are being increasingly seen as important within the organisation and there are examples of it informing decision-making and service delivery. This

includes the move to establish the council's own children's home provision within Warwickshire.

In order to enhance the use of data and insight further, we see benefit in the development of an increasingly cross-partner approach to its use, particularly to inform targeted activity focused on communities with poorer outcomes. Linked to this, a council policy position on the government's 'Levelling Up' agenda is being developed for the summer. The council is positioning this as "a catalyst … to tackling inequality in Warwickshire". To deliver on this, we would advocate a place-based partnership plan focused on targeted approaches with SMART (specific, measurable, achievable, realistic and time-bound) actions. In devising this plan, we would encourage the council and partners to 'think big' and focus on opportunities around major economic growth, with carbon net zero at their heart, which fulfil the Council Plan ambitions around a thriving economy and places that have the right jobs, skills, education and infrastructure.

The council can be proud of its Children's Services being rated as 'Good' by Ofsted. Special Educational Needs and Disability (SEND) was judged through a Local Area Inspection as 'Requires Improvement'. There is a shift taking place in relation to where education sits in the organisation and this transition needs to be managed, alongside a more focused approach to improvement across the service, particularly regarding home to school transport, SEND and educational attainment. We would suggest that the council puts in place an appropriate governance structure to oversee the multiple changes and challenges relating to the education service.

Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services judged Warwickshire's Fire and Rescue Service as 'Requires Improvement' against efficiency, effectiveness and people.

The following reflects performance information drawn from the LG Inform system that the Local Government Association hosts for the sector. The data is the latest available, which is from 2020/21, and the comparator group ('nearest neighbours') are the fifteen other county councils nationally that Warwickshire is deemed by the Chartered Institute of Public Finance and Accountancy (CIPFA) to be most similar to.

Areas where Warwickshire can be seen to be performing well include:

- Number of affordable homes delivered – second highest
- Delayed transfers of care – third best performing
- New business registration rate – third highest
- Proportion of population aged 16 – 64 qualified to at least Level 2 – third highest
- Residual waste per household – fifth best performing
- Percentage of waste sent for reuse, recycling and composting – sixth best performing
- The proportion of 16 – 17 years olds not in education, employment or training (NEET) was, at 3.8%, lower than the regional and national averages in 2021
- Warwickshire has been the UK's top performing county council for highway maintenance for the last two years.

Areas that the council needs to be mindful of include:

- Proportion of children becoming the subject of a child protection plan for a second or subsequent time – second highest
- Proportion of child protection cases reviewed within required timescales – lowest performing
- Children looked after rate per 10,000 children aged under 18 – third highest
- Vacant dwellings as a percentage of all dwellings in the area – second highest

4.2.   Organisational and place leadership

One of the areas that the council asked us to provide a focus on during our work was the learning from the pandemic. What emerged around this links very strongly to the theme in this section of the report – that of organisational and place leadership – and we would summarise it as follows:

- The power that exists within Warwickshire's communities in relation to them being able to support themselves

- The way in which relationships have been strengthened between key partners in the county through the work delivered around the response and recovery

- The benefits being gleaned from an enhanced organisational focus on staff well-being – and the value that is emerging from that in the way the council better understands its workforce and how people are feeling valued and engaged

- What has been realised in terms of the benefits hybrid working has to offer in relation to work-life balance, efficiency and the environment – recognising, within an overall context of the council having made significant strides in its approach to workplace well-being, that there are also risks that emerge from limited face to face contact regarding maintaining/building relationships; new starters integrating; silo-working; and people's mental health issues going un-noticed

- Officers feeling an increased sense of them operating in a climate of trust and autonomy in an unprecedented and crisis situation that demanded responsiveness, creativity and risk-taking – and linked to this an agility around decision-making in an emergency

The above provides an important context for key aspects of this and other sections of our report.

