

# LGA Corporate Peer Challenge

Worcester City Council

8<sup>th</sup> – 11<sup>th</sup> April 2025

Feedback report



**Corporate Peer Challenge**



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## 1. Introduction

Corporate Peer Challenge (CPC) is a highly valued improvement and assurance tool that is delivered by the sector for the sector. It involves a team of senior local government councillors and officers undertaking a comprehensive review of key finance, performance and governance information and then spending 4 days at Worcester City Council to provide robust, strategic, and credible challenge and support.

CPC forms a key part of the improvement and assurance framework for local government. It is underpinned by the principles of Sector-led Improvement (SLI) put in place by councils and the Local Government Association (LGA) to support continuous improvement and assurance across the sector. These state that local authorities are: Responsible for their own performance, Accountable locally not nationally and have a collective responsibility for the performance of the sector.

CPC assists councils in meeting part of their Best Value duty, with the UK Government expecting all local authorities to have a CPC at least every five years.

Peers remain at the heart of the peer challenge process and provide a 'practitioner perspective' and 'critical friend' challenge.

This report outlines the key findings of the peer team and the recommendations that the council are required to action.

## 2. Executive summary

Worcester City Council (WCC) is well led politically and managerially with a good reputation for the delivery of services. There is a huge amount for the council to be proud of and it is ambitious for the future of the city. The council was consistently



cited by people the peer team met for its role in championing the place. The peer team enjoyed spending time in Worcester and seeing firsthand the impressive projects being led by the council in partnership with others.

Many partners talked about the strong and productive relationships they have with WCC and the key individual relationships which were delivering positive outcomes for the city. Both the council's political leadership and senior officers were highly praised. The Leader and Deputy Leader were investing in the ongoing partnership approach since they came into position in May 2024 and this is making a real difference to delivering shared outcomes. Partners also highlighted the pivotal role senior officers within the council, in particular the Managing Director, has in progressing the economic, heritage and regeneration agendas.

WCC has a very strong relationship with the city and its residents and businesses. There are a number of very impressive projects which the council is delivering in partnership including convening with place leaders on individual issues or on a project basis. This includes the Shrub Hill regeneration between WCC and Worcestershire County Council; The Arches project; the Worcester District Collaborative multi-agency group to deliver to improved health and wellbeing at a district level; and with the Business Improvement District (BID) in improved ways of collective working.

There is an obvious and strong pride in place from both Members and officers. Internally, the organisational culture expressed was people centric, caring and collaborative. Staff feel committed to the council, are loyal and feel well supported. Members are also supported in their role with opportunities for their ongoing development. This has helped to foster a shared positive culture between Members and officers with examples of positive joint working and shared ambitions for the benefit of residents and businesses, regardless of the political grouping.



WCC has placed a significant emphasis on the importance of equality, diversity and inclusion. These values flow from the top of the organisation and include having a dedicated Member Champion. The approach is a clear focus and strength of the council.

WCC recognises it has challenges including managing its financial position. As part of its Financial Sustainability Plan in 2025/26 WCC needs to deliver £0.97m of savings and has commenced a redundancy programme as part of this. This programme started as the peer team were onsite and the team saw that this difficult time for staff was being managed well by the council. WCC has solid foundations to build on in addressing the ongoing future budget challenge, with well-managed finances, and effective governance and audit processes supporting its strong organisational culture and partnerships.

One of the key activities in the 2025/26 Business Plan is preparing for Local Government Reorganisation (LGR). Worcestershire councils submitted an interim plan on 21 March with two options: two unitary authorities, one in the north and one in the south; or one unitary authority for the whole of the county. WCC has expressed support for the 'two unitary' option. The peer team recognise that the coming period will be a crucial time for the council and it should continue to review its capacity and maintain the sustained focus needed over the coming years to deliver this, along with key projects and business as usual.

To build on the very solid foundations in place at WCC, as feedback and recommendations following the CPC, the peer team have identified a number of areas for the council to explore.



## 3. 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:

### 3.1 Recommendation 1

Create more focused capacity for strategic planning at a senior level for future challenges and opportunities.

