

LGA Corporate Peer Challenge

Brighton and Hove City Council

1 – 4 April 2025

Final 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 members and officers undertaking a desktop review of key finance, performance and governance information and then spending four days at upper tier councils 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 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 with 'no surprises', they offer their views in good faith.

This report outlines the key findings of the peer team and their recommendations. The council will be developing an action plan against these recommendations.

2. Executive summary

The peer team for the Brighton and Hove City Council's CPC were consistently impressed by the commitment, professionalism and positive attitude of staff across the organisation. The council is supported by a dedicated, hard-working workforce who are focused on delivering high-quality services that make a meaningful difference to residents. The pride that staff displayed was evident throughout all the people the peer team spoke with.

There is strong and visible leadership provided by the Council Leader, the Chief Executive, and the wider leadership team. Since the election result in May 2023, the change in the governance structure and the appointment of a new chief executive there has been a new set of clear and coherent priorities, and there is a shared

sense of direction across the political and officer leadership which is enabling the organisation to move forward with purpose.

The organisation benefits from a positive and values-driven culture, which is being developed thoughtfully and deliberately. This cultural evolution is clearly rooted in openness, collaboration, and a commitment to continuous improvement, and it is having a positive impact on both staff morale and service delivery.

Children's services continue to be a major strength, with Ofsted rating them as 'Outstanding'. This is a significant achievement and a reflection of sustained hard work, strategic leadership, and a clear commitment to improving outcomes for children, young people, and families. This success should be acknowledged and celebrated widely.

The recent move to a leader and cabinet model of governance provides an opportunity for greater strategic clarity, more effective decision-making, and enhanced political leadership. Embedding this model successfully will require continued focus on effective member development and robust support structures.

The council is demonstrating national leadership in its Equality, Diversity and Inclusion (EDI) agenda. There are impressive EDI programmes underway across the city, reflecting a clear ambition to be an inclusive, fair and welcoming place for all communities.

The council's placemaking work is making a visible and positive impact. Major regeneration projects such as the Madeira Terrace, the seafront revitalisation, and new housing developments are transforming the city and enhancing its appeal as a vibrant destination for residents, visitors and investors alike.

The relationships between elected members and officers are positive and respectful. Whilst the new governance structure has required everyone to understand and recognise new ways of working there is a healthy understanding of respective roles and a collaborative spirit which underpins effective governance and service delivery.

Significant work is underway within Environmental Services, early results show that transformation efforts are beginning to yield improvements in both the culture at the depot and in service delivery. A continued focus on this area will be important to ensure momentum is maintained and benefits are embedded.

There are several key areas where further work is required:

The council needs to develop a robust and comprehensive financial strategy that delivers both the necessary savings and the longer-term financial resilience across all funding streams, including the General Fund (GF), Housing Revenue Account (HRA), and Dedicated Schools Grant (DSG). This work is urgent and must be progressed at pace.

A shared narrative with partners across Sussex is essential in relation to Devolution and Local Government Reorganisation. Building a collective vision for the future of local governance will be vital to ensure influence and readiness in shaping any forthcoming changes.

The cultural transformation within Environmental Services must continue, with an ongoing focus on strengthening industrial relations, (including the relationships between the two recognised trade unions and between the unions and the council), improving workforce engagement, and embedding new ways of working.

The council should seek to drive cultural change more widely across the organisation, ensuring consistent communication, leadership behaviours and staff engagement in all departments and at all levels.

The aspiration to become a learning organisation is commendable and presents a real opportunity. To make this a reality, the council needs to define and operationalise what this means in practical terms across different service areas, embedding mechanisms for feedback, innovation and knowledge sharing.

The improvement work of the council housing service in response to the recent judgement by the regulator remains a top priority. The council should continue to build upon recent work with a renewed, ambitious strategy that addresses both operational challenges and long-term objectives, that links to the financial strategy and is underpinned by a strong assurance framework.

Work to mitigate the financial pressures associated with homelessness needs to be accelerated. This should include proactive service redesign, improved partnership working and innovative housing solutions to manage demand and associated costs.

3. Recommendations

There are several 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:** The council needs to develop a robust and comprehensive financial strategy that delivers both the necessary savings and the longer-term financial resilience across all funding streams such as building back reserves, including the General Fund, Housing Revenue Account (HRA) the Dedicated Schools Grant (DSG), the equal pay claims risk and the transformation programme and its priorities. This work is urgent and must be progressed at pace.
- 3.2 Recommendation 2:** Develop a shared vision and narrative with all tiers of local government including upper tier as well as district and borough councils across Sussex on devolution and Local Government reorganisation. A shared narrative developed in collaboration with partners across Sussex is essential in relation to Devolution and Local Government Reorganisation. Building a collective vision for the future of local governance will be vital to ensure influence and readiness in shaping any forthcoming changes.
- 3.3 Recommendation 3:** The cultural transformation within Environmental Services must continue, with an ongoing focus on strengthening industrial relations, improving workforce engagement, and embedding new ways of working. Any alleged criminal behaviour should be referred by the council to the relevant authorities.
- 3.4 Recommendation 4:** The council should seek to drive the desired cultural change towards being a learning organisation more widely across the organisation, ensuring consistent communication, leadership behaviours and staff engagement in all departments and at all levels.
- 3.5 Recommendation 5:** The aspiration to become a learning organisation is commendable and presents a real opportunity. To continue to make this a reality, the council needs to define and operationalise what this means in practical terms across different service areas, embedding mechanisms for

feedback, innovation and knowledge sharing.

