

**AGENDA FOR
AUDIT COMMITTEE**



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To: All Members of Audit Committee

Councillors : A Arif, S Arif, D Berry, I Gartside, S Haroon,
M Hayes, J Hook, E Moss (Chair) and M Rubinstein

Dear Member/Colleague

Audit Committee

You are invited to attend a meeting of the Audit Committee which will be held as follows:-

Date:	Thursday, 9 January 2025
Place:	Meeting Rooms A & B - Town Hall
Time:	7.00 pm
Briefing Facilities:	If Opposition Members and Co-opted Members require briefing on any particular item on the Agenda, the appropriate Director/Senior Officer originating the related report should be contacted.
Notes:	

AGENDA

1 APOLOGIES FOR ABSENCE

2 DECLARATIONS OF INTEREST

Members of the Audit Committee are asked to consider whether they have an interest in any of the matters on the agenda and, if so, to formally declare that interest.

3 COUNCIL'S RESPONSE TO THE STATUTORY RECOMMENDATIONS UNDER SCHEDULE 7 OF THE LOCAL AUDIT AND ACCOUNTABILITY ACT 2014 (Pages 3 - 60)



Classification: Open	Decision Type: Key
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Report to:	Audit Committee	Date: 09 January 2025
Subject:	Council response to the Statutory Recommendation received from the External Auditor under Schedule 7 of the Local Audit and Accountability Act 2014	
Report of	Director of Finance	

Summary

- 1.1 The Council's external Auditors, Forvis Mazars, presented the outcome of their audit work in relation to their judgements in the area of the Council's Value for Money arrangements for the 2021/22 and 2022/23 financial years to the December Audit Committee meeting. They identified three significant weaknesses in the Council's arrangements. These weaknesses are across all three reporting criteria that they are required to consider under the Code of Audit Practise, namely; financial sustainability, governance and for improving the economy, efficiency and effectiveness of services.
- 1.2 In particular, they drew attention to the Council's failure to:
- Properly understand its financial position during 2021/22 and 2022/23, and to continue to rely on the use of reserves to support the provision of services, which are at risk of being exhausted.
 - Manage risks, including with respect to the existence of RAAC (reinforced autoclaved aerated concrete) in the Council's estate.
 - Improve internal controls so that weaknesses identified and reported to management by Internal and External audit and other regulators are addressed promptly.
 - Prepare materially accurate financial statements supported by adequate supporting working papers; and
 - secure action to improve services to children.
- 1.3 Forvis Mazars determined that use of their statutory reporting powers under the Local Audit Accountability Act 2014 was necessary and issued a statutory recommendation formally to the Chief Executive on 12 December 2024. They have recommended that
- “The Council should, as a matter of urgency, develop a comprehensive Councilwide improvement plan to reflect the transformation and cultural change needed across all departments, to ensure the Council can deliver the range, level and quality of services that it deems appropriate and within its statutory responsibilities in a financially sustainable way.*

As part of this, appropriate senior leadership and management is required to ensure the improvement plan delivers the required changes. Member oversight is needed to ensure the changes are embedded into the organisation.”

- 1.4 This recommendation was sent to the Secretary of State for Housing, Communities and Local Government. The Council is required to consider the recommendation at a meeting held before the end of the period of one month beginning with the day on which the recommendation was received. At that meeting, the Council must decide what action, if any, to take in response to the recommendation. The Council is required to publicise the meeting and, subsequently, the decision taken at the meeting.

Recommendation(s)

The Audit Committee is asked to:

- 2.1 Note the issues raised by the external auditors and progress made since 2021 to mitigate highlighted risks.
- 2.2 Accept the auditors statutory recommendation to deliver an organisation improvement plan.
- 2.3 Endorse the proposed action plan for adoption and inclusion on the work plan for the Audit and Overview and Scrutiny Committees respectively ensuring Member oversight of delivery of the action plan.

Report Author and Contact Details:

Name: Neil Kissock
Position: Director of Finance (S151 Officer)
Department: Corporate Core Department
E-mail: n.kissock@bury.gov.uk

Background

3. Reasons for Recommendation(s)

In accordance with the Accounts and Audit Regulations 2015 (as amended) the Draft 2021/22 Statement of Accounts and Annual Governance Statement were signed by the Executive Director for Finance (S151 Officer) in 2022 and 2023 respectively. This information was provided to the Council's external auditors, Forvis Mazars. The legal framework for local government external audit includes a backstop date by which audit activity must be completed, which was 13 December 2024 for the 2021/22 and 2022/23 accounts. The backstop date for the 2023/24 accounts is 28 February 2024.

Forvis Mazars have, regrettably, concluded that there is insufficient time to complete their audit activity before the backstop dates, as the council is still working to retrospectively strengthen information pertaining to these years. In particular, extensive work has been undertaken to retrospectively correct some historical financial information and definitive investigations to confirm the absence of RAAC in every council building which was not fully complete in advance of the backstop date.

The Council's external auditors therefore issued a disclaimed opinion for these years and also identified significant weaknesses in the Council's Value for Money arrangements. In particular a failure to:

- Properly understand its financial position during 2021/22 and to continue to rely on the use of reserves to support the provision of services.
- Manage risks, including with respect to the existence of RAAC in the Council's estate.
- Improve internal controls so that weaknesses identified and reported to management by Internal and External audit and other regulators are addressed promptly.
- Prepare materially accurate financial statements; and
- Secure action to improve services to children.

A statutory recommendation for improvement has also been issued, as follows: *"We recommend the Council should, as a matter of urgency, develop a single Council-wide improvement plan to reflect the transformation and culture change needed across all Council departments to deliver the range, level and quality of services that is financially sustainable. Appropriate management and member oversight is required to ensure the improvement plan is delivering changes that are embedded into the organisation."*

This report sets out a reminder of the challenging context in which the audit findings have been provided, together with:

- assurance of significant progress already made to tackle highlighted historic failings identified, together with
- the proposed improvement plan, as required, to further strengthen the council's position.

4. Operating Context 2021-2023

The 2021-23 audit findings relate to a very challenging period operationally. During this time the Council was a statutory responder during and in the recovery phase from the global pandemic. Stark increases in the volume and acuity of demand were and continue to be experienced in addition the financial situation was hugely disrupted and worsened with significant drops in income and increased costs including inflation.

The Council responded to this challenge in 2022 with the engagement of external support, from Ameo Consulting, to review the structures and resources across all Council services and support the construction of a new operating model and multi-year transformation strategy.

A new operating model was co-designed with staff through a network of c100 Change Agents; establishment of a Senior Manager's Forum and Senior Leaders' Group (Directors and above) and the LET'S do it! Experience; an immersive programme to explain and develop the behaviours and operating principles in which c1500 staff have so far engaged. It comprises:

- A brand-new **vision** for the Borough which also guides the work of the Council: to drive faster economic growth than the national average, with lower than national levels of deprivation by 2030

- A set of **principles** about how this vision will be delivered – by working Locally; with Enterprise; Together and on a strengths-based way (LET'S)
- A **behaviour** framework which also expresses the principles as common ways of working
- A digital strategy; updated architecture & investment in the ICT service provides the core **technical capability** for digital by design
- The Council was **restructured** to establish a corporate core; integrate health & care with the GM ICS; strengthen children's services and insource its housing functions
- The Constitution and procedure rules have been re-written; a **governance** group created & management accountability improved. The details of these new arrangements are described in more detail later in this report.

The new operating model and associated corporate governance was validated in 2023 and in a revisit in 2024 by the Local Government Associated (LGA) through a Corporate Peer Review, including a specific focus on financial improvement. The review findings included a comment that "People can see how Bury as a place is changing and are really positive about the difference this represents". The peer review reports are attached as appendices to this report.

