

LGA Corporate Peer Challenge

Hart District Council

23-25 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 three days at Hart District Council (Hart / the 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

Hart District Council (Hart / the council) serves a green and prosperous area within the London commuter belt. With stable politics and well-managed finances, the council has focused on delivering core services, utilising a variety of shared service and outsourced arrangements to do so.

Staff appear to love working for Hart, giving consistent and very warm feedback about an organisation where they are well-supported, leaders are approachable and there are good relationships between councillors and officers. Partners were extremely complimentary about working with the council; many referenced the

organisation's responsiveness. The peer team had a strong sense of a council quietly and effectively going about its core business without really highlighting the impressive work it is doing in different areas. The council could do much more to communicate its work and could consider increasing the visibility of its political leadership and wider councillor cohort.

The corporate peer challenge came at a pivotal point for Hart, with discussions about devolution and local government reorganisation (LGR) in Hampshire progressing at pace. It is to the council's credit that it proceeded with its CPC despite this backdrop.

The peer team felt that, particularly in the context of LGR, there is an urgent need for the council to focus on its place leadership role and agree a vision for Hart that goes beyond the three priorities in the organisation's corporate plan. Without this clear sense of the future ambition for the area, there is a risk that Hart's residents and businesses will not benefit from the process of LGR but simply be subsumed into a larger unitary in which the focus may be elsewhere. Clarity about the key priorities for the area in the medium to long term will help sharpen the council's focus and activities ahead of LGR and lay the groundwork for what comes next for the area. The council should also think about how to position the good work it does, for example through Here for Hart, to be continued in a future unitary organisation.

The council could also consider opportunities to achieve lasting benefits in support of its vision and ambitions. With comparatively strong finances, it is in a good position to deliver greater impact in areas such as affordable housing. The council has a naturally cautious approach but should offset this against the possibility that focus and funding may not be directed to Hart in a larger unitary.

While it must think about the future, the current council will continue to provide services for another three years and needs to manage the transition through to LGR. With limited work in these areas to date, the council should focus on key pillars of transformation including digital and data, which offer scope to enhance current service provision and strengthen understanding of the local population ahead of LGR. It should also rapidly progress work on the local plan, with a clear organisational message that resourcing for this and other priority areas should be maintained.

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In a small, flat organisation where many staff and members have significant longevity and relationships are good, the peer team heard of a 'family' feel, but with some concern that this could lead to a lack of appropriate challenge across the organisation. Again, particularly in the context of LGR, there is a need to ensure that strong organisational leadership is strengthened by an appropriate culture of challenge both politically and managerially; this can also help equip both staff and members with the transition to a new organisation. The council should also review its governance arrangements to address the risk that practices which have evolved over time in a relatively informal and flexible organisation remain in line with sector best practice.

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 The council's political leadership should identify its vision for Hart in a pre- and post-LGR context, then work backwards to map out how to position the organisation and place to get there by 2028. Allocate resources to support this.

Currently, there is no clearly articulated vision for Hart overlaying the three broad priorities in the corporate plan. The Cabinet should focus on developing this to inform key priorities between now and LGR.

3.2 The council should consider a facilitated Cabinet session with a particular emphasis on your role as place leaders.

External organisations such as the LGA and others have experience in working with political leaders to help them shape priorities. Hart may find this helpful to support its thinking on LGR, the future of Hart and how to get there.

3.3 Review opportunities to deliver lasting benefits for the area (eg more affordable housing) ahead of LGR and ensure risk appetite is aligned to your new vision.

Hart's default approach leans towards being cautious. With comparatively strong finances, there is scope for the council to take a less cautious, more ambitious approach to delivering key priorities ahead of LGR.

3.4 The organisation should support members and officers for the transition to LGR and what comes next, including an enhanced member development and training offer and effective utilisation of the staff training resource.

Hart should proactively consider the training and support that will best equip members and officers for the transition to a new unitary organisation.

3.5 Ensure you allocate sufficient resources and capacity to maintain service performance at the same time as protecting Hart's interests through the process of LGR

While focus and resource are inevitably diverted towards LGR, the council still has to deliver core services and important priorities such as developing a new Local Plan. The council should avoid the risk of managed decline: resourcing should be maintained.

3.6 Take forward the opportunity to transform services. Maximise the use of resident and service data to shape current service delivery: this will also help inform the development of the successor organisation. Share embryonic organisational learning on the use of AI and frame this in a policy.

Although LGR might reshape the council's activity on data and digital, it shouldn't stop it. There will be benefits to staff, Hart and the successor organisation from enhancing work in this area: the council could consider external support to help identify appropriate priorities for the next three years.

3.7 Build upon the council's good work on prevention and engagement, health and housing, with a focus on positioning this to transition into a new unitary organisation.

The peer team heard about impressive work in housing, countryside management,

community safety and through Here for Hart. The council should actively think about how to ensure Hart's work is embedded into a new organisation and work to achieve this.

3.8 Take pride in promoting and communicating the good work you do externally and implement the actions from the recent LGA communications health check.

Members, staff and the council's corporate narrative all recognise that the organisation is 'quietly proud' and that it is not 'the Hart way' to highlight the work the council does. The peer team believes that the council should take the opportunity to be more vocal and visible locally – this will be important in the lead up to LGR.

3.9 The council should review its working and governance practices.

The council should benchmark itself against various codes and guidance to ensure that procedures are in line with sector best practice (eg Audit Committee membership, golden triangle arrangements), the division of responsibilities between committees is clear, and roles are not blurred but clearly reflect the distinct strategic role of members and officers' operational leadership.

3.10 Ensure strategic leadership and a joined up programme of work on EDI.

Hart has led excellent work to support local armed forces families and veterans, but corporate ownership of the wider equalities agenda is not clear. The council should clarify this, refresh its statutory equality objectives and develop a programme of work to deliver them.