### 3.2 Recommendation 2

Start now to develop the strategies and planning for the budget in 2026/27 to close the gap, involving the Corporate Management Team and the Wider Leadership Team.

### 3.3 Recommendation 3

Strategic economic development and growth would benefit from a broader focus. The council does a lot on this already, but there are opportunities to develop with partners for the future. The council could be more proactive in strategic conversations on economic growth with key stakeholders including the County Council.

### 3.4 Recommendation 4

Refresh the Member/officer protocol around expectations, accessibility, response times and clarity on the points of contact.

### 3.5 Recommendation 5

There are good relationships with Members and officers and there are opportunities to develop more collaborative relationships with wider partners.

### 3.6 Recommendation 6

General workforce capacity is a concern, with savings needed, but new demand coming down the line in the context of LGR may impact on the agility and flexibility needed to react to change or new projects. Every opportunity should be taken to create capacity at all levels.

### **3.7 Recommendation 7**

Refresh the workforce strategy as this is an opportunity to ensure the council is planning for current and future needs. This should include: identification of gaps (skills; gender; ethnicity etc); ensuring it is representative of the community served; and building resilience within the workforce.

### **3.8 Recommendation 8**

Create a community engagement plan using Asset Based Community Development (ABCD) principles with partners and use the insight to inform the strategy and action plan.

### **3.9 Recommendation 9**

Members and officers need to prioritise the formation of a programme of activity with potential unitary partners around the implications and impact of LGR on capacity, resilience and costs for the council. It is never too early to start this and there is an enormous amount of work required in the lead up to the formation of new councils.

### **3.10 Recommendation 10**

Ahead of any exploratory work on Artificial Intelligence (AI), the council should return to first principles to be clear on the issues and opportunities facing the organisation before considering how digital, including AI, could be part of that solution. Clarity on where the senior sponsorship of this work sits is also key.

## **4. Summary of peer challenge approach**

### **4.1 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 by the LGA on the basis of their relevant expertise. The peers were:

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- **Jackie King** – Chief Executive, Epsom and Ewell Borough Council
- **Cllr James Dawson** – Labour Member peer, Leader of Erewash Borough Council
- **Cllr Martin Fodor** - Green Member peer, Bristol City Council
- **Suzanne Jones** – Corporate Director (Finance and Resources) and Section 151 Officer, Huntingdonshire District Council
- **Mandy Jones** - Strategic Director, Colchester City Council
- **Matthew Archer** – Head of Corporate Governance, Canterbury City Council
- **James Millington** - Peer Challenge Manager, LGA

#### 4.2 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? Is there an organisational-wide approach to continuous improvement, with frequent monitoring, reporting on and updating of performance and improvement plans?
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? What is the relative financial resilience of the council like?
5. **Capacity for improvement** - Is the organisation able to bring about the improvements it needs, including delivering on locally identified priorities? Does the council have the capacity to improve?





As part of the five core elements outlined above, every Corporate Peer Challenge includes a strong focus on financial sustainability, performance, governance, and assurance.

In addition to these themes, the council asked the peer team to provide feedback on its approach towards:

- Digital and Artificial Intelligence
- Community Engagement

### **4.3 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 the challenges it is facing. This included a position statement prepared by the council in advance of the peer team's time on site. This provided a clear steer to the peer team on the local context at Worcester City Council and what the peer team should focus on. It also included a comprehensive LGA Finance briefing (prepared using public reports from the council's website) and a LGA performance report outlining benchmarking data for the council across a range of metrics. The latter was produced using the LGA's local area benchmarking tool called LG Inform.

The peer team then spent 4 days onsite at Worcester City Council, during which they:

- Gathered evidence, information, and views from more than 50 meetings, in



addition to further research and reading.

- Spoke to more than 120 people including a range of council staff together with members and external stakeholders.
- Had a tour of some of the key sites including regeneration areas in Worcester

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.

## 5. Feedback

### 5.1 Local priorities and outcomes

Worcester is the county town of Worcestershire in the West Midlands with a population of 105,143 people. This is a green city with nearly two thirds being green space, with parks and open spaces, including six that have achieved Green Flag status. The River Severn and the Worcester and Birmingham Canal run through the centre of the city. This is an historic city and includes many sites of significance including the 12th Century Cathedral, the Guildhall, the 800-year-old Commandery, and the site of the final battle of the English Civil War.