- 3.6 Recommendation 6:** The improvement work of the council housing service in response to the recent judgement by the regulator remains a top priority. The council should continue to build upon recent work with a renewed, ambitious strategy that addresses both operational challenges and long-term objectives that links to the financial strategy and is underpinned by a strong assurance framework.
- 3.7 Recommendation 7:** Work to mitigate the financial pressures associated with homelessness needs to be accelerated. This should include proactive reviews, service redesign, improved partnership working, and innovative housing solutions to manage demand and associated costs.
- 3.8 Recommendation 8:** The transition from a committee system of governance to a leader and cabinet model has been well managed with members and officers adjusting to the new discussion and decision-making processes over the last year. The council should consider if further work is needed to ensure opposition parties do not feel excluded from the decision-making process through their inclusion more fully in the overview and scrutiny process.

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 based on their relevant expertise. The peers were:

- **Stephen Young**, Chief Executive, Halton Borough Council
- **Cllr Tudor Evans OBE**, Labour Peer, Leader of Plymouth City Council
- **Cllr Neil Prior**, Independent Peer, Cabinet Member, Pembrokeshire County Council

- **Rupaben Raghvani**, Assistant Director of Finance, LB Southwark
- **Joanne Drew**, Executive Director of Housing and Regeneration, LB Enfield
- **Jamaila Hussain**, Executive Director of People and NHS Place Director, St Helens Borough Council
- **Marcus Coulson**, LGA Peer Challenge Manager

4.2 Scope and focus

The peer team considered the following five themes which form the core components of all CPCs. 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?

In addition to these themes, the council asked the peer team to provide feedback on a few specific areas under the five CPC themes which were:

Local priorities and outcome

- How we are addressing mental health and homelessness

- Look and feel of the city

Organisational and place leadership

- Leadership on economic growth
- Collaboration on Devolution and LGR

Governance and culture

- Embedding the move to a cabinet system
- Creating a learning organisation

Financial planning and management

- Financial sustainability and risk management

Capacity for improvement

- Opportunities e.g. AI and data analytics

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 collective experience and knowledge of over 180 years in 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 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 Brighton and Hove City Council and what the peer team should focus on. It also included a 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 four days onsite in Brighton and Hove, during which they:

- Gathered evidence, information, and views from more than 80 meetings, in addition to further research and reading.
- Spoke to more than 170 people including a range of council staff together with members and external stakeholders.

This report provides a summary of the peer team's findings. In presenting feedback, they have done so as local government officers and member peers who have engaged with those in Brighton and Hove in a trusting manner and make their observations and recommendations in good faith.

5. Feedback

5.1 Local priorities and outcomes

Brighton and Hove has a total population of 279,637 residents. 16.7% of the population are aged under 18, and 14.2% of the population are aged 65 and over. At the last Census 14.6% of the population are from a black or minority ethnic population, and 26.1% of the population described themselves as non-white UK (i.e. not white British, English, Northern Irish, Scottish, or Welsh). 1.2% of the population report that they cannot speak English well or at all.

According to the indices of multiple deprivation 2019 (IMD) Brighton and Hove is ranked 131 out of 326 authorities in England, with a ranking of 1 being the most deprived. IMD combines information across seven Domains: Income Deprivation, Employment Deprivation, Health Deprivation and Disability, Education Skills and Training Deprivation, Barriers to Housing and Services, Living Environment Deprivation, and Crime, to provide a measure of relative deprivation for all areas in England. 15.3% of children in Brighton and Hove live in poverty. This is based on the IMD Income Deprivation Affecting Children Index (IDACI) 2019. According to the latest Department for Work and Pensions figures, there are an estimated total of 7,048 children in Brighton and Hove living in families in relative low income. 52.7% of children in Brighton and Hove achieved 9-5 in English and Maths GCSEs in 2023/24 (academic). This compares with 46.2% for England. 4.2% of working age people in Brighton and Hove are unemployed, compared with 3.9% for England as a whole. The median weekly wage for employees living in Brighton and Hove is £748.2. This

compares with an England wage of £732.0.

The council has a strong understanding of its local context, and its priorities are clearly aligned with the needs of the city's residents. There is evidence of significant progress in a number of key areas, with services focused on achieving meaningful outcomes for residents, particularly the most vulnerable. A commitment to continuous improvement, early intervention, and integrated working is apparent and the council is increasingly using data and performance insight to inform decision-making and monitor the impact of its work. Below, we reflect on individual service areas.

Children and Young People's Services (CYPS)

Children's Services stand out as a flagship area of delivery for the council. In October 2015 the council created a model of relationship-based social work called the 'Team Around the Relationship'. This relationship-based practice is built on the idea that a social worker's relationship with the family is the most powerful tool to facilitate change and that these relationships, when they are trusting, empathic and authoritative, can be reparative.

This model of practice is premised on providing continuity and consistency for families so that they do not have to experience changes of social worker and they know how to access support. These small social work teams, called pods, work with families throughout their journey so that a child can have the same social worker from their first assessment until they end their involvement with social workers.