Warwickshire operates in a complex geography of partnerships, ranging from the county's two-tier local government structure, across the changing health partnership landscape and on to the close working relationships with Coventry and Solihull and its non-constituent membership of the West Midlands Combined Authority. The council is viewed positively by a wide range of partners within the county, the sub-region and regionally. It is generally seen as collaborative, approachable and part of a wider team across the different partnership geographies. Within the county, there are tensions linked to the 'unitary debate'.

The organisation, with partners, is seen to have responded well during the pandemic and relationships not just with partners but also with communities have been enhanced through it. Examples include 4,000 laptops and wi-fi connections being provided to help vulnerable children learn; 800 volunteers working with the council to help local people, including undertaking befriending calls with those most clinically

vulnerable; 105,000 contacts being made with vulnerable people; 10,800 parcels of food and household essentials being distributed to those isolating; nearly 11 million pieces of personal protective equipment (PPE) being supplied to key workers; and over 300,000 lateral flow tests having been conducted by Warwickshire Community Testing. Warwickshire has been seen as a national exemplar in relation to both shielding and testing – indeed, along with Coventry and Solihull, it was recognised as a Beacon for 'Test and Trace'. There has also been a focus on helping Warwickshire businesses through the challenges of the pandemic, centred upon the 'Survive, Sustain and Grow' business support initiative and including grant and loan schemes, digital training for retail businesses, a skills hub and tourism and marketing initiatives.

Many partners can relate strongly to the council's strategic priorities for Warwickshire which we outlined earlier. The council is engaged in discussion around Devolution Deals at both the Warwickshire and West Midlands Combined Authority levels, with a focus on how the fulfilment of the priorities and areas of focus in the Council Plan can be aided through such arrangements. Taking forward the ambitions for Warwickshire would potentially be further enabled through an over-arching partnership body being established for the county – 'Team Warwickshire'. A number of partners indicated they would benefit from and value being part of such an arrangement. The value would lie in creating a mechanism that would supplement the already strong bi-lateral relationships that exist between individual partner organisations by enabling the coming together of a 'whole' at regular intervals. We see this having real value to offer in areas such as fulfilling net zero carbon ambitions and developing a shared understanding and narrative around the strategic economic plan for the county, which currently seems unclear.

The council's Leader and Chief Executive are held in high regard both internally and externally. There is a clear sense of them being action-orientated and supportive of those they are working with. There has been a fundamental shift in the managerial leadership approach within the council, driven by the Chief Executive and supported by the Corporate Board, reflected in a more enabling and permissive culture.

The council highlights it has a growing 'commercial' appetite. This builds upon a long-standing track record of trading services, in such areas as legal services, archaeology, education and trading standards. Recent joint discussions at senior levels politically and managerially in the council helped to develop a shared

understanding of the council's risk appetite around investment, with this having been integral in informing thinking around the commercialisation agenda going forward. Out of this have emerged the two concepts of the 'Recovery and Investment Fund' and the 'Property and Development Group'. Whilst these initiatives are badged by the council as being 'commercial', they have at their heart the driving forward of the strategic priorities in the Council Plan, including housing and the economy. This is reflective of the council's definition of 'commercialism', which entails investing in ways that provide financial returns but doing so in a way that delivers wider outcomes for Warwickshire. This is a wider definition than may be seen elsewhere and the council will wish to ensure key stakeholders appreciate the extent to which it is striving to secure place-shaping and 'return on investment' simultaneously. Such understanding will be beneficial in a context of issues around how public money is seen to be being used by councils being of national importance.

Building on the 'Connecting Communities Voluntary and Community Sector Strategy 2020-2025' and learning from the pandemic, the 'Community Powered Warwickshire' programme has emerged as a central theme of the new Council Plan and as a reflection of the strength that exists within the county's communities. This concept is one of the areas that the council asked us to provide a focus on during our work. The word 'community' covers both geographic communities and communities of interest, such as those from different faith backgrounds or people with autism. As the 'Community Powered Warwickshire' agenda moves forward, and there is a workshop being held shortly to further develop the thinking around it, the council is aware of variability in terms of community capability and capacity and the importance of developing that further where the need exists.