Education plays an important role in the city, where among other educational establishments, the University of Worcester is located and it has a significant student population of more than 10,000. The city includes several museums, two operated by WCC, and a lively arts and festivals scene, including the Worcester Festival, Three Choirs Festival, Worcester Music Festival and Worcester Carnival. Worcester has a varied retail, leisure and sports offer and hosts important venues including Worcestershire County Cricket Club's New Road ground, and the 300-year-old Worcester Racecourse. The peer team heard about the breadth of activity within Worcester and WCC recognises its significant local assets - Members and officers take their role seriously in making the most of these for the Place.



WCC is playing a leading role locally to build upon these assets of the Place. An example of how it is doing this is through Partners in Worcester – where the council is working with partners to enhance its appeal as a tourist destination, attract more businesses and retain students by ensuring they have the skills for job opportunities in the city.

The council's priorities are set out in the Worcester City Plan 2025-2030 which was adopted in February 2025 with unanimous support from WCC's three political groups. The City Plan vision is '*of a city that is sustainable, prosperous, healthy, creative and diverse and where opportunities are available to everyone*', underpinned by the following priorities:

- A city where everyone can prosper
- A resilient and sustainable city
- Strong and engaged communities
- An attractive heritage city with a vibrant modern culture
- A healthy and active city

The City Plan provides continuity and clear direction for the council referencing its important history and the ambitions for the future. The peer team heard that The City Plan is widely recognised within the organisation and is supported by the Business Plan Priorities 2025-26 - which provides clarity on WCC's priorities for the year.

There are some strong examples of delivering on priorities which the peer team were particularly impressed by:

- **Heritage, Arts and Culture** – The Cultural Compact is a great example of WCC bringing partners together on this priority and there are a wide range of stakeholders including businesses, education providers and cultural and community leaders to deliver a vision for culture. Following the launch of the Arts



and Cultural Strategy in 2022, £25k of Arts Council funding along with WCC funding established the Compact which is chaired by the University of Worcester.

- **The Environment** - WCC has a strong recognition of Environmental and Cultural initiatives, exemplified by events like the Worcester Show and the Environmental and Sustainability Strategy which has good partner involvement.
- **Community Safety** - Awarded a Purple Flag by the Association of Town & City Management (ATCM) since 2022 in recognition of the nighttime economy's amenities, ambience, and safe environment.
- **Health and wellbeing** – Chairing the Worcester District Collaborative multi-agency group to deliver to improve health and wellbeing at a district level.

Although the peer team found there was a good articulation of The City Plan, WCC may want to further consider how to maintain attention and focus on all of the Plan priorities. For example, priorities are clearly outlined in plans but during the CPC the peer team predominately heard about the arts, culture and heritage focus. These other areas are being worked on but this was not always immediately obvious from those the peer team spoke to. WCC will want to consider how equal weight can be given across these priorities and how all of the work being delivered is communicated.

The peer team were very impressed by WCC's clear commitment and approach to EDI (Equality, Diversity, and Inclusion). This includes an EDI Strategy with CLT sponsoring the aims and objectives; mandatory EDI training for Members and officers; committee reports including equalities considerations; an EDI Officer Steering Group which considers policies and initiatives; and the Policy & Resources Committee receiving an annual progress report on the EDI Strategy. There was clear evidence of personal commitment from the top of the organisation to this and active Member involvement including a designated Member Champion. WCC's passionate approach to this was widely recognised by those the peer team met with.



Partners described good relationships between Members and officers and that there are opportunities to develop more collaborative relationships. This was a consistent finding and partners reflected that they can continue to do more together. Partners described good strong and productive individual relationships with WCC at all levels but that collective relationships rather than single points of contact could be developed. This also has the advantage of allowing WCC to consider how it can utilise the capacity within the council and not try and do everything itself, maximising the relationships with partners for joint delivery.