This approach allows social workers to collaborate and share skills with each other in order to support families. Small teams, including group supervision and a flatter management structure, also means that social workers experience more support regarding the emotional impact of their work from their managers and peers.

This embedded model of practice has now been in place for a decade and has delivered consistently strong results. The long-term, whole-system approach has created a stable and high-performing service with positive outcomes for children and families, high morale among staff and notably low turnover culminating in an 'Outstanding' rating from Ofsted. The SEND inspection in 2023 gained the highest possible rating and the Youth Justice inspection in 2021 was also outstanding. This mean CYPS have the highest possible inspection ratings across the key inspection regimes. These achievements are significant and should be celebrated as a model of

sector-leading practice.

The redesign of Early Help and the development of Family Hubs has further strengthened the preventative offer. These hubs are operating as effective, multi-agency environments with strong external partnerships. The council's emphasis on prevention is having a measurable impact - evident in the reduction of Child in Need referrals - and lays solid foundations for a more holistic, family-first model, which includes raising aspirations of parents and young people through learning and skills.

However, there are areas where further strategic focus would be beneficial. In particular, there is a need to give greater attention to the special educational needs and disability (SEND) agenda, building on the good inclusion work that has been completed by the teams. The ambition of the council to ensure equity across communities is commendable and changes to the schools' admission policy will enable young people and parents to have wider access to schools of choice. Equally the work the council has undertaken with schools has resulted in a reduction in exclusions as well as a school stating that they will implement a zero-exclusion policy.

There are opportunities to further enhance the ambition of the council to continue to empower families and promote independence for young people, through a review of school transport, including SEND transport, and encourage flexible alternative options. There may also be the opportunity to unlock much needed financial opportunities back to the General Fund through a review of SEND transport as well as the DSG Fund from a review of SEND.

Mental Health and Integrated Services

There is strong, pioneering work underway on mental health in schools with the school counselling pilot launched in September 2024. This focuses on Year 9 students in all secondary schools in Brighton and Hove through an offer of counselling sessions that are individualised and dependent on need. The project aims to provide additional support alongside the Schools Mental Health Service for children and young people who have experienced challenges accessing education because of their mental health. This provides a vital early intervention platform and represents an important opportunity to improve outcomes for children and young people.

The council currently has an integrated mental health assessment service within adult services where social workers are hosted by the NHS mental health provider.

It may be helpful to expand mental health provision to include wider participation from the Community, Voluntary and Faith Sector (CVFS) who could further strengthen the prevention offer and support people and carers earlier, decreasing reliance on crisis care.

Adult Social Care

Adult social care is navigating significant challenges and transformation pressures as well as an inspection by the Care Quality Commission (in April 2025). A continued focus on integration between housing, health, and community services is essential to support the council's ambitions around prevention and early intervention.

Strengthening these connections can reduce the demand for crisis-level interventions and create more resilient, person-centred support systems.

Growth and Housing Supply

The council has a strong track record of delivering new housing, which reflects a proactive and capable approach to place-based leadership. It has successfully delivered 1,075 new homes citywide in 2023/24, the highest since 2013, including 318 affordable homes and 127 new award-winning council homes. In 2024/25 the council delivered a total of 90 additional council homes, with 435 affordable homes in total. In the context of national policy shifts and increasing demand, there is now an opportunity to scale up and accelerate delivery to meet housing needs more ambitiously and to support inclusive economic growth.

To achieve this, the council may consider:

- Bringing forward an update to the Local Plan, embedding a bold and clear vision that creates opportunities for development and generates market interest.
- Reviewing the development management function to ensure planning processes are streamlined, timely, and responsive to higher volumes of applications. A faster and more agile process will be vital to attracting and retaining developer interest, confidence and the potential for increased housing supply.

- Enhancing stakeholder engagement, giving partners, including developers, investors and anchor institutions, clear incentives and meaningful involvement in shaping and delivering the city's growth agenda.

Council Housing

Housing has two main regulators, the Regulator of Social Housing (RSH) and the Building Safety Regulator (BSR). Following engagement with the RSH, the council received a C3 judgement in summer 2024, indicating that the council does not currently meet required regulatory standards in relation to some elements of the safety and quality standard. This led to monthly meetings focused on compliance with the Safety and Quality Standard.

In July 2024 the council submitted a mandatory occurrence notice to the BSR in relation to the Large Panel System (LPS) of eight blocks due to structural and fire safety concerns. The council adopted an emergency planning response to the mitigations that quickly kept occupants of the blocks safe, progressing remediation works and completing the building safety case regime.

The council is responding assertively to the housing safety and regulatory compliance agenda, with resident engagement at the centre. Leadership in this area has been visible and determined, focused on rebuilding trust and ensuring that all tenants feel safe and supported in their homes.

Looking ahead, there is a need to stabilise and strengthen the Housing Revenue Account (HRA). A financial strategy and deliverability plan will be essential by 2026/27, and this should be supported by:

- A clear financial framework for the HRA, including target metrics to guide decisions and increase transparency around resources and capacity.
- A strategy to improve operational performance, focusing on efficiency, income maximisation, and the release of capital through non-core or economically unviable assets.
- A well-articulated vision for council housing, including how the council will become a high-performing landlord. Establishing an assurance framework will help provide the necessary governance oversight, track progress, and strengthen resident confidence.