5. Analysis and actions taken against identified legacy failings

The Council recognises the weaknesses highlighted by external auditors and has undertaken significant remedial work to seek to strengthen the position. This report provides a summary of work undertaken on each of the issues identified together with the further work proposed.

5.1 The Council's understanding of its financial position and over-reliance on reserves

The auditors have highlighted that since 2021/22 the council has balanced its budget through the use of reserves, which is an unsustainable position. The council recognises this challenge and self-declared its financial distress in 2023, with reference to the challenges of evidenced:

- National under-funding. Analysis by the Institute of Fiscal Studies (IFS) shows that Bury receives 8.5% less funding (£14m) than the sector average, in the context of a real-terms funding reduction of 20% since 2010, against a national sector average of 18%.
- Escalating demand over that time including c15% increase in social care demand, where the majority of budget is allocated.

The Council engaged the Chartered Institute of Public Finance Accountants (CIPFA) to undertake a financial resilience audit in 2022 in order to better understand its position. A number of CIPFA-accredited consultants were retained by the new Chief Executive in 2023 to support the implementation of actions, which included a review of the professional finance structure; a Treasury Management review and reserves strategy.

To sustain services despite reductions in funding and growth in demand it has been necessary to utilise reserves to support the general fund budget since 2021. A fundamental review of the reserves strategy was undertaken in 2023 to continue to support the Medium Term Financial Strategy (MTFS), through which @£70m was

released from earmarked reserves to sustain a balanced budget until (at that time) 2027/28.

Further external support to ensure the Council had an accurate understanding of its financial position was secured in 2023 through a Local Government Association (LGA) Peer Review. The Peer Review, which was commissioned with a particular focus on the financial position and support from a S151 from another Authority, to verify the 2023/24 budget setting process and updates to the financial framework.

5.2 Risk management, including RAAC

Risk management has been strengthened through a review of the Corporate Risk Register and, with the benefit of leadership from the Audit Committee, a strengthened process of accountability whereby high-risk owners are required to present to committee. Through this process the Audit Committee oversaw the management of a number of high-risk situations including:

- information governance, in which the Council proactively sought engagement from the Information Commissioner's Office (ICO) in 2021 with a voluntary audit process. The Audit Committee experienced a development session on information governance and oversaw a fundamental improvement plan. The ICO made 79 recommendations for improvement and undertook a follow up audit in 2022 to confirm that progress against them was being made. The audit established that every recommendation was either complete or in progress. Accordingly the ICO concluded its direct engagement with the Council and information governance has returned to business as usual management arrangements with regular updating reports to Audit Committee.
- recovery of the deficit in the DSG budget High Needs Block, through delivery of a management plan in partnership with the DfE within the Project Safety Valve scheme. The committee sought assurance on delivery of management plans through a "deep dive" process, which described work to seek to reduce both the volume and cost of demand. Subsequently, it was agreed with the DfE that demand was accelerating at a level significantly above the original assumptions and that progress to deliver in-borough placement sufficiency could not be delivered at a speed commensurate with this growth. The Council therefore completely revisited the Safety Value agreement and resubmitted it for new approval in 2023. The DfE accepted the revised plan, which resulted in a new agreement and extension of arrangements to 2028/29.

Council Officers have a track record for working transparently and in partnership with regulators when managing high risk situations. The internal governance and control process has not, however, always been robust enough to proactively support risk management, nor is there yet an embedded culture of risk management.

This situation was exemplified through the failure to accurately identify and mitigate against the risk of the presence of RAAC in the Council's estate. All buildings have now been surveyed and appropriate assurance provided, but this programme of assurance should have been more proactively and comprehensively completed in 2023.

5.3 Improvement in internal controls

The Council has invested significantly in capacity to shore up compliance activity including:

- The appointment of a dedicated and very experienced Director of Finance (Section 151 Officer) with a remit to drive finance improvement. Between 2021-23 the Council operated a joint finance leadership arrangement with NHS GM, through the secondment of a senior NHS finance leader. It was acknowledged, however, that this was insufficient leadership capacity to discharge this leadership role. Further, the council required sector-specific leadership expertise given the challenging context in which it is operating.
- A peer review of the internal audit function has been undertaken in the final quarter of 2024. The Public Sector Internal Audit Standards require that an external assessment of an organisation's internal audit function is carried out once every five years by a qualified, independent assessor or assessment team from outside of the organisation. The latest review has been undertaken in the final quarter of 2024 with the report and resulting agreed action plan to be finalised in the new year and the outcome reported to the Audit Committee meeting in April. The action plan will be focused on driving improvement in the service and recognises that A professional, independent, and objective internal audit service is one of the key elements of good governance in local government.
- Establishment of a Corporate Governance Group in 2023, chaired by the Council's Monitoring Officer. In addition, a new Policy and Compliance team has been established. Outstanding audit actions were added to the work of the group however this needs significantly strengthening and it is proposed that the group revised in line with the proposed governance arrangements set out later in this report.

5.4 Preparation of materially accurate financial statements

The Council recognised the historic weakness of its finance capabilities. A voluntary Finance Improvement Panel was therefore established in 2023, with representation from CIPFA and the LGA, to oversee the setting of the 2023/24 budget and deliver a series of improvement actions including:

- Appointment of a substantive S151 Officer.
- A fundamental review of the council's reserves policy.
- An update to the Treasury Management Strategy.
- The specification for an upgrade to Unit 4 to improve data accuracy and cleanse the ledger.
- Investment of Programme Management support to deliver the 23/24 budget savings.

The Finance Improvement Panel, with the benefit of independent benchmarking data, also led a zero-based budget exercise across every departmental service. The work evidenced a structural funding gap of c£17m for children's social care which was addressed in the 2023/24 budget. The appropriate and evidenced funding of children's services has supported the ongoing delivery of the Ofsted improvement plan but has also placed significant recurring pressure on the general fund and size of future years funding gaps.

A refreshed finance improvement plan will continue in 2024/25 with actions planned to include:

- A review of the structure and capabilities of both the finance team and Revenues and Benefits services.
- Strengthening capital programme governance.
- The upgrade of Unit 4, as a lever for wider transformation activity to cleanse data and enable user self-service and accountability.

5.5 Improvements in children's services

Ofsted found Bury Council's children's social care services to be inadequate in 2021. A fundamental improvement plan has been delivered since that time, with actions including:

- Significant investment in stable leadership and additional social work capacity
- Production of a policy and strategy frameworks including a thresholds document and neglect strategy.
- A safeguarding partnership refresh and peer review to validate new and improved arrangements.
- Implementation of new models of practice included the Mockingbird model for foster carers and Family Safeguarding model.
- Development of corporate parenting arrangements including a new housing strategy for care leavers and supported employment opportunities.

Six Ofsted monitoring visits of delivery against the improvement plan have now been completed, with leadership support from the DfE and an Ofsted Improvement Board Chair. The visits have largely recognised evidence of progress including the timeliness of care; an improvement in practice ratings through internal audits, overseen by an independent scrutineer; a reduction in numbers of re-referrals and a reduction in the case loads of social workers to provide more stability for our children.

Since this audit period the Local Area has also been found to have inadequate SEND services. Through the Project Safety Valve recovery programme the Council had already recognised significant failings in its SEND services and was already working with an independent improvement advisor before the inspection; this individual has now become the Independent Chair of an improvement board. The Board is leading delivery of six defined Priority Impact Actions and a further three recommendations, in conjunction with the Bury Parent Carer Forum Bury2Gether. The first stocktake from DfE has now been completed to validate progress against plan to date.

6. Improvement Plan

Whilst the narrative above has clearly highlighted the actions and progress already made in addressing some of the issues identified in the External Auditors value for money review and related statutory recommendation, the council recognises that there is more to be done and the proposed actions, owners and target timelines are outlined in the action plan attached at Annex 1. This plan sets out how Bury Council will respond to the recommendation issued under paragraph 2 of Schedule 7 of the Local Audit and Accountability Act 2014.