Six 'ground-breaker projects' have been established, including the 'Transforming Nuneaton' programme and a £1m Social Impact Fund focused on tackling exclusion in those areas, and among those groups, most affected by Covid-19. However, the council is clear that 'Community Powered Warwickshire is much wider than 'projects' – being fundamentally about the ways in which the council and others act and work i.e. relationships, culture and behaviours. Certainly the ethos reflects a council that is increasingly 'willing to let go'. We would urge it to continue on that journey, focusing on playing an 'enabling' role and creating the conditions which enables key aspects of Warwickshire life – including the economy, the environment, health and well-being and community power – to flourish.

The council also asked us to provide a focus in our work on the Integrated Care System (ICS) that is emerging for Warwickshire. There is a "mature health and care system" that provides a strong foundation for the ICS and there are good working relationships across the county and Coventry linked to health outcomes.

There is evidence of significant investment in understanding population health and close working with the Kings Fund and key partners. This has led to a joined-up approach to tackling inequalities at a local level and links very much to the Consultative Forum which gives senior leaders the space to think strategically in an informal environment.

There is close working with the Acute Trusts. The Assistant Director becoming a joint appointment is a very positive move and not only demonstrates commitment to integrated working but also provides an environment to develop the place-based commissioning offer. There are real opportunities to develop commissioning further with the new Chief Integration Officers being appointed within the Integrated Care Board, particularly with Primary Care Networks and social prescribing. It is timely for the council to consider its appetite for future pooling of budgets and integrated posts.

'Discharge to assess' within Warwickshire has received national recognition for good practice. The Acute Trust acting as the lead/host provider is seen as the glue in the system.

The preparation required for the new CQC assurance visits cannot be underestimated and will be akin to an inspection of adult social care and the NHS commissioners and providers. This will require a whole system approach and ownership. It is therefore important that providers, commissioners, voluntary, community, faith and social enterprise sectors, alongside people with lived experience, are working together to redesign a sustainable health and care market.

4.3.   Governance and culture

There is a strong sense of the council being a very different organisation from a few years ago, with people reflecting it has changed for the better. The authority's transformation agenda and revised approaches demanded by the pandemic have

been two of the primary drivers behind this. There have been a variety of elements to 'transformation', including the organisational restructure; demand management; a new Target Operating Model; cultural change; and technological innovation. This has been aided by underpinning strategies and programmes, including the People Strategy; the Digital and Data Strategy; and the Customer Experience Strategy. A strong strategic core has also been established in the organisation, with the aim of ensuring constructive relationships with services and an 'enabling' focus. Elements of this that have been newly created include the Corporate Policy function; the Commissioning Support Unit; Portfolio Management function; and the Change Management team.

A clear set of organisational values (the 'Warwickshire DNA') and behaviours, outlined in the People Strategy, have been central to the changed organisation. These sat at the heart of the recruitment process at Strategic and Assistant Director level linked to the organisational restructure and emphasise elements such as moving with purpose and energy; doing what we say; focusing on solutions; being collaborative; and being trustworthy. Individuals at this level that we met very much embodied these principles but staff that we met questioned the extent to which there is consistency in their adoption further through the organisation. The pandemic, with the shift for many to remote working, risks having disrupted the extension of this cultural change more widely but this will hopefully be able to be taken to the next level over the coming months. A question we would pose is whether the council is satisfied that it has a consistent approach to service improvement that embeds the values and behaviours being sought?

Prior to the pandemic, a 'Living Leaders' development programme was established to support the transformation agenda and the desired changes. There is a lack of consistent understanding at the more senior levels of the organisation of the leadership programme offer now. This strikes us as a fundamental element of ensuring the values and behaviours become embedded and we would encourage the council to consider 'where next' in relation to such a programme across the managerial tiers. Based on our discussions through a number of focus groups, it is clear that there is an appetite to review and for colleagues to be engaged in the co-design of the offer.