Partnerships and external funding opportunities should also be actively pursued to support new housing delivery.

Homelessness

The council recognises the increasing number of people in the city reported as homeless and that this can also be accompanied by mental health issues. There are now 1900 households in temporary accommodation and a rising trend of single male presentations.

The council has a proactive and evolving strategy to address homelessness, reflecting both the scale of the challenge and the complexity of resident needs. As the council reviews the homelessness and rough sleeping strategy it is also seeking to enhance resident engagement and strengthen early intervention and prevention services. However, delivery now needs to be accelerated to have the desired impact. A key strategic goal should be to make homelessness rare, brief, and non-recurring.

To support this, the council is encouraged to:

- Strengthen policies that support placement in areas where housing is both affordable and appropriate, balancing cost with community cohesion and access to services.
- Review eligibility criteria to ensure the most vulnerable families receive timely support.
- Explore more flexible and responsive models of emergency and temporary accommodation, including council-delivered rapid assessment and resettlement options, particularly for lower priority groups.

Mental health support for homeless residents is strong in cases involving Care Act eligibility. Further integration is now needed for individuals with support needs not covered by the Care Act, particularly to prevent homelessness in the first place and to help maintain stable tenancies and prevent repeat homelessness. A review of access pathways to available exempt accommodation and a supported housing strategy should be considered and prioritised to those with complex needs but who fall below the Care Act thresholds.

5.2 Performance

The council has a comprehensive and structured Performance Management Framework (PMF) in place, which plays a critical role in supporting the delivery of its Council Plan outcomes. The PMF enables the organisation to monitor, assess, and improve performance at the individual, service, and organisational levels.

As a Best Value Authority, the council recognises its duty to secure continuous improvement in the exercise of its functions, with a clear focus on economy, efficiency and effectiveness. The PMF is designed around eight interconnected components that collectively drive ongoing improvement. These elements ensure a holistic understanding of performance across the council. Most services contribute to multiple aspects of the framework, reinforcing a culture of shared responsibility for improvement.

Delivery against the Council Plan is tracked through a combination of corporate key performance indicators (KPIs), progress updates on the Corporate Leadership Plan, and performance reporting aligned to each of the PMF's elements. The Corporate Leadership Plan itself translates the strategic ambitions of the Council Plan into priority activities, providing a mechanism to ensure accountability, transparency, and demonstrable impact.

Towards a Learning Organisation

The council is actively exploring what it means to become a learning organisation. This includes embedding mechanisms for reflection, feedback, and continuous development into everyday practice. A formal culture change programme is currently in development, with early initiatives already influencing organisational behaviours. The council is considering the use of the LGA's Leadership and Management Transformation Maturity Matrix to support this journey and benchmark progress.

To align with its learning organisation ambitions, the council is working to ensure coherence between its performance frameworks, corporate policies, and internal procedures. A comprehensive leadership development programme is also being designed to underpin this cultural evolution. An important aspect of this development will be to ensure that there is a golden thread so staff at all levels of the organisation are aware of the vision and priorities and how their work supports these intentions.

Equality, Diversity and Inclusion (EDI) in Performance

The council is committed to embedding equality, diversity, and inclusion within its performance management approach. EDI considerations are integrated into the PMF to ensure that the delivery of Council Plan outcomes is inclusive and equitable. This strengthens the council's ability to respond to the needs of all communities it serves, while also aligning performance management with core values of fairness and transparency.

Specific areas of a successful performance are:

Cost-of-living Support:

- Extensive support delivered via the *Household Support Fund*, including food, fuel, and essential item vouchers.
- Ongoing work with local food partnerships and emergency support networks.
- Notable implementation of free school meal vouchers and school uniform schemes.

Climate Action and Sustainability:

- 3,000 solar panels installed through Solar Together Sussex.
- EV charging network now includes 370+ charge points.
- Eleven electric refuse collection vehicles with two more joining shortly.
- Introduction of the first electric buses in the city.

Transport and Accessibility:

- Twenty-four new dropped kerbs and improved accessibility via the Local Transport Plan.
- Continued development of active travel infrastructure and walking/cycling schemes.

Housing and Homelessness:

- Successful delivery of affordable homes via the New Homes for Neighbourhoods and Homes for Brighton and Hove programmes.

Children and Young People:

- Maintained high educational attainment and Ofsted performance 100% good across Children's Services.
- Expansion of Early Years SEND specialist placements.

Digital Transformation and Customer Service:

- Implementation of digital inclusion initiatives.
- Launch of a new customer experience strategy.

Ongoing Key Challenges are:

Budget Pressures:

- The Council have experienced significant pressures and projected overspends during 24/25, but have managed this to a balanced position through recovery plans and the implementation of spending controls.
- Cost pressures in adult social care, temporary accommodation, and home-to-school transport.
- Inflation and high service demand impacting financial sustainability.

Temporary Accommodation Crisis:

- Increasing reliance on temporary housing due to rising homelessness and affordability issues.
- Pressures on emergency housing stock and placements outside the city.

Social Care Demand:

- Continued rise in complexity and volume of adult and children's social care cases.
- Recruitment and retention pressures in the care workforce.