The areas of focus are around financial sustainability, governance and finance service capacity:

The plan provides a comprehensive Council-wide Improvement plan which reflects the transformational and cultural changes which the Council and the Auditors recognise are needed across all Council departments to ensure the Council can deliver the range, level and quality of services that it deems appropriate and within its statutory responsibilities in a financially sustainable way.

The plan identifies a range of actions across the Council. The Chief Executive will have overall oversight of the delivery of the improvement plan.

Financial Resilience

The Medium Term Financial Strategy has been reviewed and refreshed with the outcome and impact on the forecast funding gap reported to November Cabinet. The report identified a forecast funding gap of £19.458m in 2025/26 increasing to £22.327m by 2027/28 and included new savings proposals of £9.4m and a financial strategy to address the remaining gap which will be then subject to consultation and the outcome reported back through to Cabinet and Council.

The level of reserves is sufficient, based on the current forecast funding gap, to enable budgets to be set for 2025/26 and 2026/27 but not 2027/28, however work is continuing to identify budget proposals which will significantly reduce the forecast gap and impact on reserves in 2025/26 and beyond and ultimately enable budgets to be set over the medium-term without recourse to reserves and therefore achieve a financially sustainable position.

Further budget proposals targeted at significantly reducing the forecast 2025/26 budget gap will be considered by Cabinet at their meeting in February prior to the budget council meeting later that month.

A strategy has been developed to support this next phase of budget work, which is framed over the four themes of:

Income:

- This includes ensuring that the strategic development activity is fully reflected in increased funding levels, all sales, fees and charges are reviewed to ensure they cover the full cost of service delivery, review of all grants and the applications of capital receipts to support transformation expenditure within the revenue budget in line with permitted flexibilities.

Non-Statutory Service Transformation:

- This includes looking at the scope for becoming more cost-effective and efficient in our service delivery models including opportunities for automation and process improvement with a good example being the transformation work linked to the upgrade of Unit 4 which will come to a future Cabinet meeting and has £1.653m of efficiency savings linked to it over the four-year period of 2025/26 to 2028/29. This will be supported by the identification of the current cost of all non-statutory services currently being provided and options for cost reductions.

Contain Growth / Demand Pressures:

- A significant proportion of the forecast funding gap is the result of ongoing increasing demand, and the cost of meeting that demand, particularly Children's and Adults Social Care. Whilst these are national issues and pressures not unique to Bury, focused activity is being undertaken to look at our current demand pressures and growth assumptions and develop proposals for how they can be further mitigated supported by a detailed analysis of our budgets and benchmarking information. Reducing the demand for, and spend on, services, particularly on social care through applying strengths based practice to maximise individual's capacity to live independently will deliver a reduction in the forecast funding gap.
- In addition it is recognised that the largest area of spend within the council relates to our contractual expenditure across all service departments and. An approach is being developed, based on best practice, focused on the financial and service outcome benefits of improving the alignment of strategic commissioning and procurement across the council along with embedding consistent and effective contract management arrangements. The approach will be overseen by the Finance Board and will ensure going forward that procurement activity is integrally linked to providing best value and improved service outcomes in support of the corporate priorities and, once let, that the contractual terms are strongly adhered to.

Health and Care:

- Whilst a significant focus on containing growth and demand in theme 3 above will necessarily be focused on Adults and Children's Social Care, a growing proportion of the council's budget is covering these areas and a focused programme of activity is underway to identify additional proposals designed to reduce the council's overall cost of care from the assumptions outlined currently within the MTFs. This will necessarily look at both the actual cost of services being commissioned and the approach required to accelerate a shift to lower cost models of support.
- The budget position to be reported to Cabinet and Council in February will also reflect the outcome of the local government finance settlement, which is anticipated to result in an improved funding position for the council and reduction in the forecast funding gap, with the Chancellor's budget and spending review at the end of October including headline announcements regarding additional funding for local government in 2025/26, to reflect the significant financial pressures across the system, and a commitment to a multi-year settlement from 2026/27 and a review of the current funding formula.

It is recognised that a funding gap is likely to remain for 2025/26, which will be funded from reserves, with further work to be undertaken over the spring and summer to develop proposals which will enable a financially sustainable budget to be delivered from 2026/27 onwards without recourse to reserves.

Governance

The council will establish improved governance arrangements through the Establishment of six new assurance boards to ensure that there is a culture of compliance across the Council, the Boards will provide management oversight across Council activity and the work of the Boards will align to the corporate plan.

The Boards will meet on a monthly basis and be Chaired by a Member of the Executive Leadership Team with a monthly highlight report. The Board membership will be made up of leaders across the Council.

The Boards will report to the Executive Leadership Team who will meet formally on a weekly basis with highlight reports from each of the Boards being standing agenda items. Reports received will be formally minuted and action tracking will be undertaken by the Chief Executive's office. The Boards and their responsibilities are outlined below:

Finance Board – Chaired by the Director of Finance

- Preparation of MTFs and Council revenue budget and capital programme.
- Budget monitoring – general fund; DSG (including PSV recovery), capital and HRA.
- Grant funding monitoring – Supporting Families; UKSPF etc.
- Monitoring of savings.
- Treasury management.
- Procurement, Strategic Commissioning and Contract Management.
- Gateway for and delivery of the Councils capital programme including financial reports from the Commercial, Property & Estates Boards.
- Income monitoring.

Governance and Assurance Board – Chaired by Director of Law & Governance

- Information Governance.
- Complaints & Ombudsman.
- Risk – review and assurance, Annual Governance Statement.
- Internal Audit – annual programme agreement, delivery & action tracking.
- Health & Safety.
- Legal overview – Matters for escalation.
- Employee relations – case work.
- Tracking of cabinet decisions/urgent decisions.
- Operational decisions.
- Regulator interface – housing; ASC; SEND & ILACS.
- Oversee audit organisation improvement plan.

Regeneration Board – Chaired by Director of Place

- Assurance to be provided on commercial/regeneration programmes including (but not limited to):
- Bury Market flexi hall
- Future of Bury market / indoor market strategy
- Radcliffe regeneration
- Prestwich development– JV
- Bury Town Centre – JV

- Northern gateway
- Chamberhall
- NORA
- Delivery of brownfield land regeneration projects
- Oversight of the accelerated land disposal programme
- Housing projects
- Transport and highways projects

Commercial activity Board – Chaired by the Director of Finance

- Assessment of investments, assets, and projects may impact on council-wide budgets both in the short- and medium-term.
- JV decision making.
- Persona performance and decision making.
- East Lancs Railway strategy & relationship management.
- Council companies – Six Town Housing; Townside Fields.
- Traded service performance – council leisure centres and schools.
- Community sector funding & relationships – The Met; VCFA & Healthwatch contract management.
- Tracking of work of Bury BID

Policy, Change and Digital Board - Chaired by the Executive Director of Transformation

- Corporate planning and monitoring, including KPI monitoring and benchmarked relative assessment.
- Transformation activity – Strategy and Assurance.
- Corporate change – restructure activity and employee relations oversight.
- Policy review & design.
- Digital strategy delivery & programme oversight.
- Workforce & Inclusion strategy.
- Corporate plan delivery.
- GM & devolution agenda.

Property & Estates Board – Chaired by the Director of Place

- Production and maintenance of a single fixed asset register.
- Leasing arrangements – regular review of leasing arrangements.
- Facilities Management and maintenance of the council's administrative and commercial estate, including health and safety / statutory compliance activity.
- Performance and strategy of the commercial estate.
- Development of the Town Hall.
- Management of the agile working staff policy.
- Delivery of the Future Assets Plan.
- Maintained schools estate.
- Housing.
- Neighbourhood hub model/reform strategy

Revised leadership structure – Embedding compliance

A consistent structure will be applied to Departmental Management Teams, which will support the Board structure by providing oversight and assurance of Business-as-Usual activity including workforce and budget management. The Head of Audit will attend Departmental Management team meetings on a quarterly basis to ensure that the services discuss the recommendations of internal audit, the Head of Audit will also be a member of the Corporate Governance and Assurance group who will review audit actions and report to the Executive Leadership Team and the Member Assurance Group.