There is a really strong sense of people working collaboratively together at Assistant Director level, right across the organisation. This has been aided by the creation of a number of key forums that enable informal dialogue to take place, such as Leadership Team, which comprises the members of Corporate Board and Assistant Directors, and Senior Leadership Forum which is made up of Leadership Team plus the tier of managers at the next level in the organisation. We do, however, see opportunities for staff below Assistant Director level to be working more cross-organisationally. People working beyond their functional areas more would be aided through the establishment of cross-cutting task and finish projects. This would encourage internal collaboration, aid people's development generally and further emphasise the 'One Council' concept.

Staff that we met at different levels were positive around the opportunities provided by the council for training and development generally. This is reflected in the 'staff well-being check-in' of recent weeks in which 75% of respondents indicated they can access the appropriate learning and development needed to do their job and 68% see themselves as having the opportunity for personal development and growth through their work.

The council is genuinely focusing on staff well-being. The 'check-ins', which commenced during the pandemic, ask people how they were feeling; explore how they have adapted to new ways of working; identify people's levels of awareness of the different types of support available to them; look at how well connected people feel; and consider the extent to which they feel supported. It is also clear, from those that we met, that people enjoy working in the organisation. Internal communications from the Chief Executive and Corporate Board have been strengthened significantly during the pandemic, not least to enable people to feel connected to the organisation and ensure they are aware of key developments. The use of Microsoft Teams has enabled 'Broadcasts' to be delivered across the organisation, led by the Chief Executive, and open to all. These enhanced communications approaches have been well received.

There are a couple of areas that we would urge the council to keep an eye on over the coming months. The first is what seems to be a less well-developed approach for managers at less senior levels in the organisation to communicate and translate

strategic messages from the top into action for the workforce. With communications flowing directly from the Corporate Board level right through the workforce, some managers have been left wondering what the added value is that they can bring through their own communications and there would be benefit in this being explored. The second area relates to developing a more consistent understanding of how the organisation manages any issues in staff under-performance, with some people reflecting that this hasn't traditionally been a strength of the council.

There are positive relationships between elected members and officers. This is something that has been highly valued over many years and is centred on trust and mutual respect. The creation of Cabinet Leadership Team involving Cabinet, Corporate Board and Assistant Directors has been a very positive step, providing space and time to informally explore key strategic agendas.

The council has traditionally valued good governance and this is being maintained. With around half of those councillors elected in May last year being new to the county council, albeit with many of them already having experience at the borough or district level, the authority has worked to familiarise them with established ways of working and governance arrangements within the county council. Those newly elected councillors that we met spoke highly of their induction to the organisation, which takes the form of a broad programme running over an extended period of time – to the extent that it is still on-going.

The change in the political landscape of last year, with an increased Conservative majority following the elections, provides an opportunity for more distributed political leadership. This could come in the form of a range of mechanisms and cover both the Administration and Opposition. There is already evidence of good cross-party working, reflected in a variety of elected member forums and groups dedicated to themes such as Children in Care; the Local Transport Plan; climate change and the related action plan; and devising the Covid-19 Recovery Plan. This feels that it could be built on. One example is around Overview and Scrutiny, which appears as though it would benefit from a combination of increased independence and an enhanced corporate approach to inform and support the work of the Committees. Another example is the potential introduction of political champions, drawn from across the

political spectrum, for different themes and agendas important organisationally or within the county.

There are dedicated 'Broadcasts' for all elected members from the Corporate Board which emerged through the pandemic. These took place weekly and have been highly valued. Their frequency is now being adapted and the range of issues being covered is broadening.