Transport and Infrastructure Limitations:

- Delay in delivering some transport and city infrastructure projects.

Climate Emergency Delivery Gap:

- While projects are progressing, the scale of carbon reduction needed remains significant.
- Behavioural change across communities remains a barrier.

5.3 Organisational and place leadership

Organisational leadership

The council benefits from visible and effective leadership. The leader, chief

executive, and the wider executive team are providing clear direction and there is evidence of collective ownership and accountability within the Extended Corporate Leadership Team (eCLT). Strategic priorities are well understood, and there is a shared sense of ambition and purpose across senior management.

The council's organisational culture is evolving and there is a strong foundation on which to build. The journey of cultural change is being approached thoughtfully, with a recognition that embedding values of openness, inclusivity, and continuous improvement will be essential to sustaining transformation over time.

The council is fortunate to have many allies across sectors, including anchor institutions, voluntary and community groups and business partners who are engaged, supportive and ready to contribute. The council is encouraged to harness this energy and goodwill more systematically by involving partners in long-term strategic conversations, co-designing creative solutions and creating shared ownership of outcomes.

The city boasts several strong and growing economic sectors, underpinned by a national and international reputation in areas such as creative industries, tourism, health and digital innovation. There is a significant opportunity to align economic strategy with housing growth plans to support inclusive growth. A vision and strategy that links place-based economic development with housing growth and workforce attraction and retention could unlock wider benefits for both residents and employers. This should specifically address the need for affordable and intermediate housing for key workers.

The council is aware that it needs to develop a shared vision and narrative with councils across Sussex on devolution and Local Government Reorganisation. As regional conversations around Devolution and Local Government Reorganisation develop, the council should continue to play an active leadership role. Developing a shared and compelling narrative in collaboration with partners across Sussex will be critical in influencing the future local government landscape.

The council's recent transition from a committee system to a leader and cabinet Model has been well-received by stakeholders and represents an important step forward in streamlining decision-making and strengthening accountability. There is an opportunity now to fully embed this model, ensuring that roles are clearly understood,

and that the benefits of more agile governance are realised across the organisation.

The peer team noted that partners and partnership working were not prominent in the opening narrative for this CPC. It was felt that this inward focus may be a moment in time due to the changes in leadership, governance and culture ongoing at the council and therefore understandable due to the capacity needed to address these issues. As the council moves forward it is encouraged to further develop its approach to partnership working as a core element of its overall organisational narrative. Framing partnerships not as an external addition but as integral to delivering outcomes will help drive shared accountability and deepen trust. The peer team witnessed positive partnership meetings with organisations ready and willing to be engaged on the issues of the day with BHCC.

There is also the potential to better maximise the contributions of all elected members. Developing the roles of member who are not on Cabinet and enhancing opportunities for participation in policy development will be important. For example, Overview and Scrutiny could play a more strategic role by working more closely with the Cabinet's forward work programme, helping to shape emerging policy and offering a platform for more collaborative working across political groups. Providing concise information and continuing with the member training programme with regular effectiveness review will support members in their roles.

As part of the commitment to EDI the council has a Fair and Inclusive Action Plan that embeds equality and diversity in the workforce and service delivery. Progress is reviewed through Corporate and Directorate Equality Delivery Groups to work towards developing a workforce that reflects the city's diversity and there is a clear recognition of the need to ensure this representation exists at all levels of the organisation. Continued work on inclusive recruitment, leadership development and workforce progression will be key to achieving this aspiration and building a resilient, representative organisation.

Place Leadership

The council's role as a place leader is evident in its stewardship of key regeneration and infrastructure projects. The Madeira Terrace regeneration stands out as a flagship scheme, showcasing high-quality public realm improvement and significant public engagement. The staff leading this work are skilled, knowledgeable and

committed to making it a success and rightly proud of what they have achieved to date. The project also reflects the council's growing capacity to lead complex, high-profile capital programmes. The project lead has a clear understanding of the need to create a shared partnership board and bring in key stakeholders to promote the work to ensure it is sustained for the necessary long term. As the restoration progresses, it will be important to ensure that there is a clear, agreed vision for the end-use of the site, aligned with the city's economic, cultural and environmental goals. A particular issue would be to come to a decision about car use in and around the restored structure.

Brighton and Hove has a strong identity and is known nationally and internationally as a vibrant, diverse and innovative city. However, in the peer team's onsite work there were at least five different taglines or mottos used by different individuals and groups to describe the place. These multiple branding messages and identities may dilute the impact of the desired outcomes for the city and the council. There is an opportunity to define and commit to a single, coherent place-brand that unites messaging across economic development, tourism, culture and civic pride. This agreed branding should then be visible on council communications and in council places.

Internally, the council is making important progress on cultural transformation within Environmental Services. The new interim Director of Environmental Services is driving forward improvements including better working practices, strengthened industrial relations and increased staff engagement. This is a critical area of work, and the council is encouraged to maintain this positive momentum. Any alleged criminal behaviour should be addressed by informing the relevant authorities.

5.4 Governance and culture

Brighton and Hove City Council has taken important steps to strengthen its governance and develop a values-led organisational culture. There is a strong foundation of respect and ambition, with clear signals that both governance and culture are evolving in ways that will support long-term effectiveness, transparency, and trust.