Six community hubs across the city are managed by Worcester Community Trust (WCT). WCT is partly funded by the council and provides a range of services and facilities including the Building Block that enables local people to learn and develop practical skills, with a second Building Block facility opening in April 2025. The peer team think there is an opportunity for WCC to further leverage existing partnerships such as those with WCT to support joint outcomes, future transformation and consider the dividend of this kind of collective working.

WCC could consider how to enhance the strategic role it has in the codesign of strategy in collaboration with others. For example, using an Asset Based Community Development (ABCD) approach towards partnership working can support the council in bringing partners together and building on collective strengths for the benefit of Worcester. The Arts and Culture Strategy which was adopted in 2022 would benefit from a refresh, perhaps in this way, with a consultative approach for greater collective ownership. It was recognised that the current Strategy includes activity which was not originally agreed and owned by the delivery organisations. Also a more consultative approach in developing this with partners would ensure the collective strengths of partners were maximised.

### 5.1.1 Performance

The council has established a process where performance is published and monitored by the relevant Committee for oversight on scorecards using key KPIs. Measures of success flow from The City Plan and The Business Plan 2025-26.

The council's LG Inform CPC performance report provides key data including WCC's strengths, especially regarding its key priorities, compared to its Chartered Institute of Public Finance and Accountancy (CIPFA) nearest neighbours. In many areas WCC is performing well compared to its statistical neighbours or is middle of the group. Good performance includes:

- **Planning** – the planning improvement plan has led to a performance turnaround and customer satisfaction has increased. This has shown good progress following a period of performance issues and the peer team recognise that this is significant piece of work.
- **Business rates and council tax collection rates** – this was low compared to other areas and has increased recently as part of the journey and focus of bringing the service back in house.

Comparative performance is less strong in other areas including:

- **Waste** – recycling rates are lower than in other areas and there is an opportunity to address with partners in future. The peer team understand these are impacted due to the low take-up of recycling, particularly in the more deprived areas of the city, with contamination as a smaller contributory factor.
- **Recreation and sport spend** – the council appears to register a low net spend in this area when compared with other areas. The reason for this is due to the relationship with Freedom Leisure and the management fee and £500k income which is being offset. As the council has invested in new pitches following being successful in attracting grants from Sport England and the Football Association this will also not be captured in these figures.



## 5.2 Organisational and place leadership

It was clear from the consistent feedback on the joint working by Members and officers that there are strong and positive working relationships in place. This is important and both Members and officers spoke of how this positively impacts on the culture of the organisation.

Many partners also described the positive working relationships with the council and at all levels in the council from Managing Director to frontline staff. The peer team heard how the Leader and Deputy Leader are investing time in developing good working relationships with partners too, and this includes the business community and the University of Worcester. WCC can also identify where relationships which support priority outcomes need attention and where it may need to be proactive in developing these. There is also an opportunity to use insight and data more strategically with partners e.g. building on the work of the Worcester Health Collaborative to make information available and drive the delivery of shared priorities for the benefit of the community.

There are opportunities to build on the relationships to develop wider corporate relationships with external partners. WCC could consider the benefits of a Place Board with strategic level key partners including the Integrated Care Board (ICB), education providers, voluntary sector, County Council, University and the Police etc coming together to talk about Worcester as a place. Place Boards have been developed in lots of other districts and there may be advantages to creating this locally, particularly in the context of LGR.

There has been significant capital investment by the council in Worcester and some impressive examples of where it has successfully leveraged in external funding to



support the delivery of local priorities. This has included: The Cultural Development Fund (£3.5m to deliver The Arches); The Towns Fund (£19.m for five projects including the Shrub Hill Quarter regeneration); Levelling Up Funding (£2.3m to further develop the Corn Exchange building) and the Future High Streets Fund (£17.9m). This funding has been used to transform the city and the council has worked with partners around Cathedral Square, the Town Investment Plan projects, and the Scala to deliver a range of place-shaping capital projects. The approach taken by WCC to utilise funding for its priorities and work with partners on shared objectives is a key strength of the organisation.