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:

- Mari Roberts-Wood, Chief Executive, Reigate and Banstead Council

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- Cllr Keith House, Leader, Eastleigh Borough Council
- Cllr Sam Chapman-Allen, Leader, Breckland Council
- Tom Hook, Deputy Chief Executive, Oxford City Council
- Lloyd Griffiths, Corporate Director (Operations, Homes and Communities)
Worcester City Council
- Megan Hermes, LGA Regional Advisor, Shadow Peer
- Ellie Greenwood, LGA Peer Challenge Manager

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.

As part of these themes, the council asked the peer team to provide feedback on the council's community engagement, understanding of the needs of its local communities, and how the council can meet these through its leadership and priorities.

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 Hart 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 three days onsite at Hart, during which they:

- Gathered evidence, information, and views from around 40 meetings, in addition to further research and reading.
- Spoke to more than 80 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 fellow local government officers and members.

5. Feedback

5.1 Local priorities and outcomes

About Hart

Hart District Council serves an affluent pocket of north Hampshire located within the London commuter belt and bordering both Surrey and Berkshire. Measuring just 83 square miles, the district comprises a mix of towns and extensive countryside and is home to almost 100,000 people. Established in 1974, there is no single historic centre or Hart identity. The council is based in Fleet, the district's largest town, but other places such as Yateley, Hook and Odiham all have their own distinct identity and parts of the district look in different directions.

Health, education and economic indicators all reflect Hart's position as one of the least deprived areas in the country. As a consequence of this, services provided by the third sector and other statutory agencies in more deprived parts of the country are not offered in Hart. There is recognition within the council of the risk that Hart therefore *'isn't a good place to fall between the cracks.. [or] to be vulnerable'* although the peer team heard evidence of officers knowing their communities and working hard to avoid this happening, something that partners remarked on.

The relative affluence of the area impacts the caseloads that local services manage, with many people who seek support in employment. The inevitable challenges relating to the affordability of housing and people struggling to stay in the area has the potential to shape the local population: *'Hart exports young professionals as they can't afford to live here.'*

Housing, and linked to this planning, pose challenge for Hart, as for other areas. The council had only last agreed a new Local Plan in 2020, and has successfully front-loaded delivery of new housing, including affordable housing. In January however the council committed to developing a new plan to reflect the 147 per cent increase in the annual house building target (from the adopted Local Plan target of 423 to 750) under the new National Planning Policy Framework methodology. With a need to identify new sites to meet the increased target and previous controversies over local housing development, this is likely to be a challenging and resource intensive

process for the council at the same time as it prepares for LGR.

In terms of LGR, there is common consensus locally in support of Hart forming a North Hampshire unitary with neighbouring Rushmoor and Basingstoke and Deane Councils. The three councils already work closely together, sharing a number of services and community safety partnership.

A focus on services

The council's short Corporate Plan 2023-27 sets out three focus areas – planet, people and place – underpinned by a resilient and financially sound council. Each area sets out a number of pledges and four-year goals.

It is clear that as a council, Hart has focused on its service delivery role and supporting those who need it – *'we will help you if you need but if not we'll leave you alone.'* The council has utilised an extensive range of outsourced and shared service arrangements to deliver services, with joint arrangements in place with East Hampshire, Reading and the Southern Internal Audit Partnership as well as Rushmoor and Basingstoke and Deane. The council previously had a large-scale contract with Capita to provide corporate services, although the majority of these services have now been brought back in-house - only revenue and benefits remains outsourced. Across all externally delivered services, there has been a focus on tightening governance and oversight of arrangements (see section 5.3).

In its position statement, Hart highlighted the many Green Flag awards received by local country parks: there is a clear sense of pride about the area's green spaces and the council's management of them.

The council also highlighted the Silver Military Covenant award received under the Defence Employer Recognition Scheme. With strong local connections to the armed forces (nearby Aldershot, Sandhurst and the local Gurkha community), the council takes seriously its commitment to meeting the needs of the armed forces community. The council has provided training for staff on the armed forces, promoted job opportunities for veterans and reservists and worked closely with local cadet organisations. Grants of up to £4,000 from the council's Armed Forces Community Support Fund were provided to projects and activities that benefit serving members,

their families, veterans and cadets in Hart.

On site, the peer team heard about a much wider array of impressive work by the council. This includes the development in 2021 of 41 affordable homes for Hart's key workers: delivered by Berkely as part of the Edenbrook Village development, these are now owned by and managed on behalf of the council.

The peer team was also impressed by Here for Hart; a strong example of community partnership and preventative working. Originally established as part of the Covid recovery programme, this has evolved into an impressive collaboration between different council services, voluntary and community sector (VCS) organisations, health services, and Department for Work and Pensions (DWP). [Here for Hart's directory provides a shared front door service](#) for people who need support with a range of issues such as cost of living, housing, caring, health and wellbeing and transport and mobility. It also provides a forum to share intelligence and avoid duplication; Here for Hart's quarterly meetings are well attended, with sub-groups established to focus on specific areas such as unpaid carers. Partners working in other areas reflected that the forum is not replicated elsewhere, and that the council's facilitation is crucial in sustaining it.

Hart declared a Climate Emergency in April 2021, subsequently developing a climate action plan for 2023–2027 aimed at achieving carbon neutrality for the authority by 2035 and the district by 2040. Climate change activity is led by a small team in the corporate directorate, supported by an internal working group. The team has worked with different services to bring them up to a basic level of knowledge, which has led services to take ownership of their roles in delivering the action plan. The council has implemented an impressive tailored training programme, for officers and members, ensuring accessibility and relevance for both groups. Bespoke training has also been provided for external stakeholders and parish councils.