Governance

The council has successfully transitioned from a committee system to a leader and cabinet model, marking a significant change in how decisions are made and how strategic direction is exercised. The cabinet system has been implemented effectively in a short period of time, and the informal cabinet session that peers observed was well managed, with portfolio holders taking ownership and showing a good understanding of their brief. The peer team observed that some items were presented with a set of 'guiding principles' and 'the vision' and felt that this practice is positive in helping members to focus on priorities. Officers showed informed support and expertise and there was evidence of clear forward planning. There is early evidence that this has enabled the organisation to move more decisively and take forward important and sometimes difficult decisions in a timely manner.

This change represents a crucial step forward in strengthening the council's ability to respond to complex challenges, drive transformation and operate with greater agility. Continued support for cabinet members and the broader councillor cohort will help embed this model further and ensure that the governance structure remains inclusive, transparent and accountable.

In contrast, some members outside of the ruling administration did feel a sense of loss of the old committee system and were critical of scrutiny being geared towards the administration. Some felt that their voices were no longer heard effectively and as such there is an opportunity for scrutiny to get more upstream of the cabinet work plan, so that all members can feel a sense of ownership of policy development. Scrutiny has ambitions to move to a more 'member to member' conversation and to consider setting up more cross-party task and finish groups. The council should consider how it maximises the contributions of all members for the benefit of the city. As scrutiny matures, consideration should be given to whether further work is needed to ensure opposition parties do not feel excluded from the decision-making process through their inclusion more fully in the overview and scrutiny process.

Some members felt excluded in communications that affected their wards and felt that officer responsiveness was not always consistent. One said, "We've become complaint clerks, not councillors". Other issues raised by opposition members included not being able to access to exempt / confidential papers and poor

responsiveness from some officers and it struck the peer team that there could be a more comprehensive approach to member development to address these concerns and to ensure that all members are able to contribute effectively.

To fully maximise the benefits of this new system, attention must now be given to the quality and usability of risk management information. Risk reporting should be enhanced to provide clearer, more focused outputs, including succinct executive summaries that highlight key risks, mitigations and implications. This will help both members and officers engage more effectively with risk and make well-informed, proportionate decisions. A more tailored and accessible approach to risk information will also support stronger scrutiny, oversight and assurance.

In addition, there is a need to clarify the council's risk appetite. During the peer challenge it was not clear to the team what level of risk the organisation is willing to accept or tolerate in different decision-making contexts, whether in commercial ventures, innovation, service transformation, or capital projects. A clear articulation of risk appetite, aligned with the council's strategic ambitions and financial resilience, would enable officers and members to take measured risks confidently and responsibly.

Culture

The council's organisational culture is widely regarded as positive, respectful, and values driven. There is a visible commitment to building a modern, inclusive organisation that is responsive to the needs of its workforce, partners, and residents. The leadership has made a deliberate effort to create an open and supportive environment where staff feel empowered to raise concerns, contribute ideas and challenge constructively.

The recent organisational redesign process, while necessarily difficult at times, has been approached with integrity and a long-term view of building a more resilient, effective council. The introduction of the 'Five Pillars' of the learning organisation framework is a valuable tool in this transition. They are to be:

- confident
- connected
- innovative and creative

- diverse and inclusive
- healthy and psychologically safe.

These are understood and referenced by senior leaders, but wider engagement and visibility across the whole workforce will be needed to ensure that all staff understand how these principles apply to their day-to-day work. Displaying these values more prominently and using them in internal communications and performance conversations could help embed them further.

There is also an opportunity to define and communicate a more compelling and consistent narrative about what it means to be a ‘learning organisation’. While individual programmes and initiatives, such as leadership development or internal career progression, demonstrate good intent, a more explicit and shared understanding of what learning looks like at every level (from senior management to front-line and back-office staff) will help embed this culture more deeply. Partners and communities, too, should be able to see and feel the difference as the organisation adapts, grows, and reflects on experience.

A powerful illustration of progress in this area is the Future Leaders Diverse Talent Programme, which has had a demonstrable impact on participants and the wider organisation. One staff member’s comment “For years I felt rubbish in here, now I feel heard and seen”, captures the emotional and transformational significance of this work. It shows how inclusive leadership and investment in people can have a direct and lasting effect on morale, belonging and performance.

The senior leadership team should be commended for encouraging an open ‘speak-up’ culture and we note the commitment to taking action in response. This should be further promoted to encourage staff to continue to engage and to act on the feedback.

5.5 Financial planning and management

Brighton and Hove City Council is operating within a particularly challenging financial context, marked by increasing demand pressures, funding uncertainty, and the legacy of national cost inflation. There is a shared awareness at senior levels of the severity of the council’s financial position, which is an important foundation from which to take the necessary strategic actions. However, the current level of financial

risk, particularly the low level of reserves and projected deficits across all major funds, requires urgent and sustained focus.

Financial Position and Risk

The council is projecting significant budget deficits across its core financial funds, namely the General Fund, the Housing Revenue Account (HRA), and the Dedicated Schools Grant (DSG). The Council's Medium-Term Financial Strategy (MTFS) sets out the broad principles and intentions required to meet this challenge. The next step is to translate this strategic intent into a detailed plan, which is developed, agreed and collectively owned across leadership. This will require clear accountability, measurable outcomes and regular tracking of progress to ensure financial risks are mitigated and benefits realised.