The Strategic Leaders' Group of Council Directors will continue to meet on a quarterly basis with a specific remit to develop:

- A culture of strong performance and assurance where performance and assurance issues are identified and addressed.
- A culture of empowerment and accountability where robust challenge is encouraged and supported by management with a low tolerance for poor governance and performance issues.

Revised PDR processes

All PDR's will have a section to establish whether compliance actions have been carried out. This will ensure that this is clearly linked to staff members performance discussions with their managers. The importance of internal compliance and control arrangements will be emphasised within our induction process for all staff and compliance monitored through one-to-one discussions / management arrangements and appropriate actions taken to address non-compliance.

All Members of Executive Membership Team to account for compliance in their departments via 1:1 with the Chief Executive and PDR's.

Finance capacity

- Implementation and recruitment to a new finance structure to address capacity issues.
- Upgrade of the Unit 4 ERP Financial Management System, which represents a significant financial and operational transformation. The current financial management system is nearing the end of its life, and its limitations pose risks, including inefficiencies, compliance issues, and a lack of automation. The implementation of a modern Unit4 ERP solution to address these issues will enable the finance department to achieve its strategic objectives.

Investment has been agreed for the finance service with a revised phase 1 structure being consulted on early in 2025 with implementation and recruitment being undertaken in advance of the new financial year. This will be supported by a transformation programme linked to an upgrade of the Unit 4 financial management system.

Key strategic objectives for this financial transformation programme include the following:

- **Ensure Stabilisation, System Upgrade, and Enhance Existing System:** Facilitate the stabilisation, upgrade, enhancement, and seamless migration of the current Financial Management System (FMS) to the Unit4 ERP cloud platform, ensuring minimal disruption and smooth transition.
- **Integrate and Modernise Financial Management:** Implement the new Unit4 ERP system, coordinate its configuration, and rigorously test it in alignment with the Council's broader IT architecture to create a modern, agile, and integrated financial management environment.
- **Streamline Financial Processes:** Drive the standardisation and automation of financial processes across the organisation to eliminate inefficiencies, reduce manual effort, and increase operational efficiency.
- **Redesign Financial Functions for Optimised Performance:** Redefine and restructure the financial functions across the Council to fully leverage the capabilities of the new system, fostering strategic decision-making and enhancing overall financial management.
- **Transform Procurement and Purchase-to-Pay (P2P) Processes:** Overhaul procurement, purchase-to-pay and supplier management to improve compliance, drive significant cost savings, and ensure better financial control and supplier management.
- **Automate and Integrate Systems:** Implement automation and ensure all key finance-related systems are fully integrated to streamline processes and reduce administrative burdens and to automate processes and enable self-service
- **Improve Data Accuracy and Financial Reporting:** Enhance the accuracy and timeliness of financial data and reporting, ensuring that decision-makers have access to reliable and real-time financial insights.
- **Reduce Operational Costs While Strengthening Governance:** Focus on cost reduction through operational efficiency while bolstering governance structures and ensuring full compliance with financial regulations and policies.
- **Enhance Staff Capabilities for Effective System Use:** Develop and enhance staff capabilities to fully utilise the integrated Unit4 ERP system and related financial tools, providing training and support to improve productivity and contribute to the Council's financial transformation.
- **Support Broader Council Transformation Initiatives:** Align financial transformation initiatives with the Bury 2030 Strategy and the Council's wider digital and organisational transformation goals, creating a foundation for long-term sustainable change.

Children services

Children's services have two detailed improvement plans in place with delivery overseen by two boards with Independent Chairs. Children have had six progress inspections with OFSTED and are now looking to a full reinspection in early 2025. Oversight of the preparation for this and oversight of the work of the children's improvement boards will now report to the Corporate Assurance Board and Member Assurance Group.

The proposed improvement plan for adoption and review is attached at Appendix 1.

Links with the Corporate Priorities:

The production and publication of the Statement of Accounts and value for money opinion provides valuable information to the residents of the Council and to its suppliers.

A strong financially sustainable Council is essential to the delivery of the Let's do it Strategy.

Equality Impact and Considerations:

The statement of Accounts and value for money opinion is a record of past financial expenditure and the value for money arrangements in place at that point in time.

Environmental Impact and Considerations:

There are no implications to an increased carbon impact of this decision.

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
There is a risk of misstatement	Accounts are reviewed by Mazars and their opinion of both set of accounts is independent to the Council

Legal Implications:

In accordance with Sch. 7 Local Audit and Accountability Act 2014 where auditors make a written recommendation, the Local Authority must consider the report at a meeting within one month of receipt of the notice.

The Act sets out that *at that meeting the relevant authority must decide—*

(a) whether the report requires the authority to take any action or whether the recommendation is to be accepted, and

(b) what, if any, action to take in response to the report or recommendation

Notice of the meeting, document and access requirements have been met in accordance with the Act. It is proposed that any agreed actions are reviewed by Members with Audit and Overview and Scrutiny Committee receiving regular reports on the Council's progress.

Financial Implications:

The annual production and audit of the statement of accounts and review of value for money arrangements are an essential part of any organisation and represent the financial position of the business for that particular financial year. For public sector organisations they are statutory and give the public and central government assurance that taxpayers money is being expended in an economic and efficient way. Approval of the improvement plan and the ongoing review of its delivery will provide assurance that the issues identified by the external auditors are addressed.

Appendices:

Appendix 1: Council Improvement Plan

Appendix 2: Corporate Peer Review Feedback Report 2023

Appendix 3: Corporate Peer Review Progress Report 2024

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
MTFS	Medium Term Financial Strategy

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Improvement actions and responsibilities

Financial resilience	Council response	Timescale	Officer	Member
	<p>Financial Strategy</p> <ul style="list-style-type: none"> <li data-bbox="584 416 1476 635">• The S151 to chair a monthly strategic finance board, made-up of senior officers from all of the service directorates, with responsibility for monitoring delivery of the in-year revenue budget and capital delivery programme and production of the subsequent years’ revenue budget, capital programme and medium term financial strategy. <li data-bbox="584 678 1476 965">• Detailed 2026/27 budget timetable agreed setting out the approach, workstreams and timelines supporting production of proposals to address the structural funding gap. This will build on the agreed strategy and involve a zero based budget review of all council services and identification of proposals that will enable a balanced budget to be set without recourse to reserves over the current medium term financial strategy. <p data-bbox="633 1043 1476 1193">The timetable and approach will include the identification of additional capacity requirements to support the budget work and be funded from the ongoing capital receipt flexibilities in place to support council and service transformation.</p> <ul style="list-style-type: none"> <li data-bbox="584 1233 1476 1378">• Development of budget proposals, involving the wider workforce, on a service basis through consideration of: <ul style="list-style-type: none"> <li data-bbox="672 1348 1330 1378">• The key cost drivers affecting their services. 	<p data-bbox="1505 416 1635 520">End February 2025</p> <p data-bbox="1505 678 1657 742">End March 2025</p> <p data-bbox="1505 1233 1621 1297">October 2025</p>	<p data-bbox="1691 416 1843 480">Director of Finance</p> <p data-bbox="1691 678 1843 742">Director of Finance</p> <p data-bbox="1691 1233 1843 1297">Director of Finance</p>	<p data-bbox="1892 416 2045 448">Cllr Thorpe</p> <p data-bbox="1892 678 2045 710">Cllr Thorpe</p> <p data-bbox="1892 1233 2045 1265">Cllr Thorpe</p>