There is recognition that the full programme of climate actions cannot be delivered without additional external funding; the council has had some success accessing this to date, notably to fund the installation of a heat pump in one of the district's leisure centres. There is good evidence of partnership working and stakeholder engagement; the council has recently worked with the local VCS on a thermal

imaging project. The peer team felt that there is clear commitment and progress towards climate targets, with enthusiasm to make a difference particularly at officer level.

The council's use of its UKSPF funding appears to have been impactful. A recent council meeting showcased the Yateley School Wellbeing and Community Hub, a dedicated support centre for students with mental health problems and attendance challenges, which opened in February this year (additional funding was also provided to the school for an employment and skills project).

The peer team was struck that the council does not appear to highlight or widely promote the good work that it does: the opening of the Yateley hub, for example, appeared to be accompanied by a short Facebook post but no press release. This trait was recognised by those the team spoke to, who agreed that '*we quietly get on with it*' and are '*quietly proud*', although internal recognition was felt to be good.

There was a suggestion that some stories might not be promoted in order to avoid political criticism, but above all an overriding sense that overt publicity isn't particularly '*the Hart way*.' This approach is in fact reflected in the council's corporate narrative, which states that '*Many people may never need to speak to us as we tackle the day-to-day demands of council services. But for those who do need us, we're friendly, approachable and on our residents' side. We're good at getting on with the job, striving to protect and enhance the district for a future that serves all parts of our community. We are quietly proud of the work we do at the council, although it's not our way to shout about it.*' Although the peer team felt the council absolutely reflected its corporate narrative, it only saw the narrative itself in the introduction to the council's recent digital strategy.

The peer team felt that the council could, and perhaps should, do more to highlight the work that it does, not least to help ensure these strengths are carried forward into a new unitary. There is also scope for greater visibility and ownership of the council's work by councillors. This is considered further in later sections of this report.

5.1.1 Performance

[Hart's LG inform report](#) indicates a good set of outcome indicators and performance metrics. Historically the council has had an extremely low number of complaints investigated or upheld by the Local Government and Social Care Ombudsman (LGSCO).

As noted above, the area has above average indicators on health metrics, education outcomes and qualifications; indicators also suggest generally strong performance on a wide range of council services. The council's finances compare favourably to similar organisations, with a notably stronger position on reserves; separately, CIPFA's resilience index for 2023/24 show Hart to be in a sound position relative to others, with only the ratio of fees and charges income relative to total service expenditure flagged as a higher risk area. On housing, figures show a significantly higher than average number of affordable homes delivered, although the council was slightly above average for numbers on the housing waiting list.

Perhaps because indicators for Hart are generally strong, the areas where this is not the case stand out. The council's NNDR collection rates are slightly below the average for similar authorities. The council also compares less well on waste and recycling statistics, although this applies to most Hampshire districts; in the context of constraints linked to county-wide provision, Hart is one of the higher performing authorities on waste and recycling.

Finally, whilst the council has aspirations to deliver a 'good' or very 'good' service, it is notable that, with the exception of the number of major planning decisions overturned on appeal, it is below average performance on all other reported planning metrics: the percentage of major and non-major applications decided within agreed time and percentage of non-major decisions overturned on appeal. To meet its aspirations the council should benchmark itself against the best in class and be more ambitious than comparing itself against other councils less good performance.

Figures suggest the council spends less per head of population on its planning services than similar authorities, and the peer team heard the suggestion that performance statistics might be linked to the departure of key staff. With the development of the Local Plan a key priority for the council and £1m set aside to deliver this, the council must nevertheless still make sure that resourcing for and

processes within the development management team are kept under close review, and that internal management decisions within the service are made promptly to recruit to vacancies in a timely manner.

Performance management

The council has identified a number of key performance indicators (KPIs), grouped by council directorate rather than explicitly linked to the corporate plan. The peer team heard that staff's performance development reviews (PDRs) include consideration of how their work supports the corporate plan, but overall it wasn't clear that there is a golden thread running from the corporate plan, through service plans and into individual appraisals and supported by identified indicators. Service managers reported good collaboration on service planning processes, although service and budget planning are not aligned.

The council has established service panels comprising members of Overview and Scrutiny Committee (O&SC). Service panels meet quarterly to review KPIs, risks and discuss general service issues – this is then reported to the full O&SC. The council advised that performance management is the responsibility of Cabinet, which receives quarterly reports covering the KPIs, although it is not clear from meeting agendas that this has been on Cabinet meeting agendas as regularly.

Separately, performance on key projects and issues (eg climate change, digital strategy etc) is monitored through the Project Board (comprising SLT, project leads and the council leader), while contracted services have more detailed operational KPIs that are monitored through their own governance processes.

Areas to develop

The peer team identified some key areas for the council to think about. Particularly in the context of LGR, the council could do more to shape and articulate a vision for the area that sits above the simple planet, place people priorities. While it does a good job on delivering services for local residents, there is arguably a need for greater clarity and focus on what the priority issues are for the area and how to deliver on them. By quickly focusing on this issue and developing a vision and associated priorities, the council has the opportunity to identify what can be delivered before

LGR, and how to position the area (and successor organisation) to focus on these when the council no longer exists. Without the council doing this thinking now, there is a risk that this very local place leadership role will be lost once Hart is subsumed into a larger unitary authority where the focus may be elsewhere. The onus is on Hart District Council to lay the groundwork for the future now.

The peer team urges the council's leadership to move quickly to consider this by creating time for internal discussion and consulting with local residents and partners. There are numerous opportunities for the local area, including maximising the impact and potential of local parks and the countryside; capitalising on the area's links to local airports and aviation; thinking further about economic development, with the council beginning to step back into this space with a recent economic development strategy; or building on the success of earlier work to deliver more affordable housing. But taking forward more work in any of these areas will require both drive and capacity.