Financial Resilience. The council is required to maintain an adequate level of reserves to deal with future forecast, manage risk and to provide cover for any unexpected pressures. The council has very little, to no, tolerance in its financial resilience. The council's current working balance, and the overall level of usable reserves, is considered very low, placing it at heightened risk of financial instability should there be any in-year budgetary pressures, overspends or new risks arising. Councils are not permitted to spend beyond available resources; this current low level of reserves puts the council at significant exposure. A small change in external environment, which cannot be mitigated, could give rise to the issuance of a section 114 notice. This vulnerability underscores the need for immediate action to a) prioritise increasing the working balance to the minimum target with an overall robust plan to increase the overall level of reserves at pace and b) solid assurances over the planned medium term financial savings to deliver a sustainable budget.

Financial Sustainability. The council has considerable savings to deliver across the medium term which is well articulated in its MTFS. The council has achieved significant savings during 2024/25, however, it should be noted there was difficulty in delivering c£4m of planned savings which has been reflected in the most recent MTFS update. The council has identified further areas of savings and opportunities to enable it to set an annual balanced budget and achieve a financial sustainable position over the medium term. At time of the review, there weren't action plans developed by the relevant services to support the delivery of these. The 2025/26

budget and medium-term projections are dependent on the delivery of these to the agreed timescales. In the future, members may need to be prepared to make difficult decisions around spend and investment and where this necessitates this may require service reductions or redesign to release cashable savings.

Strategic Actions Required

A number of focused actions are now required to strengthen the council's financial planning and management:

- **Resilience and Sustainability:** The council should further develop its strategy to rebuild reserves and achieve a balanced, recurrent operating position. For the General Fund, this means targeting a sustainable base budget where savings and pressures are addressed on a structural, not temporary, basis. There is a need for rapid mobilisation to increase the pace and co-ordination of the actions that are needed to achieve both financial resilience and financial sustainability.
- **Housing Revenue Account (HRA):** A strategic review of the HRA is needed to determine how best to manage cost pressures, income potential and capital investment needs. This should consider the long-term viability of housing services and options to generate capital receipts from non-core or underperforming assets. Governance should be strengthened to track delivery and identify trends.
- **Dedicated Schools Grant (DSG):** The growing deficit in the DSG requires the development of a formal recovery action plan, likely to involve joint work with the Department for Education and other external stakeholders. The council will need to act as a system leader, working in partnership with schools and the wider education sector to reshape provision and address financial pressures, particularly in relation to high needs.
- **Investment Strategy:** Investment funds should be tightly targeted towards initiatives that can deliver early and realisable savings. A business case driven approach will help ensure return on investment is measurable and contributes to the council's financial goals.

- **In-Year Savings:** The council has a strong track record of delivering savings, but the environment has become more constrained. It will be important to undertake a rigorous review of in-year savings plans early in the financial year to confirm deliverability and apply management intervention where savings are at risk.
- **Savings:** Future planned savings will need to deliver to the tight the timescales outlined in the MTFS. It is recommended that delivery plans are developed by the relevant service so these can be effectively monitored to provide the assurances required on their delivery. This will also help identify risks and where capacity and resources need to be directed.
- **Opportunities:** It is recommended that senior leadership review all other avenues to explore opportunities. These could include a) acceleration of savings opportunities identified in future years b) output and outcomes achieved from the spending controls.
- **Capital programme:** The council has recently undertaken a review of its capital programme. It is recommended that this continues and where possible further opportunities identified to further re-profile, re-prioritise and consider options around financing to reduce the impact on the GF and HRA. This may include de-programming lower priority schemes from the capital programme even if, in some cases, this may imply turning down external grants and re-prioritising and delaying delivery. There could be headroom created into the general fund budget or provide one-off savings to support the council's financial resilience position.
- **Reporting:** In year financial monitoring reports are comprehensive and provide detail on in year position and savings delivery. It is recommended that the position statement should also include the impact on reserve levels from the current in-year position and the anticipated impact of the collection fund performance so that the impact on the reserves position over the medium term of the current landscape can be visibly seen and taking into consideration with wider decision-making.
- **Equal Pay:** The current budget and position does not forecast any financial implications from the equal pay claims in place. The position with regards to

this needs to be fully clarified and risk exposure and implications determined.

- **Spend Control:** The introduction of spending controls during 2024/25 was a pragmatic and effective response, helping to limit the impact of financial pressures on the year-end position. Continued vigilance will be required as the council looks ahead to 2025/26 and beyond. The outcomes achieved should be reflected upon and the culture and behaviour of managing with budgets continue to be embedded.

Asset Management and Capital Planning

The council has acknowledged the need to refresh its asset management strategy, spanning both the General Fund and the HRA. This update must go beyond compliance and asset condition to address how to become a strategic enabler, providing insight into how assets are performing, where opportunities for rationalisation or repurposing exist and how the capital programme can support organisational priorities. It would also consider the future of partnership initiatives such as the landmark Jubilee Library that is nearing the end of its Private Finance Initiative (PFI) period and Seaside Homes. Crucially, this refreshed strategy must be clearly linked into the capital investment plan, enabling more informed and coherent decision-making around the council's future asset base and borrowing needs.