	<ul style="list-style-type: none"> • Current service performance levels including a productivity assessment and how they compare to benchmark councils and 'best in class'. • Current service standards being operated to and the scope for changes in those standards including any elements of the service that could be stopped or reduced. • Consideration of different models of service delivery. • Opportunities from implementing different ways of working, including self-service if appropriate. • The impact of their proposals on other service areas i.e. either in requiring their input and support in delivering the change or in potentially increasing costs elsewhere. • Opportunities for additional income generation. • The impact of their proposals on the customer. 			
Finance Capacity and Transformation	Finance Restructure <ul style="list-style-type: none"> • Consult on phase 1 of new Finance Structure • Begin Recruitment to phase 1 of new Finance Structure • Develop phase 2 of new Finance Structure for consultation informed by the Unit 4 upgrade transformation programme 	January 2025 March 2025 September 2025	Director of Finance Director of Finance Director of Finance Director of Finance	Cllr Thorpe Cllr Thorpe Cllr Thorpe

	<p>Unit 4 ERP System Upgrade</p> <ul style="list-style-type: none"> • Agree detailed programme plan, capacity requirements and governance arrangements to enable delivery of the upgraded system and planned benefits in April 2026. 	February 2025	Director of Finance	Cllr Thorpe
Governance and Compliance	<p>Estate management</p> <ul style="list-style-type: none"> • Completion of the remaining RAAC's surveys and any subsequent actions undertaken as may be required. • Completion of single reconciled estate asset register. • Consolidation of the council's property function within the new Place Directorate with responsibility for: <ul style="list-style-type: none"> • Strategic Asset Management including delivery of the planned reduction in the size of the estate • Identification and delivery of planned and cyclical maintenance • Property compliance and safety • Responsive repairs 	February 2025	Executive Director Place	Cllr Quinn
		April 2025	Executive Director Place	Cllr Quinn
		April 2025	Executive Director Place	Cllr Quinn
	<p>Leadership and Governance Arrangements</p> <ul style="list-style-type: none"> • Establishment of six new assurance boards with agreed terms of reference and 12 month forward plan, to ensure that there is a culture of compliance across the Council, the Boards will provide management oversight across Council activity, the work of the Boards will align to the corporate plan. 	End February 2025	Director of Law and Governance	Cllr Rafiq Leader and Cabinet Members

	<ul style="list-style-type: none"> Governance and Assurance Board will have responsibility for overseeing implementation of all outstanding recommendations from internal audit reports, which is currently the role of the corporate governance group. <p>Terms of reference (TOR) prepared for all Boards/Member Assurance group and revised TOR for ELT</p> <p>The assurance reports will be formally received by a Members Assurance Group made up of Cabinet members.</p>	February 2025	Director of Law and Governance	via the Members Assurance Board
		February 2025	Director of Law and Governance	
		March 2025	Director of Law and Governance	
	Revised PDR and Induction processes and documentation to reflect updated compliance, control and management requirements and related management development needs.	March 2025	Director of People and Inclusion	Cllr Rafiq
	Officer declarations of interest will now be held by the Director of Law & Governance, this will bring Officer declarations in line with the system currently in place for Members. This will be in addition to the existing conflict/declarations of gifts and hospitality reporting procedures.	December 2024	Director of Law and Governance	Cllr Rafiq

LGA Corporate Peer Challenge

Bury Council

28th November – 1st December 2023

Feedback report



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1. Executive summary

The borough of Bury as a place, is changing.

Such changes include the regeneration of Prestwich, Radcliffe and Bury Town Centre. In actively leading this, the council has a clear vision that by 2030, the borough will *'stand out as a place that is achieving faster economic growth than the national average, with lower than national average levels of deprivation'*.

In progressing this, the council has prioritised inclusive growth and reducing inequality. The council's focus on this is well recognised by those inside and outside the council. An ambitious programme is in place, which is backed by significant funding for schemes. This presents a wave of change which is attracting further interest, leading to many other opportunities to deliver on inclusive growth in the borough.

Partners can see that the council has really stepped-up in its leadership role in regards to inclusive growth and reducing inequalities in the last few years. For example, the council is recognised for the way in which it is working closely with partners in Greater Manchester on the Atom Valley and Northern Gateway projects.

Given the scale of change happening across the borough, it is important to ensure that the council has the capacity and resources in place to deliver on these place based plans and to capitalise on the right opportunities being presented for the borough. Beginning the work to prepare a new Local Plan, which complements the emerging GM Places for Everyone Plan, will help the borough to develop in a sustainable way, supporting the council's place-based leadership role too.

The peer team heard how the Leader and Chief Executive are both highly regarded - including locally across Bury, with authorities across Greater Manchester and at the Integrated Care Board (ICB). The council has continued to prioritise strong strategic positioning with health, at both a Bury and Greater Manchester level and the levels of performance observed in adult social care, health and public health are generally positive.

The peer team heard of the strong examples of teams working together at a neighbourhood level, using a model which is seen as “innovative and brave”. This has been developed over time in a collaborative way, which is a characteristic partners often credit the council with.

The mantra of “Let’s do it...” is a motivating call to arms, which is well recognised by all of those the team spoke with. The recent ‘Let’s Do It Challenge’ is an excellent model used to immerse around 1,200 members, officers and partners into this and why it matters for Bury. ‘LET’S’ is also used to spell out the characteristics of how the council wishes to operate in future – Locally, Enterprising, Together and Strengths-based.

The council has made progress in regards to equality and inclusion since the last Corporate Peer Challenge. Those the team spoke with recognise the need to keep going with this, and the need for progress to continue. The senior leadership of the council are very much recognised as helping to mobilise this change.

It is clear from all of the above that the council has many strengths. A hard working, dedicated cohort of officers, with a strong work ethic being key to these strengths. The peer team heard this a number of times during the week and could see how “People here care very deeply”.

It is with this in mind, that it is now an opportunity to refresh the borough strategy to re-tell the story behind this vision for the borough, based on the new and growing strengths that now exist locally. Doing this can help to gather further momentum around where Bury is going, to galvanise efforts and help capitalise on the opportunities that exist. Doing so can help to further develop the collective understanding of that strategy and help bring teams within the council, closer together in delivering it.

Sharpening up the council’s own corporate priorities is an important step too as many people at the council report being particularly stretched. Defining and sticking to a clear and limited set of priorities for the council can help to deliver across the short, medium and longer term. Using a sharpened set of corporate priorities to help shape the approach to decision making and governance as well as the roles of teams and

resource allocation can also help to support capacity and give more space for service delivery.

Collective ownership and accountability will be crucially important as the council moves forward in addressing its priorities. Given the challenges the council is managing across finance, children's social care and SEND for example, it is not possible to make sustained, continuous improvement without strong, collective, day-to-day working. Establishing a 'One Council' culture and ways of working which break down any siloed approaches and suitably aligns the use of skills, time and resource to the council's long-term priorities is important in this regard.

The council sought this Corporate Peer Challenge to provide external feedback about the council's challenging financial position and the plans to bring about improvement in particular. The peer team observed how the council's finances are in an extremely challenging position. It is crucial that the council is able to establish one clear picture of the corporate finance position and communicate that picture consistently both internally and externally. Ensuring everyone understands this and what it means is essential for developing the collective ownership required. This report details steps the council will be required to take around improving the quality of financial reporting, as well as the development and delivery of budget options which avoids a continuing reliance on one-off reserves.

To help deliver this, the council are also recommended to shape a new corporate transformation approach to deliver on the new Medium Term Financial Plan (MTFP). This will involve establishing a corporate transformation plan, approach, resource and culture. This will require supporting and developing the key enabling functions – including finance, human resources and information technology.