The city centre in particular is seeing positive developments for the future and work on the South Worcestershire Development Plan (SWDP) provides a good base to build future cross boundary working. The current SWDP with WCC, Malvern Hills DC and Wychavon DC was adopted in 2016 and has been updated with the new iteration submitted to the Planning inspectorate, and adoption expected at the end of 2025. This represents good cross-boundary working across South Worcestershire and is a proactive way of dealing with the housing challenges of WCC where it has a comparably small amount of land available for development.

WCC recognises the importance of arts and culture in Worcester and the relationship this has with economic growth. This is important for the identity of the Place and the positive impact this has for local economic growth. The approach to strategic economic development and growth can be strengthened further with a broader focus, and through collaboration with partners. Partners would welcome WCC being even more proactive in strategic conversations on economic growth with key stakeholders. The Managing Director sits on the Local Enterprise Partnership (LEP) Board as an observer but WCC elected Members are not at the table as part of the discussion. The District's role is important for this agenda given its place based role as well as the role it has outside of the LEP and with key local partners.





The peer team met with staff at all levels from across the organisation, and all demonstrated a clear commitment to WCC and a desire play an active role in its future. There is an opportunity to further empower heads of service and managers in two important ways: playing an increased role in identifying savings, efficiencies and income generation opportunities to meet the council's financial challenges in 2026/27; and creating capacity within the organisation for LGR and other significant future projects. Devolving pieces of work to free up the strategic thinking for the challenges which are coming will help to create more focused capacity for strategic planning at the senior officer level.

The peer team heard that across Worcestershire the Leaders Board and CEx cross County group are comfortable to challenge each other and have a pragmatic approach to working together. This is important and needs to be maintained in the context of LGR.

### **5.3 Governance and culture**

The peer team found evidence of good governance across the organisation.

WCC operates a committee system of Policy Committees and Regulatory Committees. The Policy Committees are responsible for proposing and implementing the budget and policy framework and the Regulatory Committees are responsible for specific functions of the council, such as planning and licensing. Seats on the committees are allocated on a proportionate basis in accordance with the political balance of WCC. The peer team found there was positive Member collaboration across political groups which makes the most of the opportunities in this type of governance and there was comprehensive coverage of council business at Policy Committees. The council also has a group of passionate and active Member Champions with particular areas of focus.



The governance arrangements are working well for the council but there may be opportunities to tweak the processes. The peer team are conscious that there will be a need to create officer capacity to deal with the council's future challenges, including LGR. To support this WCC may want to consider how reports are raised and the routing of items to ensure that this is working optimally for the council by revisiting committee processes around 'to note' reports and frequency of updates, particularly if items are presented to multiple committees. This would release officer capacity and ensure committee business remains focused on decisions and outcomes. To support this there may be an opportunity to review the constitution or modify the numbers of reports through the committee process or use other alternative mechanisms, including Member briefings where appropriate. This is also an opportunity for Members to increasingly focus on the strategic direction and for officers to handle delivery.

In order to support the focus on strategic direction and efficiencies of committees there may be an opportunity to refresh the Member/officer protocol around expectations, officer accessibility, response times and points of contact. This was raised by both Members and officers. WCC will want to keep this as informal and unbureaucratic as possible and ensure that this supports the positive relationships and culture of the organisation.

The Corporate Leadership Team (CLT) comprises the Managing Director, Corporate Director of Finance & Resources (Section 151 Officer), Corporate Director of Homes & Communities and the Corporate Director Planning & Governance (Monitoring Officer). The CLT meets weekly and this also incorporates WCC's golden triangle statutory officer meetings between the MD, s151 and MO - this ensures that everyone has oversight of key council activity. The implementation and performance management of the council's priorities and delivery of services is carried out by the members of the Corporate Management Team (CMT) which meets fortnightly.



CLT attend confidential monthly Leadership Group meetings. Chaired by the Leader this includes the leaders of WCC's political groups and their deputies. This is important and provides an opportunity for regular updates and discussion on key issues and sensitive service delivery issues. These meetings are not for decision-making and any formal decisions that are required are referred to the relevant Committee.

The internal auditors confirmed that there was a comprehensive audit plan covering all services which is overseen by Audit Committee and that there is evidence of strong assurance and compliance.