Internal Control and Governance

Feedback from the council's internal and external auditors has identified areas for improvement in the internal control environment and value-for-money arrangements. Senior leadership should prioritise a clear and coordinated response to these recommendations, ensuring that improvements are embedded in practice and subjected to ongoing monitoring. Strengthening the internal control framework will be essential not only for assurance purposes but also for sustaining stakeholder confidence and maintaining transparency.

The recent appointment of a new Section 151 Officer (Chief Finance Officer) presents a timely opportunity for renewed leadership and clarity around financial governance. The new postholder can help guide the organisation toward greater clarity on its investment and borrowing risk appetite, ensuring that decisions align with financial resilience, regulatory requirements and the long-term vision for the city.

5.6 Capacity for improvement

Brighton and Hove City Council has a clear commitment to improving services and outcomes for its residents. The organisation benefits from a talented and motivated workforce, strong senior leadership and a willingness to reflect and evolve. However, to accelerate and embed meaningful transformation the council must ensure that its improvement agenda is underpinned by coherent governance structures, robust planning and well-communicated priorities.

Strategic Oversight of Transformation

While there are multiple areas of change and improvement underway across the council, it was not always clear to the peer team how these efforts are coordinated within the transformation programme. There is awareness of the importance of effective transformation governance arrangements that have clarity of purpose, ownership and direction. Staff at all levels should be able to understand how transformation activity connects to the council's corporate priorities and the council should maximise staff contributions to the design and delivery of transformation so that it will deliver tangible outcomes, particularly in terms of improved services, efficiencies and financial sustainability. The peer team understand the council is considering the LGA Leadership and Management Transformation Maturity Matrix to guide the development of this work. Having a well-structured framework will help prioritise the right projects and provide the rigour needed to support change at scale.

The transformation programme should have clearer links to savings plans, making it easier to assess progress, monitor delivery, and direct resources effectively within timescales that can be assessed.

Digital, Data and Technology

The council is aware of the need to improve the approach to digital, data and technology and approved its Digital, Data and Technology (DDaT) strategy in 2022 which provides a powerful lever for improvement. The focus in the strategy on improving foundational IT, the Digital Customer Programme and the data programme around governance presents an opportunity not only to streamline operations but also to drive a data-informed culture. The need to address digital inclusion is a further

driver that will require investment in data infrastructure, improved access to quality information and capacity-building around data literacy, insight generation and performance analysis. A stronger focus on data will support better decision-making, service redesign and evaluation of impact.

At the moment there appears to be a low level of understanding amongst member and officers of what being digital means and a danger that the answer is purely a technological one. Real maturity in digital and data would see service owners examining end to end business processes and realising that technology is only one part of the solution. The organisation has been 'passive' towards maximising the use of technology and the IT service has felt the point of blame.

There are 172,000 registered accounts on the council's online 'My Account' platform with nearly two million digital transactions per year. The platform is there and needs greater internal visibility and reporting of success.

There is a clear recognition among staff of the need to embrace modern tools and technology to enhance ways of working. Ensuring all staff can access the internet and council IT systems will increase productivity, unlock capacity across services and contribute to improved efficiency and staff experience.

The council should harness the enthusiasm and digital capability that exists within its workforce. Staff are eager to explore new tools, and the council would benefit from taking a more targeted approach to digital innovation. In particular, it should identify high impact use cases for artificial intelligence (AI), automation, and predictive analytics, ensuring that any deployment is purposeful, ethical and aligned with service outcomes.

Community Engagement and Collaboration

A critical part of the council's capacity for improvement lies in how it works with local communities and partners. The peer team noticed an absence of dialogue around how the council engages, listens to and empowers the communities. The peer team felt confident that this type of activity happens across the council and it may have been a quirk of what the team were asked to focus on that this was not heard very loudly. It is clear however that there is an active interest in the council and willing and able CVFS sector partners who acknowledge the council's move to a more strategic footing, but there is an opportunity here for the council to go further to address the

housing, homelessness and mental health challenges.

The Business sector also has the potential to add more value to the council's priority of improving the look and feel of the city. Strengthening these partnerships and embedding them in service design and delivery will not only increase capacity but also bring innovative, locally informed approaches to tackling complex challenges.

Enabling a Learning Organisation


All of the above areas, from transformation governance to digital enablement and community partnerships, are essential components of the council's aspiration to become a learning organisation. To enable this the council should articulate a clear, practical vision for what being a learning organisation means in the day-to-day experiences of staff, residents and partners. This includes visible leadership behaviours, ongoing professional development, feedback loops and mechanisms for sharing insight and innovation. Initiatives such as the Future Leaders Diverse Talent Programme demonstrate the council's potential to lead in this space and should be amplified across the organisation. In this way staff can be supported and empowered to contribute to change, learn from success and failure and continuously improve how services are delivered.

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 the CPC report the council will need to produce and publish an action plan within five 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, Mona Sehgal, LGA Principal Adviser, South East (Berkshire, East Sussex, Brighton and Hove, Kent and Medway), is the main point of contact between



the authority and the LGA and her email address is Mona.Sehgal@local.gov.uk.

On behalf of the Corporate Peer Challenge team.

Marcus Coulson

LGA Senior Adviser

April 2025.