The council appointed a new interim chief finance officer in the month leading into the peer challenge. This is seen as a strong appointment and an opportunity for the council to capitalise on. The council should move quickly to appoint permanent financial leadership to work with the interim CFO, for as much of the remainder of this twelve month period in which the interim postholder is in post. This will help the council to make the improvements required, to support the finance team and its development as well as continue improvement into the medium term.

Since 2003, the responsibility for the day-to-day running of the council's housing stock has sat with Six Town Housing, an arm's length management organisation (ALMO). Earlier this year, the council took the decision to bring this back 'in-house', following an options appraisal carried out independently. This presents opportunities to improve the offer to local tenants, as well as support local communities more widely. A transition of this nature is a significant undertaking with a number of risks to consider and carefully manage. It is important that the council develops a deep, collective understanding and plan for the risks and opportunities around Six Town Housing. Those risks and their mitigations, through the use of the Corporate Risk Register, should support collective understanding and oversight.

The council's children's social care service received an OFSTED ILACS inspection in October 2021 which gave an 'Inadequate' judgement. At the time of this peer challenge, the council had received four published monitoring visits from OFSTED since this ILACS inspection which had shown some steady progress. The council has however vacancies within the children's leadership structure which it is crucial to address in order to build on the early progress seen. This includes appointing to the permanent assistant director posts which were vacant at the time of this peer challenge. Once made, these senior appointments will be an important part of improving corporate engagement from the team leading services for children and young people. This should include developing a shared council narrative on the performance and plans. And provide a strong anchor point for the suggested improvement in corporate support across finance, HR and information technology to enable the required progress in services for children and young people.

To support the political leadership in addressing all of the above, the council would benefit from providing further support and development to the Cabinet. This includes ensuring Cabinet members have all of the practical tools to do the job, the support and space to develop their portfolio and policy positions and ongoing development for all members.

To conclude, Bury as a place is changing. Capturing this sense of change and building the story of this change from the strengths and assets available now, can help to focus and galvanise efforts. This includes dealing with the challenges the council faces in children's services and finance in the short term, whilst working

towards the medium term position the council seeks. The recommendations detailed in this report can help the council to do this. So without further ado, “Let’s do it”...

1. Key recommendations

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

- 1. Refresh your 2030 strategy, using this to tell the story as a positive vision, based on the strengths and assets that now exist locally.**
- 2. Sharpen up the priorities for the council and use them to shape decision making processes and resource allocation consistently.**
- 3. Establish a ‘One Council’ culture and ways of working to better position the council in dealing with its challenges and achieving its priorities across the short, medium and longer term.**
- 4. Develop a single, clear and robust MTFP for the council. Ensure everyone understands this and what it means.**
- 5. Establish a corporate transformation plan, approach, resource and culture to support delivery of your MTFP.**
- 6. Further develop finance, HR and IT – including their role and the relationships they require.** These services are key to enabling the delivery of the council’s transformation needs.
- 7. Work with the finance team to further develop a capable team into a, stable and supported finance function – including moving quickly to appoint permanent leadership to work with the interim CFO.**

8. **Build the resilience of the Children’s Leadership Team – including appointing to the vacant senior officer posts.**
9. **Take steps to help further support and develop the Cabinet team, using the examples given in this report.**
10. **Ensure the council’s inclusive growth ambitions are suitably resourced to see them realised.**
11. **Start to prepare a new Local Plan to complement the Greater Manchester Places for Everyone Plan.**
12. **Plan for the risks and opportunities around Six Town Housing in realising the changes the council seeks from this move.**
13. **Support the further development of risk and audit within the council.** This includes the use of the Corporate Risk Register, the role of Internal Audit and the development of the Audit Committee – building on the points raised in this report.

2. Summary of the peer challenge approach

3.1 The peer team

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

- Lead Peer – **Paul Hanson** (Chief Executive – North Tyneside Council).
- Lead Member Peer – **Cllr Peter Marland** (Leader – Milton Keynes Council).
- **Cllr Rob Waltham MBE** (Leader – North Lincolnshire Council).
- **Garry Cummings** (Deputy Chief Executive and Director of Finance,

Transformation & Performance - Stockton on Tees Borough Council)

- **Claire Taylor** (Chief Operating Officer – Sheffield City Council)
- **Karen Bradshaw** (LGA Associate and former Executive Director of Children’s Services – Shropshire Council).
- Peer Challenge Manager – **Dan Archer** (LGA)

3.2 Scope and focus

The peer team considered the following five themes which form the core components of all Corporate Peer Challenges. These areas are critical to councils’ performance and improvement.

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

In commissioning this peer challenge, the council asked the peer team to provide specific feedback on its financial standing and approach to financial improvement.

3.3 The peer challenge process

Peer challenges are improvement focused; it is important to stress that this was not

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

The peer team prepared by reviewing a range of documents and information in order to ensure they were familiar with the council and the challenges it is facing. The team then spent four days onsite in Bury, during which they:

- Gathered information and views from more than 60 meetings, in addition to further research and reading.
- Spoke to more than 150 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.

3. Feedback

4.1 Local priorities and outcomes

The 'Let's Do It Challenge' took place in Bury between June and August 2023, involving over 1,200 staff, elected members and partners in an immersive organisational development activity, aimed at helping people to better understand the purpose behind the borough strategy and the 'LET'S' approach. The peer team heard consistently from those who had taken part how impactful, creative, playful and emotive this approach had been – staff in particular commenting on how the *"LETS do it challenge was brilliant for helping us to understand what this all means"*.

The 'Let's Do It Challenge' has helped to connect people to the 'Let's Do It!' call to arms and created a buzz about this locally. This is an example of how the council is seen to have *"moved on a lot from old fashioned approaches to a culture focused on serving residents"*. 'Let's Do It' resonates with people as a motivating statement which is applied in different ways. The 'LET'S' aspect then forms an acronym which

spells out the principles of public service delivery that the council wishes to prioritise consistently across the borough. They include:

- *Local* – an example of which includes the neighbourhood delivery model.
- *Enterprise* – emphasising ambition, as seen in the council's inclusive growth and regeneration work including two successful levelling up bids.
- *Together* – continuing to actively prioritise close partnership working, for example in health and social care.
- *Strengths* – applying a strengths based model overall, including the assets available in the borough – for example the renowned Bury Market.

'Let's Do It!' and LET'S show their strengths most specifically when describing 'how' people are asked to work, think and design their approaches.

The vision for Bury spells out the 'what' elected members, as local place leaders want for Bury – *to 'stand out as a place that is achieving faster economic growth than the national average, with lower than national average levels of deprivation'*. There is a clear desire to achieve this through inclusive growth. A strong understanding of what this means with partners in regeneration is evident with good examples of delivery. People and partners can see this change happening, as reflected by the investments that others are making into Bury. One example of this is Watson Homes moving their Head Office to Radcliffe.

This is however just one example of what are a strong set of component projects now in place in Bury which are creating opportunities to make real transformational change for the place, in-line with the vision of elected members. There is significant resource already in place to support these projects, including the two successful levelling up bids. In-line with efforts to ensure that this growth is inclusive growth, the council has prioritised strong resident engagement as an important aspect of this regeneration work – examples of which include engagement 'roadshows' around the Mill Gate Masterplan, the use of Community Connectors in Radcliffe to start discussions about the regeneration work including the co-design of different scheme aspects. Early conversations with residents about the regeneration of Prestwich village have received almost 900 responses to date too.

The council remains especially committed to improving the health and care system in Bury and is on a journey of innovative, integrated neighbourhood working. As a place, Bury benefits from communities which cluster into local population sizes where interventions, and an approach like the neighbourhood model, can make a real impact - highlighting why the 'Local' aspect of LET'S is so appropriate for public service in a borough like Bury. Whilst there are similarities in this neighbourhood model to other Greater Manchester councils, Bury is seen to be one of the furthest ahead in advancing this model, showing bravery and ambition in making this progress, which aligns with examples of strong operational performance in adult social care and health. These examples are highlighted later in this report.