The council should actively think about how to ensure that the very good work Hart does across a range of areas is maintained in the transition to a unitary structure. Here for Hart, for example, provides a potential front door for a new adult social care service; Hart should proactively think about how this could be rolled out for a wider footprint. There is much that a new organisation could take from Hart in terms of both services, responsiveness and culture – but the council will need to position and promote itself for this to happen.

Performance management could be strengthened to create a genuine golden thread that runs from the council vision, through the corporate plan and service plans. This should be supported by a set of agreed indicators that are clearly linked to the corporate and service plans. The Cabinet should strengthen its collective ownership of the full set of KPIs and corporate plan, with consistent consideration of performance reports at its meetings.

It is common practice among many councils to provide an annual update on progress against the corporate plan and to refresh the forward look for the coming year. Hart could consider this and could bring the corporate plan to life with visuals and infographics (perhaps in line with the house style of Hart News).

The council could seek to align its service and budget planning processes. As set out later in this report, it could also make more use of data to drive service priorities and track outcomes.

Hart can demonstrate strong work on equalities through its receipt of the Silver Military Covenant Award. However, the council's work on equalities more widely appeared to be limited, both internally and externally, with uncertainty about where responsibility for this sits within the organisation. There is a need for clarity about corporate and organisational ownership of the equalities agenda to ensure that the council complies with the public sector equality duty, including updating its equality objectives, which are due for renewal. The council should draw on external resources such as the [Equality Framework for Local Government](#) to develop an approach to equalities in Hart ahead of LGR, with a supporting work programme to deliver this both internally and externally. Given the population profile for Hart, it could consider, as other councils have done, adding armed forces veterans and socio-economic inequality to the list of protected characteristics the council will consider.

5.2 Organisational and place leadership

Effective internal leadership and communication

The peer team heard positive feedback about managerial leadership at the council. The chief executive and wider senior leadership team (SLT) are seen as transparent and approachable, with an open-door policy. There are good links between the SLT and Operational Management Group (OMG) (equivalent to heads of service); the chair of OMG attends the weekly SLT meeting to provide a link between the two.

Internal communications have been strengthened. As well as a fortnightly staff newsletter, the chief executive leads a hybrid monthly Team Brief which provides an opportunity to showcase work across the council. There are two all staff events with the chief executive in summer and winter. The council had considered investing in a new intranet but has decided not to with the prospect of LGR within the next few years. This is an understandable decision but leaves a gap in internal communications: the council should consider opportunities to maximise the use of the SharePoint system as an information sharing as well as document sharing tool.

Communication around LGR was highlighted as being open and transparent; updates are shared as things change and communication feels two-way communication, with questions encouraged. However, the council should ensure that all directorates and staff feel fully sighted on these updates.

As noted in the previous section of this report, there is scope for the council to increase its external communications activity. The council sends a six-weekly email to around 3,500 households and publishes a council update, [Hart News](#), twice yearly. It has a presence on X, Facebook, Instagram, LinkedIn and YouTube, with a following of around 11,000 across the different platforms. The council recently undertook an LGA communications health check – this is explored further in section 5.2.

Having been in no overall control for over a decade, the council has stable political leadership, with a long-standing leader and coalition between the Liberal Democrats and Community Campaign (Hart). The Cabinet holds twice yearly policy and development away days; the peer team heard that there are monthly informal Cabinet meetings, attended by the chief executive.

There are good working relationships between the council's political and officer leadership, with regular engagement between senior officers and portfolio holders; the council leader attends the weekly SLT meeting. Opposition councillors feel well supported, with monthly meetings between the opposition leader and deputy leader, chief executive and section 151 officer. Councillors more widely welcomed the chief executive's visibility to members.

Strong partnership working

The council received consistently strong praise from its external partners as '*a joy to work with*' and a '*well thought of authority in the area.*' Across the VCS, wider local government, police and housing sectors, partners emphasised the council's responsiveness and quality of its partnership working: '*a really positive relationship – very engaged but not overly intrusive*' and '*a really good partnership, we feel really valued by them.*' There was personal praise for the chief executive, who is very visible to and respected by external colleagues.

Through its shared service / service delivery arrangements, Hart works closely and effectively with neighbouring authorities, in particular Rushmoor and Basingstoke and Deane Councils, with whom it shares building control and emergency planning, and legal, licensing and waste services respectively. This will provide a good foundation for future working should the councils merge through the process of LGR.

Unlike many other councils, Hart has maintained annual grant funding to two local VCS organisations - Citizens Advice Bureau and Hart Voluntary Action – each of whom attends overview and scrutiny once a year to report on their activity. The council also provides office space for the two organisations in the civic centre (it also rents part of the building to Hampshire Constabulary and Farnborough College). Relationships between the council and local VCS organisations appear extremely positive, with the sector clear that it feels valued by the council.

Hart has 21 parish and town councils. At the time of the peer challenge, the council was mid-way through a Community Governance Review of local parish structures. The council has made significant efforts to support its local councils and keep them informed of key developments: it has recently stepped in to help resurrect the local association of parish and town councils, which had collapsed, and the planning team try to separately host regular briefing sessions on planning for parish clerks every quarter.

The peer team heard broadly positive feedback on this relationship, with the visibility of the chief executive again praised, as well as support from the democratic services team. Long standing parish councillors believe that engagement from the district council has increased compared to the past. However, given the significance of work to update the Local Plan, the Community Governance Review and LGR, there is an appetite from parish and town councils for further briefings on these issues. Hart should build on the efforts it has already made and continue to focus on engaging with its network of parish and town councils, at both officer and political level.

Areas to develop

The previous section of this report urged the council to focus on its vision for the future of Hart, the development of which should be clearly owned by the council's senior political leadership. The leadership does not currently seem to have

articulated a clear political vision for the administration, organisation or place, but now is the time for strong political leadership for both the organisation and area. In the context of LGR, what legacy does the administration want to leave for the area? How will the Cabinet lead the council to LGR?