There are frustrations around responsiveness to casework issues by officers in some parts of the council. The Locality Officers, focused on highways issues, are a valued source of information and support. Whilst that isn't a facility that can be offered for other council services, it is important for the council to identify and implement mechanisms and approaches that would enable councillors to raise, and be more aware of progress on, casework matters and ensure accountability across the officer cohort around responding effectively and on a timely basis. We see an opportunity for greater involvement from the relevant Cabinet portfolio holders in maintaining an overview, from a strategic perspective, of the types of casework that people are raising with elected members in their Divisions and where organisational responsiveness is an issue.

Some councillors also reflected tensions emerging for their communities around the council's approach to strategic planning in relation to school places and infrastructure more generally. We see benefit in briefing sessions being provided for councillors outlining, for example, the approaches that the council currently deploys in such matters; where the evidence is drawn from to inform decision-making, including how communities are engaged; funding considerations; and wider national policy context and agendas.

4.4.   Financial planning and management

The council is seen to have delivered sound financial planning and management over many years, reflected in external auditor judgements and the council's position on the CIPFA Financial Resilience Index. It has planned prudently and established substantial levels of reserves. There has been effective delivery of savings to date,

with nearly 90% of planned savings between 2014-15 and 2018-19 being realised. Whilst this reduced to just under 70% in 2019-20 and 2020-21, coinciding with the pandemic, there is a projected 91% delivery for the current financial year.

The council's medium-term financial strategy (MTFS) to 2026-27 was agreed last month, with this indicating £66m of savings to be achieved over the five-year period. These savings are centred on better procurement; improvements in efficiency – largely in relation to digital and customer service; increased income; and delivering reductions in demand. Effective demand management will be crucial in fulfilling what is outlined in the MTFS, given it represents 47% of the planned savings. Demand management is an area that the council acknowledges has been "variable" to date and which will therefore need to be made more robust.

Overspends have been experienced in children's services and education in each of the three years from 2018-19 to 2020-21, although the council budget overall has been balanced overall in each of those years. There are key budget pressures currently within the High Needs Block of the Dedicated Schools Grant; children with disabilities; and children and families social care – but with these being offset by current underspends in enabling services and corporate services. This has led the Corporate Board to commission three 'deep dives' into specific areas.

Investment is being made in the short term in adult services, children's services and education in order to achieve change through transformation (a crucial part of which will be enabling effective demand management) and enable savings to be derived in later years. This fits with the council's approach of proactively funding the cost of change, including an invest to save strategy. What is being undertaken in education, children's services and adult services will see the council draw on reserves – "to allow sensible change and transformation options and savings proposals to be developed which offer more sustainability over the medium term". This forms part of an overall and considered strategy through which reserves are planned to reduce by £108m (from £244m) across the five years of the MTFS. There will need to be clear and robust oversight and governance across the organisation in order to ensure that the anticipated return on investment is realised.

There has been recurrent slippage in the council's capital programme, with between

£80m and £100m traditionally being spent annually from within budgets of around £160m. There is a recognised need to review the programme to take account of current global circumstances and address acknowledged gaps in council processes, including in relation to managing developer contributions. However, we would encourage a more fundamental review to ensure alignment with the strategic priorities within the Council Plan.

4.5.   Capacity for improvement

Overall, change is seen, by those people we spoke to at different levels in the council, to have been well managed in the organisation during the transformation journey. The pandemic has significantly shifted ways of working further for the council. It feels like an important moment now to take stock and clarify what is being sought moving forward. This will be important in enabling a shared understanding of what is required in terms of the way people operate into the future and ensuring appropriate balance and as much consistency of approach as possible.

As an example, people spoke about the council being guided more now by principles than by rules. Whilst we recognise it is not as clear cut as that, and that the principles are reflective of the values and behaviours being sought, is there a risk of confusion and variability here? This links into a wider theme that we highlighted earlier around officers feeling that the emergency situation of the pandemic has seen them operating in a climate of increased trust and autonomy and there being greater agility around decision-making. Whilst delegated decision-making has come to the fore, along with creativity and risk-taking, in part out of necessity but also arising from the council's longer-term transformation, it is important now to clarify the parameters within which people are expected to operate.