All of the above summarises so much opportunity in Bury, and so much the council and partners are doing to make further progress against this vision. People recognise the progress that is being made, but also feel the strain of delivering on a number of fronts, with all of the other demands councils are facing.

In terms of setting organisational priorities, the council does this on an annual basis. To help the council in juggling its demands, the council are encouraged to reflect on the priorities of the council and look to sharpen these up, which can then support the organisation to deliver sustainably. Once this has been done it is important to, wherever possible, avoid anything further being added until the impact on these priorities is fully considered.

A sharpened set of priorities might include addressing the council's financial standing, the prioritisation of inclusive growth to tackle inequalities, improving children's services (both social care and SEND) as well as the opportunities presented for day-to-day services (e.g. in light of the Six Town Housing change). Considering how activity against these priorities can be phased on balance then across the short, medium and longer term would then be important.

To support this, the council should reflect on the Corporate Performance Report and how this can be developed to better support collective ownership through the monitoring of progress, accountability and decision making. This will mean ensuring that the targets and milestones reflect the prioritised phasing of activity and expected progress whilst also suitably embodying the ambition (or 'Enterprise') the council has

in setting out its vision for Bury. Doing so can help to avoid a sense of having to “run at everything with the same energy” and support collective working.

The [most recent published, LGInform performance data at the time of the CPC](#) shows that the council has the lowest percentage of children who become the subject of a child protection plan for a second or subsequent time (2022/23) in the CIPFA nearest neighbour group and has a lower rate of Children Looked After than this CIPFA group average. The council’s planning timeliness measures are all at 100% (2023/24 Q2) and the borough continues to see high numbers of new business births when compared to other similar boroughs. The percentage of waste sent for reuse, recycling or composting is high at around 54% (2021/22) with residual waste also low. The council has at present slightly lower numbers of households in temporary accommodation per 1,000 households when compared to the most similar CIPFA authority average (Q1 2023/24).

The council has strong performance generally in regards to adult social care and health. The social care related quality of life score was the highest in the CIPFA nearest neighbour group using latest published data at the time of the peer challenge (2021/22). Adult physical activity levels, smoking prevalence, alcohol admissions, and levels of overweight or obesity amongst adults and reception age children as well as the under 18 conception rate all perform better than the nearest CIPFA neighbour group average.

4.2 Organisational and place leadership

Throughout the peer challenge, the team heard how the council has “*stepped-up*” in its place leadership role in recent years, this is across thematic areas but is particularly the case in regards to inclusive growth. The council is recognised within Greater Manchester for the leadership role it has played in progressing Atom Valley and the Northern Gateway, which are significant long-term inclusive growth opportunities for the borough and an opportunity to help ‘level-up’ Greater Manchester. The Leader and Chief Executive of the council have played an integral role in this, this being just one example of where the Leader and Chief Executive are highly recognised for the role they play in Greater Manchester and the contributions

they make. The Leader over a number of years has been seen as a “*significant advantage for Bury*” due to the way in which he operates in Greater Manchester and the credibility he has gained.

The council has proactively invested its time into developing strong relationships with private sector partners in furthering its inclusive growth ambitions, for example the relationship that the council has with the Bury Business Leaders Group and the way in which the council has been successful in driving additional social value out of strategic projects.

There are significant assets within the borough which the council are proactively utilising to further develop the borough in line with the vision for 2030. This includes capitalising on the significant potential of the existing transport infrastructure in the borough and the availability of potential development sites.

All of the above adds up to plans to regenerate and grow Bury which are ambitious and the delivery of these schemes is now being seen. This includes, for example in:

- Radcliffe – where the council is leading the delivery of a new Hub in the heart of Radcliffe town centre which will include leisure facilities and a new library as well as the renovation of the Market Chambers for retail, office and studios, multi-purpose event space as well as improvements to the surrounding town centre public spaces.
- Bury Town Centre - the council is working in a joint venture relationship to redevelop a 15-acre site which incorporates the existing Mill Gate Shopping Centre, after the council purchased the shopping centre in 2022. This includes proposals for around 800 homes, new space for leisure and improvements to both retail space and the public realm. This sits alongside work to transform Bury Market as part of the wider town centre regeneration plan.

The council has a mature relationships with the Integrated Care Partnership which supports a good level of performance across health and care (as demonstrated above). The Chief Executive is the designated place lead for Health and Care across Bury and there are many examples of teams working together at a neighbourhood level. The council is known for having a positive relationship with what is seen as a

strong Voluntary, Community, Faith and Social Enterprise (VCFSE) sector locally, and has looked to harness these relationships to address challenges faced by the borough in creative, innovative and brave ways. An example of this creativity has been the launch of the Climate Action Community Fund, which awarded grants to local community groups in Bury for activity which helps the borough to meet its climate goal of being Carbon neutral by 2038.

These examples highlight where the council has had success in developing collective ownership around an agreed set of priorities. This is something the council can look to further develop internally within the organisation, with clear and relevant accountabilities for the priorities of the organisation more specifically (as detailed in the earlier section). Having sharper priorities in place for the council can help the organisation to align its teams and processes around the outcomes it prioritises.

Refreshing the 2030 strategy for Bury underneath the existing vision can help to further galvanise attention, focus and build further momentum. This means re-telling the story of this vision based on the strengths and opportunities that now exist, since this document was originally written. The context for the borough is now different to when this document was originally written and there is an opportunity to tell this positive, forward-looking story in this context, both in terms of the document itself, but also in how this vision and story is communicated consistently with all stakeholders day-to-day.

The Cabinet team have an essential role in leading the council and borough through this journey, which includes dealing with the challenges faced by the council, whilst leading an ambitious programme for the borough. This role is large, demanding, complex and varied. Providing the Cabinet team with the support they need to develop within this role, will benefit the council and should include:

- Practical tools for Cabinet members in their roles – which might include for example coordinated administrative support, timely information and responses.
- Dedicated support and spaces for the Cabinet to further develop their portfolio and policy positions in light of this complex environment – including the various opportunities, challenges, the different routes and risks that exist.

- Relevant, ongoing member development support to help Cabinet members to grow – which may include access to mentoring, training and networks. This includes member development around the specific portfolios of individual Cabinet members as well as support for members in Cabinet overall – for example ‘finance for non-finance Cabinet members’ training.

On the back of the positive, mature system relationships the council has built-up within Greater Manchester, there is also a welcome opening from the combined authority for the council to ‘lean-in’ with any challenges or asks the council may have more widely, which partners are happy to discuss. The council will find capability and capacity to face its challenging context by ensuring it is fully engaged in the full range of peer and professional networks across Greater Manchester and elsewhere.

4.3 Governance and culture

As detailed earlier in this report, ‘Let’s Do it!’ and the Let’s Do It! Challenge have both had a positive impact on the culture of the council as a motivating call to arms. The LET’S acronym within this outlines a set of positive behaviours for the council and wider partnership, which the council can continue to build its culture from. Work is however required to establish a ‘One Council’ culture – working well consistently as one corporate team, which aligns to the Together element of LET’S, making this an outlook and approach that everyone commits to across the council.

The work to sharpen up the corporate priorities can have a role here too, in that it can be then used to focus governance processes and meetings around the key priorities of the council and support officers to work across this as one team, reducing demands on others in a supportive way, where appropriate. For understandable historic reasons, the council has developed a significant number of corporate management meetings for senior officers and Cabinet Members. A sharpening of priorities should allow the organisation to consider what might be safely eased and who should attend. A simple mapping exercise which then compares the priorities and risks to the meetings and processes in place should then help. There may be examples already where the involvement of the senior officer team can be reduced – examples of which for further consideration, may include the extent of involvement in

the Policy Advisory Boards and the Finance Improvement Panel. The Finance Improvement Panel will require consideration in any case, now that the Chair of this panel has become the council's interim chief finance officer.