Strengthening the operation of organisational leadership structures will create space to focus on this. The Cabinet should ensure it is meeting regularly, with at least monthly meetings to provide ongoing strategic leadership for the organisation, as well as away days to discuss 'big ticket' items. An immediate priority should be to quickly meet to discuss the future of Hart in the context of LGR, the council's vision and route map to it.

The council should also consider whether its current practices provide sufficient time for senior officers and senior councillors to meet separately. While the weekly joint meetings between the leader and senior officers are indicative of Hart's strong working relationships, there is equally a need for separate space and a risk of a blurring of roles at the top of the organisation which both officers and members are conscious of.

Developing a clearer vision and ambition will help the council to strengthen its local place leadership role, laying the groundwork for what comes next and maximising the benefits of LGR for Hart.

The council could build on its strong operational partnership working and ensure it is taking a strategic approach to local partnerships. Currently, there are gaps and / or opportunities to strengthen relationships in important areas such as health and the economy.

Although officers work with health colleagues through Here for Hart, relationships at senior level appear limited to the leader of the opposition sitting on the Hampshire Health and Wellbeing Board and Chair of the Districts Forum – the council should consider what will represent the interests of Hart in a changing local government and ICB context.

On economic development, having previously withdrawn from work in this area, the council recently commissioned a new economic development strategy '*A prosperous*

future for Hart as well as *'The heart of the M3 innovation corridor: an investment prospectus for Hart.'* It has a small amount of capacity to draw on from Rushmoor's economic development team. While further resources would be required for substantive work, this provides a platform to think about economic opportunities linked to local assets such as aviation, the countryside and visitor economy. There is also scope to strengthen relationships with the local business community, which were strong during Covid: there is an opportunity for more regular senior engagement with the local BID, building on the recent successful business breakfast hosted by the council leader.

5.3 Governance and culture

A supportive organisational culture

Staff at Hart feel very well supported within the council, appreciated, and valued for their work. The peer team heard on several occasions that the council has a family feel to it – *'We are a family here at Hart'* - perhaps understandably for a small organisation of just 139 staff, many of whom have worked for Hart for a long time. There is a sense that the size and flat structure of the organisation, coupled with its open and approachable leadership style, removes a sense of hierarchy and empowers people, as well as allowing for pragmatism and flexibility. The peer team heard that staff *'are enabled to make decisions and supported in doing so'* and that *'one of the good things about Hart is it empowers you to change and fix things.'*

Relationships between members and officers at the council appeared to be strong and respectful. Members are seen to *'trust their officers'* and be *'very supportive'* but collectively are not always very visible to staff or externally. The peer team was surprised at the extremely low number of member enquiries received by the council (on average just a handful a month), which seems unlikely to be explained solely by the affluence of the area.

Relationships and behaviours between members also appeared to be generally positive, with a low number of issues raised as conduct matters and all able to be resolved informally.

Although the family feel to the organisation was largely seen as a positive, the peer

team heard some concern that the notion of the organisation as a family could create a slightly cosy culture that doesn't always challenge or manage effectively. It is important that both councillors and officers guard against this risk and be willing to embrace challenge, including politically, as a normal part of local government and continuous improvement. Supporting managers with more difficult conversations is likely to be a focus of the new workforce strategy and will be important to help position both managers and staff to transition to a different organisation which may have a very different culture.

Audit and scrutiny

In terms of formal processes to scrutinise and challenge, there was positive feedback for the work of both the Audit and Scrutiny Committees, which are considered to be well-chaired.

The Audit Committee meets three times each year, with a work programme considered early on in the year. The section 151 officer always attends meetings, with the monitoring officer occasionally in attendance: cabinet members do not attend. Committee agendas cover expected items including the internal audit plan and reports, the council's statement of accounts and annual governance statement. The peer team heard that on audit, the Committee asks appropriately challenging questions and is effective at tracking required actions.

In 2023, the council commissioned Southern Internal Audit Partnership to provide its internal audit function, with the aim of increasing the robustness of its internal audit plan: the new service is believed to have increased the resilience of the service and provided greater depth to internal audit. There is good organisational engagement through both the planning and audit stages. The peer team heard that the council is very open to internal audit focusing on areas where things might not be working as well as in other areas, and that it has a strong track record in progressing the management actions arising from internal audit reports.

As noted earlier in this report, the council has a single Overview and Scrutiny Committee supported by three service panels focusing in detail on the council's directorates. In line with best practice, the Committee is chaired by the opposition, and scrutiny work appears to be collaborative. There is an appetite however among

some members to strengthen overview and scrutiny at the council. The peer team agrees that there are opportunities to do so, including enhancing scrutiny training, and taking a more outward facing approach to scrutiny work, for example potentially hearing reports from partners such as Vivid Housing, the council's largest registered social landlord.

The peer team picked up on some confusion about where responsibility for oversight of risk management sits within the council, with the Audit Committee responsible for setting the risk framework and Overview and Scrutiny Committee scrutinising risk register updates before they are considered by Cabinet. The council should ensure there is full clarity on this and avoid any duplication of the Audit Committee's responsibility for risk management.

Governance arrangements

Following a recommendation arising from the annual review of the effectiveness of its governance arrangements, Hart has taken steps recently to strengthen oversight of its many outsourced and shared service arrangements, with the section 151 officer leading work to review contractual and working arrangements. Officers recognised the distinct cultures of the different councils participating in the shared services, and that there are variations in the relationships across them, but there was a view that they are broadly working well, with a focus on regular meetings and engagement at officer level. For key service areas such as waste, there are also regular meetings between the shared service provider and portfolio holder.