The last couple of years has involved remote working for many. This has brought both benefits and risks and these will need to be balanced going forward. As the council gears up for the 'return to the workplace', clarity is required around the expectations in relation to working from home relative to being in the office – what the council terms as 'hybrid working'. Whether this entails consistency for staff right across the organisation who have traditionally been office-based, or if there is a tailoring of approaches within specific teams and services in order to meet different

contexts and circumstances, will need to be determined. A number of staff we spoke to felt that their relationships across the organisation pre-pandemic had been diluted and were not as confident about recognising mental health challenges in the workforce. The thinking around all of this will obviously need to link closely with the council's emerging plans around the rationalisation of its office accommodation.

We see the above forming part of a taking stock generally by the organisation. There was some talk during our visit of the council needing to "mature our operating model" and gear up for the next stage of transformation. This needs to be balanced with what we also picked up around the importance people see of consolidating and embedding the changes of recent years and developing the shared understanding and consistency we touched on above. As an example, we detected some tensions around people being badged under the Target Operating Model as either 'strategic' or 'delivery' – with perceptions of differential value to the organisation. Whilst the council has taken a pragmatic rather than purist approach to the Target Operating Model, seeking to avoid a stark split between those two elements, there would seem to be a piece of work to be undertaken around optimising the benefits and mitigating any sense of 'separation' which may inadvertently have been created.

As the council takes stock and determines when the right time will be to move on to the next stage of the transformation journey, it is important to recognise that, as is the case with every council, the people within it are tired given what they have had to deliver and contend with during the pandemic.

The concept of taking stock could extend further into a theme of the council establishing increased rigour around the evaluation of initiatives and what it is delivering. People spoke of the organisation always looking to move on to the next initiative or challenge. This is an organisation committed to continuous improvement and one which people reflect as having the culture now to draw out in a positive way the learning from what has been delivered and experienced. Establishing a formal evaluation methodology to apply at key junctures would fit well with this. The external auditor, for example, recommended an assessing of the impact of savings to date on service quality.

The council, not uniquely to Warwickshire, is experiencing skills gaps in a variety of

areas including social care and programme management. What has been done in establishing apprenticeships and National Graduate Management Development roles as part of trying to aid this situation is very positive. We heard of the challenges that exist around staff retention in some areas and information the council provided to inform our work indicated challenges around levels of staff satisfaction. The staff retention rate is slightly below the council's target of 90%. In relation to staff satisfaction, the council will want to be mindful of reductions over time in the scorings in the 'check-ins' around people being proud to work for the council, the council being a good employer and staff feeling valued and recognised at work.

The council has introduced 'Agile Working Contracts' and the take-up of these has been increasing month on month – with 45% of staff now being employed on them compared to 22% in December 2020. The 'check-in' conducted in the autumn of last year identified 40% of respondents as preferring to continue to work from home and 50% preferring a mix of home and office working going forward. Only 4% indicated a preference to be office-based. These findings would go a long way to explaining the level of take-up of agile working contracts. The council will want to be aware, however, of tensions emerging around differentiation with those continuing on contracts based on flexi-time, through which the ability exists to accumulate time that can be taken as leave at regular intervals.

4.6. Climate change and net zero carbon

The council has made a commitment to be carbon neutral as an organisation by 2030 and to achieve this for the county as a place by 2050. People we spoke to indicated Warwickshire has a "great vision and ambitions" around the climate change and net zero agenda and that it is right that aspiration levels should be high. However, they also reflected that the council needs to invest in this agenda as a place leader and that there is much work to be done as an organisation and with partners to develop the necessary approaches and solutions. Two-tier local government adds complexity but can be overcome and the Coventry and Warwickshire Climate Change Conference being held the day after our work concluded was seen as representing a key moment in this regard as well as more generally.