The latest Annual Governance Statement (AGS) is robust and the overall assessment of its governance performance is positive. The ongoing delay in publication of the external audit opinion is noted as a significant concern.

The values of the organisation were previously developed with staff and include: Good Governance; Committed People; Creative Council; and Strong Performance. Officers recognise these values and they are 'lived' by those the peer team met.

The peer team found that there were good internal relationships on every level:

- **Officer-officer** – There was a positive culture and this was supported by good senior leadership support and well-connected wider leadership through CLT and CMT with good connections between the groups.
- **Member-officer** – There were strong Member-officer relations with evidence of mutual trust. Collective effort and mutual trust was exemplified by Members suggesting the kind of questions and areas they are interested in ahead of committee so there is a good opportunity to respond.
- **Member-Member** – Members were respectful of differences of opinion and



sought constructive challenge and dialogue.

Member development and support was viewed positively. Members spoke of an effective induction process and training programme which helps to build a positive Member experience. It was recognised that there were some issues around Member take-up of development opportunities so more could be done to encourage the support offers available. Additionally, future Member training could focus on supporting the ongoing development of councillors and collective discussions on matters of interest that align with key outcomes for example in a programme of Member briefings, instead of a formalised training programme. These areas of interest or topic based work would support the joint working between officers of Members.

The council employs more than 300 people and recognises that its workforce is its most important asset. WCC utilises a competency framework and each employee receives an Annual Review, and incorporated within this the council encourages staff to undertake continued professional development (CPD) activities each year – with an expectation that 30 hours each year is invested in personal growth. There are also a range of employee benefits where ‘The Benefits Suite’ is available to WCC staff. Officers spoke highly of the opportunities for training and development provided and were encouraged to take advantage of this. The peer team recognised the investment the council is making and this will be important to maintain now.

The latest staff survey results reflect the positive culture of WCC with staff expressing strong pride in their work. WCC does recognise that there are some areas identified in this to address which included pay, benefits, communication and further awareness of WCC activities.

There are two parish councils within the district and the council may wish to consider

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the formalisation of parish council liaison to have a conduit into WCC. This doesn't have to be at a senior level but it is important. Relationships are strong at the top level, and there are opportunities to share information further through the year and this may also support the parish councils to identify ways in which they can work more closely together.

## **5.4 Financial planning and management**

WCC is well run financially. It is facing financial challenges but there is now a shared understanding of these by Members and officers. The council will want to continue to ensure that it's 'everyone's business' to understand the future financial challenge and how this is being addressed. This will ensure there are no surprises when decisions are needed to balance the budget.

The new Section 151 Officer supported by the interim Head of Finance are working well together and show enthusiasm for ensuring that finance is at the heart of strategic decision making. The alignment of council finances to strategy is clear. Grants that the council has made have a clear link to council strategies and support to WCT via the hubs is a good example of where the funding provided has enabled better outcomes than would have been achieved otherwise.

As part of its Financial Sustainability Plan in 2025/26 the council needs to make £0.97m of savings and it is confident that it will manage this position. The council has embarked on redundancy programme to help support this and this commenced as the peer team were onsite. The peer team saw that this difficult time for staff was being managed well by the council.



The council has developed the approach and can now make an early start to plan the budget for 2026/27 to close the gap of £1.197m with CMT and the Wider Leadership Team (WLT). It is unlikely that the options will be easy to deliver given the savings delivered so far and the fact that there are a number of shared services contracts. Alternatives will likely affect services that residents value or have further staffing implications in addition to the redundancies that are already in process. There is a desire from the council for discretionary services to be self-sustaining for the future because of their positive contribution to the place, and it is really important that WCC is considering this now.

Transactional Finance is led by Malvern Hills DC and Revenues & Benefits is led by Wychavon DC. The in-year collection rates for 2024/25 are much improved now that the service is back with Wychavon DC having historically been outsourced. The new Section 151 Officer is taking a robust line on pursuing the historical debts in this area. The size of the WCC Finance Team is proportionate and professional training is available which is a good approach to support succession planning.

The peer team heard about good levels of financial awareness within the organisation. Budget managers are working well and if they require more guidance they are able to access it from the Finance Team.