The peer team observed some practices in Hart that are outside the norms of governance procedures at other councils. For example, the council chief executive, rather than leader, gave an update on LGR at Full Council during the peer team's visit, and the council leader attends the weekly SLT meeting.

The council's core statutory officer arrangements for the chief executive, section 151 officer and monitoring officer are also uncommon. Although the monitoring officer attends SLT and there is good joint working, the monitoring officer reports into the section 151 officer, who in turn reports into the chief executive, undermining the concept of the 'golden triangle' of officers. While in most councils the monitoring officer role is an established senior position within the authority, in Hart this core

function appears to have moved between roles over recent years and been offered as an additional responsibility to other roles. To the peer team, this seemed a slightly unusual arrangement for a key statutory role.

The council recently made minor changes to updates its constitution, although a more extensive review is now less likely due to LGR. Mock Cabinet and committee meetings have been held recently to help familiarise new staff with the workings of the council as a political organisation.

The council's most recent published Annual Governance Statement for 2023-24 was developed in line with 2016 CIPFA / Solace Delivering Good Governance in Local Government Framework and includes a self-assessment against the local code of corporate governance. The annual review of the council's governance framework which informs the statement is led by the section 151 officer supported by the wider SLT. Although short, the AGS signposts to a number of actions which the peer team heard positive feedback about - for example strengthening oversight of shared service arrangements and following up management actions from internal audit reports – suggesting the annual review process is driving governance improvements.

Areas to develop

Hart is a well-run council that delivers good services. The council's leadership is well-respected and the peer team saw no indication of any serious governance issues or specific causes for concern. There are however opportunities for the council to strengthen its governance. Perhaps because it is a small organisation with longevity of members and staff, there is a sense that some arrangements and practices have evolved through previous circumstances, or been enabled by established positive relationships and the absence of regularly difficult or challenging issues. The council should assure itself both that its current arrangements will best serve the organisation as it approaches the more difficult territory of LGR, and that appropriate challenge, scrutiny and visibility are built into the process and organisational culture more widely.

The peer team recommends that Hart benchmarks itself against available sector codes and guidance to ensure it is operating in line best practice for local government: the [LGA Improvement and Assurance Framework self-assessment tool](#)

may be a useful reference point. As a specific example, the council should consider appointing independent members to its Audit Committee, in line with CIPFA's 2022 Position Statement: Audit Committee in Local Authorities, which clearly recommends *'that each authority audit committee should include at least two co-opted independent members to provide appropriate technical expertise.'*

The CIPFA, Solace and LLG [Code of Practice on Good Governance for Local Authority Statutory Officers](#) states that *'The chief finance officer and monitoring Officer should have a clear and direct relationship to the head of paid service (chief executive), normally through line management or other equivalent arrangement.'* Hart's current arrangements for the chief executive, monitoring officer and section 151 Officer are not in line with this and must be considered.

Culturally, the organisation could also do more to embed and project the sense of scrutiny and challenge at political level, without fearing the press or political commentary that sometimes comes with the process of holding an organisation to account. Executive members should attend Audit and Overview and Scrutiny Committee meetings to present and take questions on areas within their portfolios. The council should also consider whether members, rather than officers, should routinely provide updates to Full Council, or publicly front council projects and initiatives which would increase their visibility. Finally, while it is positive that senior officers and senior members work closely and collaboratively, the council should also ensure there are regular opportunities for SLT and Cabinet to meet separately, as well as to come together.

The peer team found an appetite among committee chairs and members to strengthen the member development programme. The current programme is refreshed annually; there are mandatory sessions for new councillors and members of the different regulatory committees. Members have access to the online training platform SEEDL, and the recent introduction of drop-in sessions ahead of Full Council meetings has been welcomed.

The peer team supports the view that the current offer could be supplemented with a wider training offer, with scope for refresher training on scrutiny and audit and for 'buddy' relationships between senior and experienced councillors and newer

members. The council should work with members to identify a training programme that can successfully take the organisation to LGR and help position members who would like to stand for the new unitary. Group leaders will have an important role in ensuring that members take up any new training opportunities.

5.4 Financial planning and management

Strong financial position

Finances have been well managed in Hart. The council is in a strong financial position that would be the envy of many other councils, and members are rightly proud of the financial stewardship of the council.

The council had a net revenue budget of £13m for 2024/25 and set a budget of £13.7m for 2025/26. The council has historically relied on the New Homes Bonus for revenue funding but has managed a reduction in funding from £1.6m in 22/23 to £0.7m in 24/25 and £0.3m in 25/26.

There is a healthy position on reserves and investments, which have been managed sensibly. The council held cash investments of some £47m at the end of 2024, as well as £15m of investment properties generating more than £1m gross income per annum. The council has limited external borrowing, £14.4m, which is all held with the Public Works Loan Board and is fixed term, fixed rate. Reserves total £37m including £26m of earmarked S106 / Suitable Alternative Natural Green Space (SANG) funds.

As with all councils, the financial position is becoming more challenging. Politically, members recognise the constraints on what they would like to do and the need to focus on services. The council has a medium-term financial strategy that anticipates the savings required in the coming years. The council is currently projecting a budget gap of £1.4m for 2026/27, with expectations of a subsequent budget gap for a further two years; however, there remains uncertainty about the financial impact of the new waste and recycling model as well as changes to the local government funding formula. The council has previously generated savings and income by identifying opportunities for moderation by the chief executive, executive director for corporate services and service panels; these are subsequently developed into a corporate plan and commercial strategy of projects to be delivered.

The council has in recent years consistently underspent its revenue budget, with significantly higher than budgeted treasury income and underspends on employee costs. Although by no means unusual, there has also been a persistent issue with slippage on the capital budget, something the council is taking steps to address, with a capital finance accountant now in post to enhance the accuracy of the capital spending profile.