There has been progress on this agenda in a wide range of areas to date. This

includes:

- Establishing the clear strategic priority in the Council Plan relating to a 'County with a sustainable future'
- The creation of the £1m 'Green Shoots' Fund to pump-prime climate change initiatives
- £500,000 investment by the council in tree planting and plans to create a forestry team and tree nursery
- £12m programme of cycling schemes, comprising both upgraded and new infrastructure
- Warwickshire is in the top third of councils for the recycling of household waste
- A related and dedicated Cabinet portfolio has been created – that for 'Environment, Climate and Culture'
- There is strong elected member engagement in national networks via the LGA and UK100 – supplementing which, through officer involvement in the LGA and ADEPT (Association of Directors of Environment, Economy, Planning and Transport) climate groups, would be beneficial for learning and sharing good practice)
- The Chief Fire Officer for Warwickshire has been appointed as the national lead on climate change within the Fire Chiefs Council
- A cross-party elected member working group on climate change has been established and engagements extend to include district and borough council colleagues and other partner organisations
- A Climate Programme Office has been created in the council
- One of the council's offices has been able to be vacated as part of an emerging estate rationalisation strategy which has at its heart a reduction in the organisation's carbon footprint
- Incorporating environmental implications into all council committee papers
- The council has published a breakdown of its carbon emissions and energy consumption for 2019/20 and 2020/21, providing a baseline and enabling stakeholders to hold it to account. Emissions from oil will be captured from this year.

In recent 'scoring exercises' regionally and nationally, the outcomes for the council were:

- Climate Emergency UK's desk-based assessment of councils' climate action plans (or equivalent): Warwickshire was awarded a score of 25%

- Sustainability West Midlands' Local Authority Sustainability Benchmark 2021 (in collaboration with the Environment Agency): Warwickshire was positioned seventh amongst councils in the region

Difficult decisions will need to be made going forward concerning both policy and resource allocation. A climate action plan is required and this would usefully capture a set of potential actions that were identified in the Sustainability Benchmark work referred to above. The council is currently letting a contract to develop this in the form of a '2050 Sustainable Futures Strategy' for the county, devised with partners. It is anticipated that this will be presented at the Cabinet meeting in October, supported by a costed plan.

In relation to the council's own footprint, a roadmap for the next eight years is required, with dedicated funding supplemented by capitalising upon the opportunity to lever in significant sums of external money. It is anticipated that the Sustainable Futures Strategy will provide this organisational roadmap to 2030.

For the 2050 target for Warwickshire as a whole, there are many levers that we see as the council being able to pull:

- Green economy – green skills and jobs can support the Levelling Up agenda and council procurement offers opportunities to impact
- Built environment – jointly developing a set of principles with district and borough councils to underpin Local Plans; domestic retro-fit programmes (with significant public health and Levelling Up benefits); decarbonisation of property, including schools
- Transport – modal shift around major housing developments
- Natural environment – linking biodiversity net gain with carbon sequestration; rewilding programme for highway verges; opportunities around county farms

The main message is that it is important for everybody across the council to be clear that the climate change and net zero agenda cannot be seen as an 'add-on' or something that is the responsibility of the 'corporate centre'. It has to be integral and

the many co-benefits it offers, not least in relation to health and well-being and the economy, need to be fully recognised. The creation of the Climate Outcome Delivery Group, which seeks to secure input from and integration across all parts of the council around this agenda, and a staff network dedicated to climate issues are really positive steps in this regard and the development of the '2050 Sustainable Futures Strategy' is clearly crucial.

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 'check-in' session a few months on from the initial activity, with this providing the opportunity for the council's senior leadership to update peers on its progress against the related improvement planning and discuss next steps.

In the meantime, Helen Murray, Principal Adviser for the West Midlands region, is the main contact between your authority and the Local Government Association. She is available to discuss any further support the council requires – helen.murray@local.gov.uk