WCC appears to have a good approach to maximising fees and charges. The council may find it helpful to undertake some benchmarking in future to ensure that its approach remains proportionate.

The council is exercising appropriate caution with business cases to avoid cost escalation on projects or project failure – an approach which the new Section 151 Officer will continue to strengthen ensuring that the appropriate level of risk is considered. WCC has a sensible level of risk in developing project business cases

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and it recognises the risk for example with handling external funding. WCC understands the risks that if any grant funded big projects overrun financially it will stretch its finances further, and the peer team agree that it should continue to keep this under review. The Finance Team needs to continue to have engagement in projects at the early stages to aid the quality of support that is given for decision making.

## **5.5 Capacity for improvement**

The strengths highlighted throughout this report should provide confidence about WCC's baseline for continuous improvement as it navigates the immediate challenges it faces. This is important for the council's positioning and how it is able to flex to meet the challenges and opportunities for the future.

There is a good corporate culture in place which was described as “*positive*”, a “*family feel*”, and “*supportive*”, where people “*feel valued*”. This was universally expressed across the organisation by Members and officers. These connections are important to people and in the staff survey “*I enjoy my job*” received one of the highest rates of strong agreement. The vision and values are well documented and well understood throughout the organisation, are linked to appraisal system and are embedded. Meeting future challenges from this point places the organisation in a position of strength.

Officers at all levels are aware of the corporate priorities and The City Plan and understand how their roles fit with those. Staff felt they were kept up to date and although there was some feedback on communications channels in the staff survey the peer team found that officers were supportive of the mechanisms used to communicate and engage with them. The Team Charters have been used to build cross-team relationships and help better communicate and understand work across



the organisation. Although the Team Charters were not universally welcome initially officers now appreciate the value and they have helped to build cross-team understanding and working.

The peer team heard that future workforce capacity is a concern for officers and Members. With the need for savings at the same time as new demands in the context of LGR this could impact on the agility and flexibility needed to react to change or new projects. There are always new demands and pressures on capacity so WCC will want to keep this under review.

Workload issues in some areas, including a feeling from some staff of the redistribution of work as a result of the previous voluntary redundancies, was raised with the peer team. Staff are concerned that this may happen again following the recently commenced Financial Sustainability Programme and may impact on the delivery of key work. Some staff felt that voluntary redundancy previously had impacted and the promised 12 month review of this was not undertaken. The peer team would encourage issues to continue to be raised by officers and responded to by CLT.

This may be a good opportunity to refresh the workforce strategy as WCC is planning for its current and future needs; identifying gaps (skills; gender; ethnicity etc); ensuring the workforce is representative of the community it is serving; and supporting the resilience of the workforce. This will help ensure WCC remains fit for purpose in future. This would be helpful in the context of resources and capacity and how to address the challenges of delivering LGR and key projects as well as business as usual.

Whilst some KPIs are reported to Committees via scorecards the peer team recommends that comprehensive workforce statistics should also be a standing item

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on CLT/CMT agendas to identify trends and possible interventions needed at the earliest opportunity.

Shared working and collaboration will continue to provide opportunities. For example the approach taken with the other councils on the SWDP; and the numerous other shared services arrangements support cross-organisational working and learning and have provided efficiencies in delivery. WCC operates a number of shared services already and the council leads on the provision of internal audit.

The council would benefit from reviewing and strengthening its approach to risk. Corporate risks are reported to CLT and the Policy & Resources Committee on a bi-annual basis and CLT's last committee report was in November 2024 (pre-LGR announcements). This is essential to provide early indications of capacity, resilience or skills challenges for forward planning purposes for more regular oversight and appropriation escalation and mitigation actions if needed.

## **Digital and Artificial Intelligence**

WCC asked for the peer team's reflections on its approach to digital and Artificial Intelligence (AI) as the council acknowledges that it is at the start of its journey in exploring AI.

Ahead of any exploratory work, the peer team recommend that WCC return to first principles and is clear on the issues and opportunities facing the organisation before considering how digital, including AI, could be part of that solution. Clarity on where the senior sponsorship of this work sits is also key and this should be someone who is passionate about the potential for WCC and will be championing this work.