The capital finance post has been created within the newly-designed council finance team, following the service being brought back in house from Capita. Staff were full of praise for the support they receive from the team, which operates a business partner model with dedicated support identified but flexible support from across the team. Business partners meet budget holders for monthly budget meetings. The team was described as being personable, transparent and able to explain things in a simple way, with a collective sense that the service has evolved from a very transactional contract to one that recognises the value of relationships and that finance are part of the team.

Externally, Hart is perceived as a financially stable and low risk authority. Although the planned programme of external audit work for the council's 2023/24 accounts took place, the disclaimed opinion on the council's 2022/23 accounts caused by the national 'reset' action, has resulted in the absence of assurance on balances brought forward and the 2023/24 accounts also being disclaimed. However, the Auditor's Annual Report of February 2025 notes that auditors were able to complete their detailed value for money work and identified no risks or significant weaknesses in the council's arrangements.

Areas for development

Hart will need to maintain the focus on recent work that has seen early progress in addressing capital slippage. It will also need continued management of risks to the council's finances from the reduction in New Homes Bonus and business rates reset. Ongoing work to clarify the process for identifying and delivering savings to fill the MTFS budget gap is clearly also critical.

The peer team heard a suggestion that the council risks 'managing decline' by using vacancies to deliver a balanced budget, with a significant underspend on employee

costs over the past two years. Hart is a small, lean organisation - in the words of one partner, 'a *skeleton crew*.' Staff acknowledged concerns about resilience and capacity, describing the organisation as '*lean but perfectly formed*' while recognising that they often lacked time to focus on change or innovation despite knowing the benefits this could bring.

With important work such as the Local Plan to deliver alongside LGR, senior leaders should ensure that officers hear a clear message that key services and work should be prioritised rather than deliberately holding vacancies.

Hart's leadership should ensure that the organisation's finances are aligned behind the vision the peer team encourages it to develop, to help frame the run up to LGR and what comes next for the area. Hart is in a strong financial position, giving it the scope to pursue projects or opportunities for Hart which may not be prioritised in a future unitary structure. The peer team sensed a general organisational caution towards major projects; where there are examples of impressive work such as the Edenbrook Village key-worker housing, these seem to have arisen on a one-off or tactical basis, rather than as part of programmed approach that is subsequently taken or built on. Opportunities to increase the number of council units at the development were not taken forward on cost grounds.

Even without the current context, there would be a case for the council to consider how it can '*create opportunities rather than wait for them*.' But with LGR ahead, this is a critical time for the council to agree a vision and priorities for the area, identify opportunities in support of these, and crucially consider investing in them while it has the ability to do so. Clearly the council would need to carefully weigh up the business case for any significant spending in its final years: this is about balanced consideration of projects that can deliver lasting benefit, rather than spending for spending's sake. However, it should be mindful of the risk of missing opportunities to deliver such benefits for the area and that equivalent opportunities may not be there to the same extent in future.

5.5 Capacity for improvement

Organisational health

As noted, there is a strong organisational culture at Hart, where people feel valued and supported. The HART (helpful, approachable, responsive, taking ownership) organisational values resonate internally; originally developed by staff, there was a clear steer through the staff survey to retain rather than refresh them. The council tries to reflect the values in its recruitment processes; they are also embedded into the annual PDR process as well as the council's complaints process (the council is currently piloting the LGSCO's draft complaints handling code).

Hart has low usage of agency workers. The council is rightly proud of its success in recruiting local apprentices who have subsequently been successful in securing other jobs within the organisation; managers are keen to continue to recruit apprentices more widely across the organisation. Succession planning and pathways is an area the HR team recognise could have greater focus, with an appetite for the PDR process to identify future stars and 'grow our own' staff.

Staff appreciate the recent investment made to create a positive physical working environment in the civic centre, which has also increased the income-generating potential of the building. As well as this investment in its physical space, Hart has an impressive staff training budget of £75,000. The council has simplified the process for accessing training opportunities (most requests are approved) and alongside this provides access to the online SEEDL training platform - this has also been made available to local businesses. Hart has funded external facilitation of reflective practice sessions; originally for managers, this was subsequently opened up to a wider cohort of officers. It also ran an LGA emergentics session in 2024. This training was open to all managers, including SLT

Staff recognise the investment in training and development; they are also appreciative of opportunities within a small organisation to get involved in cross-cutting working groups and work on different issues.

Learning and development was an area of focus for the council on the action plan developed from the 2023 staff survey. Hart achieves a high response rate on its annual staff survey; 86% in Autumn 2024, although this was down from 96% the previous year. Impressively, on five core questions relating to support for mental and physical wellbeing, line manager communication, workloads, learning and

development, and recommending Hart as a place to work, the council scored more positive feedback (sometimes significantly so) than in any staff survey dating back to 2020. Improvements were demonstrated in areas that were the focus of the action plan from the 2023 response - learning and development and workload.

The 2024 survey did however indicate markedly less strong indicators in the council's place directorate. The council is responding to this, with sessions with managers and staff to understand the issues and inform a plan to address this. Officers are due to report to the council's Staffing and Appeals Committee on progress in September 2025 and will be looking for improved feedback in the 2025 survey.

The relationship with the council's trade union representative is positive and informal. Hart generally has a low HR caseload, however the council has recently managed a whistle blowing case, requiring the involvement of HR, the monitoring and section 151 officers and internal auditors. The council has since undertaken a review to consider the operation of the grievance and whistle blowing policies, which were generally considered to have held up well. Organisational health indicators are intended to be reported to SLT on a quarterly basis, and the Staffing and Appeals Committee meets twice yearly.

The council recently developed a new Workforce Strategy for 2025-28 with six pillars. The strategy outlines a number of high level actions and sets out how progress against them will be monitored. Actions include promoting digitally confident staff through agile and flexible working, developing a leadership management programme and ensuring every member of staff has a personal development plan.