WCC will want to consider the connection between customer and digital strategies

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and how these fit with the priorities of the organisation. For example, how can this approach enable customer self-serve and appropriate channel shift of users. Reviewing the connections between the customer and digital strategy and how AI can support this will be a useful starting point.

To develop its approach the peer team recommend that WCC focuses on building the foundations of digital transformation. The council can review its technical architecture and be clear about what will or will not work with AI; look at its data quality and retention policy; consider the skills needed; and the costs/ funding stream. WCC should also consider the skills in the workforce and the capacity of the IT Team to be able to deliver on the ambitions.

WCC can identify its needs and trial pilot projects that support capacity building – e.g. note taking and report summaries. These can be small scale and help with testing out for impact across the council in areas which are keen to explore this in a trialled approach.

The council can also utilise the LGA's [artificial intelligence hub](#) for resources, guidance and networks to explore the possibilities of AI and connect with peers.

WCC is already conscious that this needs to be seen in context of LGR and the future of the council. The available budget and consideration for contracts will be a factor in determining how it approaches exploring this agenda.

## **Community Engagement**

WCC asked for the peer team's reflections on its approach to community engagement as it will be developing a Community Engagement Strategy during 2025.



The peer team saw some existing good examples where WCC was undertaking engagement across a number of areas which can be built upon. This included housing and health where there was good engagement at crisis and strategic level with the ICB and H&WBB; and with young people where there was good engagement and great examples of inclusion driven by the EDI Strategy.

The peer team discussed stakeholder consultation in the development of The City Plan and other key strategies. Although WCC reached out to engage with stakeholders, issues with the consistency of the approach were highlighted as some stakeholders felt that they were treated as 'niche' and not involved in areas where they felt they made have added value; and some felt that they were engaged too late in the process once decisions had already been made. The peer team believe that a more consistent approach to engagement may help address this and support shared ownership and delivery of strategy.

WCC has recognised that traditional approaches to the annual survey are not effective at reaching a demographically representative group of residents and other stakeholders. The peer team agree and recommend that the council considers alternative or complementary approaches to this including for example, community advisory boards; focus groups; pop-up events; street engagement; youth councils; alongside surveys and digital tools. Blending some of these may help with the reach of the council's engagement activity and this insight can also be used to determine community priorities.

The council has lots of good relationships with local groups to maintain and build upon and WCC could create an engagement plan using the ABCD principles with partners and use the insight to inform the development of strategy. This would help develop how you approach, who you engage with and what is being engaged upon.

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The council may want to consider how it can work with community groups on shared branding and City publicity rather than everything being distributed by the council. This can be a more collaborative effort in a partnership and WCC can work with and encourage groups to get involved to promote the city collectively together.

There is also an opportunity to separate the social media identity of Worcester City Council and Worcester as a place. Currently it is not always clear where people go for council information rather than information about Worcester, as the council branding looks like a tourist site. In separating this, users who need to access information about WCC would be able to do so more obviously and there is the benefit of gathering feedback from social media as insights for future engagement.

During the course of the peer team's conversations there were concerns shared by partners and local groups about the impact of LGR on Worcester as a place. These were centred on the future impact on the communities of the city. WCC will want to continue to keep the communications live on this issue, to acknowledge these concerns and keep people informed as things progress.

## 6. Next steps

It is recognised that senior political and managerial leadership will want to consider, discuss and reflect on these findings. The LGA will continue to provide on-going support to the council. Following publication of CPC report you need to produce and publish an Action Plan within 5 months of the time on site. As part of the CPC, the council are also required to have a progress review and publish the findings from this within twelve months of the CPC. The LGA will also publish the progress review report on their website.



The progress review will provide space for a council's senior leadership to report to peers on the progress made against each of the CPC's recommendations, discuss early impact or learning and receive feedback on the implementation of the CPC action plan. The progress review will usually be delivered on-site over one day.

In the meantime, Helen Murray, Principal Adviser for the West Midlands, is the main contact between your authority and the Local Government Association. As outlined above, Helen is available to discuss any further support the council requires via [Helen.murray@local.gov.uk](mailto:Helen.murray@local.gov.uk).