With the strategy having been developed before the December 2024 Local Government White Paper, the council will need to consider whether and how to evolve the strategy's priorities in the context of LGR. Organisationally, there is a desire to best position all staff for what they want to achieve from the process of reorganisation. The new strategy and healthy training budget will provide a good basis for doing so. Ongoing communication with staff about the process of LGR, and actively seeking to influence the organisational culture of what comes next to retain the best of Hart's strengths, will also be important.

Transformation

Both members and officers feel well supported by Hart's IT team; a further example of where a team been successfully brought back in house and is now delivering a better service for the council. The service is primarily focused on IT hardware (with individual services responsible for their own systems) and has been focused on rebuilding and upgrading the council's capability. A technical upgrade was completed at the end of 2024, including rewiring the civic centre and enabling single sign on capability through integrated systems. The council has been proactive on cyber security, engaging early with MHCLG's cyber assessment framework (CAF) pilot and one of the earliest adopters nationally to complete a CAF assessment.

The peer team heard that progress on digital across the organisation is variable, with different services in different positions. While the housing / homelessness team have invested in a new system with online public access and automation to back-office systems, other services are not as far forward but recognise that they would benefit from new systems and software (eg, plan making software in planning).

Some services are making tentative steps to explore the use of artificial intelligence; this has been used in a recent planning project rewriting new standards, and the council has ten co-pilot licences.

Hart agreed a new digital strategy for 2024-28 last year: this includes a high-level plan of activity over the next two to three years, with costed plans to be developed for each element. One immediate project is a review of the most common resident touchpoints with the council: dedicated resource has been recruited to undertake customer journey mapping and service design for these areas.

On data, council services appear to be using local intelligence and knowledge to deliver services effectively: the housing / homelessness team was cited as knowing households in need. The peer team also heard of examples of services using data effectively; for example, the community safety team used UKSPF funding to undertake a data mining exercise to develop a picture of Hart that deepened understanding of why pockets of anti-social behaviour may exist and is helping target activity.

The council is exploring the use of Power BI to present data internally. It can also use the current customer mapping work to develop data and understanding about residents' preferences.

Overall, however, the council is not using data consistently to understand residents' needs, how they access services or information, nor therefore to shape and analyse services and decision making. Internally, it is recognised that this is currently an 'unmined' resource which Hart is not using to the same extent as other councils.

Areas for development

To help ensure it delivers its priorities ahead of LGR, the council should ensure the investment of member time and focus, and officer capacity to take work forward. The peer team found an interest among members to take part in facilitated workshop discussions on big issues such as the Local Plan, housing and economic development: this could enable a wider cohort of members to engage, help shape these issues and drive them forward. In some councils, advisory panels of members have been established to provide ongoing input to policy development in different areas.

The development of a new Local Plan is a key priority for the council ahead of LGR. In an area with limited allocated sites, and a significantly increased housing target expected under the Government's new methodology, this will be a difficult and controversial piece of work for the council. The council has set aside a considerable budget to progress work on the Plan and will need to maintain resourcing in the planning policy team which, like the rest of the organisation, is comparatively lean. With LGR expected in 2028, it is vital that the business case for the work is rapidly firmed up so that the council can move forward on this work.

In areas such as data and digital, the transformation of services could be accelerated. Clearly, the council will need to be mindful of LGR and the lifespan of the current organisation in any investment it makes, but there is a strong argument that some transformation will smooth the pathway to a new unitary. For example, investing in the council's use of data will help generate a data set and systematic understanding of Hart's communities that will be useful to the successor organisation. The customer mapping exercise for key customer touchpoints is one element in this

process, but the council could certainly consider going further.

Similarly, upskilling staff now in digital systems that they will most likely use in a new unitary (for example, Power BI) will better position them for the transition to come. There may also be a case, as LGR takes shape, for the council to consider the scope to converge on systems expected to be adopted in the new structure, if this is clear. Finally, as it experiments with AI, the council should use networks such as the OMG to share learning and quickly develop a policy to frame the use of AI across the organisation.

As it considers the individual components of the digital strategy action plan, the council could consider an LGA digital 360 review to help identify where to spend time and energy in the lead into LGR.

5.6 Community engagement, priorities and leadership

The council asked the peer team to consider community engagement and understanding of the needs of its local communities, and how it can meet these through its leadership and priorities.

Council services are already leading solid community engagement in the usual understanding of this term (broadly, working collaboratively with local communities to address issues and create positive change). The peer team was impressed by the council's work in community safety, countryside management, to implement the Armed Forces Covenant and through Here for Hart, where there is great work with local residents as well as partner organisations.

However, as has been highlighted throughout this report, the peer team believe the council needs to place greater emphasis corporately on engaging with and leading its communities and place. There are different but related elements to this including working with residents and local partners to understand and identify the collective needs of the community and place; using this to inform the council's vision and priorities, delivered through a stronger organisational place leadership approach, and how the council interacts with residents; and proactively communicating with residents much more regularly.

Whether through a resident survey, the creation of a residents panel or forums, or further investing in community development, the council should enhance resident and place insight to both help shape the future vision for Hart in the context of LGR and inform its service delivery and communications. Whichever option it uses, the council will need to be clear what it is asking its residents and businesses.

At the end of 2024, the council had an LGA communications health check, which provided an external view of the council's communications function. In the peer team's view, the recommendations of the health check provide a good route forward and are complementary to the findings and recommendation in this wider report: the council should prioritise implementing it.

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, by 25 September 2025. 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.

The date for the progress review at Hart will be agreed shortly.

In the meantime, Will Brooks, Principal Adviser for the South East, is the main contact between your authority and the Local Government Association. As outlined above, Will is available to discuss any further support the council requires.

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