The peer team were able to observe how the approach to equality and inclusion at the council has advanced since the last peer challenge. The council has in place a strong and committed working group who are an asset in this regard, providing many ideas and healthy challenge to the council. The group feel listened to and are able to give examples of change happening over time. Senior leaders at the council are seen to be supporting this movement, an example is the support for modifying existing recruitment practices – moving to direct CV upload, to make this process more accessible to more people. Continuing to build on the progress made will require developing the infrastructure for measuring progress and outcomes against the next Equality and Inclusion Strategy which is due to be written shortly. Continuing this improvement is important in any case but made more-so given how Bury as a place is changing too. Continuously communicating progress in a highly visible way, the progress made by each of the equality and inclusion groups, as well as the milestones achieved by the council against the next strategy is important for continued progress, of which there is a clear commitment in place to see this happen.

The council's approach to overview and scrutiny is also in a stronger place than was the case at the time of the last CPC. The Chairs of the overview and scrutiny committees work well together, feel engaged with, listened to and are well-briefed. The relationships between the Chairs and the work of the committees is symptomatic of relationships cross-party which are generally pragmatic and respectful in Bury. The council can continue to further benefit from overview and scrutiny by encouraging regular, quality informal dialogue between Cabinet members and the respective Chairs. Having these relationships helps to ensure that the work of the committees remains close to the most central decisions of the council and those affecting the borough, it helps ensure that the activity of overview and scrutiny is providing the most timely and relevant challenge as well as support for policy development.

The council has in place an extensive Audit Plan albeit with a relatively small team of internal auditors to service this plan. As a result, a lot of audit activity in the Audit Plan has been rolled forward to the following year. The council is also developing its

approach to risk management and the recently appointed lead officer is taking steps to enhance the approach that is in place. This requires ongoing ownership of risk from across the council and proactive senior sponsorship which is dispersed across those in leadership positions. More closely aligning risk and audit activity to the corporate priorities of the council can also help in this regard. Engaging earlier with risk and audit has the benefit of preventing issues or risks from developing, as well as saving time and effort later on by potentially reducing the amount of internal audit activity which leads to a limited assurance being given.

The council should consider how it can further develop the Audit Committee, which includes support for members and the nature and extent of items on the agenda. Deep dive risk explorations appear to have been beneficial as a model, weighing-up the number and focus of these items in future and whether if on occasion, less items of this nature might lead to greater benefit and engagement is worth consideration. The council does not currently have any independent persons on its Audit Committee after struggling to attract suitable people for these roles. Looking again at this can support the working of the Committee as can looking at how members of the Committee can be further supported to develop in these roles.

4.4 Financial planning and management

The council sought this Corporate Peer Challenge to provide feedback on the approach they are taking towards improving the corporate financial standing of the council. The peer team were able to observe how the council has an extremely challenging financial position, with a small window of opportunity to act now, to address this.

At the time of the peer challenge, the council's latest budget monitoring position (Quarter 2) showed that the council was forecasting a year-end overspend of £9.749m against a net revenue budget of £210.813m.

The level of forecast overspend reduced in-year from the forecast at Quarter 1, when an overspend of £13.2m was forecast for year-end. This improvement of around £3.45m between Q1 and Q2 is linked to a moratorium on spend, a process of monthly departmental budget challenge sessions and activity to look at whether any

of the 2024/25 savings could be brought forward.

Of the £9.749m forecast corporate overspend, children's services are forecasting a £10.865m overspend. This is based upon a £6.4m overspend in social care and safeguarding – linked to an increase in residential placement volumes, complexity of care packages and the number of agency staff employed. Education and Inclusion is overspending by £4.1m, which includes around £2.5m of costs previously funded through the Dedicated Schools Grant which has been transferred to the general fund. Overspend is also seen in Adult Social Care (£1.2m), and Operations (£1.7m).

The council is committed to continuing to work on this forecast overspend position, knowing that any overspend at the end of the year will lead to a reduction in the council's general reserves.

Looking ahead, a draft Medium Term Financial Plan shared with the team indicates a cumulative budget gap of £41.582m over the next three years to 2026/27 before proposed savings. This £41.582m breaks down into gaps of £22.611m in 2024/25, a further £12.789m in 2025/26 and a further £6.182m in 2026/27. The figures in later years will increase, if the council does not find permanent savings in the earlier years, or if the council resorts to using reserves at any point.

For 2024/25, work is needed quickly to develop further, deliverable savings proposals to deal with the £22.611m budget gap identified. The council has approved savings proposals of £5.368m for 2024/25 currently. If all of these approved budget proposals are delivered in full in 2024/25, the budget gap reduces to £17.243m. The council has developed a further indicative list of savings proposals for 2024/25 totalling £7m, although at present, only 34% come with a strong 'green' level of confidence that they would be delivered in full in 2024/25 and 35% are graded 'red' on this basis.

The council is aware of the need to balance the budget without a continuing reliance on reserves. The council had £22.7m in General Reserves as at 1st April 2023 and a further £86.710m in Earmarked Reserves. Those earmarked reserves include a £39m volatility and fiscal mitigation reserve. Whilst the most current reading of the council's balance sheet and reserves position is more promising compared to how reserves were interpreted previously, the council must deal with these pressures

now, to avoid an even more challenging situation materialising. The council has committed to a review of its earmarked reserves as part of this budget setting process.

It is important that the council develops a more informed collective oversight and ownership of financial performance across the organisation. This can be supported with clearer financial reporting both to officers and members – an issue that has been flagged by the External Auditor also. Improving the quality of financial reporting, will help to support collective understanding, ownership and the level of confidence in the council's financial governance.

An example of where the council can improve the collective understanding of the financial position, is how the team heard from a number of people at the council, a perception that the council's financial position would be fine, "*if Children's Social Care wasn't so high spending*". The council has begun to take steps to address this perception, using analysis and advice to inform a children's financial plan for 2024/25. Whilst there is a high level of overspend in children's services, the council has historically spent less than its most similar councils elsewhere on children's social care. In 2022/23, LGInform data at the time of the peer challenge showed that the council spent £984.63 per 0-17 year old compared to £1,361.45 on average within the council's most similar CIPFA family – 27.7% less, which is a similar position in each of the last six years.

Building on the work undertaken over the summer by the council to better understand the underlying budget position for children's social care, it is important that the council is able to agree and finalise a budget position for children's social care that more accurately reflects anticipated budget spend for the service including demand at different points of the service, placement mix and agency cost, which also takes into account the experience of spend and demand in other similar councils. The team heard about the work the council has started on this and how business partners and analysts in the finance team have been particularly proactive and engaging in developing the children's finance position for 24/25. Using this to inform a single, more collectively understood MTFP for the council overall, will support collective ownership, accountability and delivery as 'One Council'. The team heard examples of

some movement towards a better shared understanding of finance in recent months which this should then build on.

Remaining alert on an ongoing basis to the position around those factors in children's social care that lead to spend and how they change over time will help the council to deal proactively with changes, before they manifest themselves into much heightened costs. This is to take on board the learning from other councils, where the dynamic environment in which this service exists, can see the in-year service experience depart from the budgeted / expected experience quite quickly due to demand and external agency placement costs (for example).

The council appointed a new interim chief finance officer (S151 Officer) in the two weeks leading up to the peer challenge. This appointment is seen as an important addition as they are roundly recognised as an experienced officer who can help to lead the improvement of the council's financial standing. The council has good people in the finance service, who are working well with other services in some areas. The council are encouraged to work with the current finance team to build on, support and complement the strengths that already exist. The council should also move quickly to appoint permanent financial leadership, to work with the interim CFO for as much of this 12 month interim period as possible. The pace of improvement in the council's financial management will increase with this, as will the sustainability of improvement over the medium-term.

At Quarter 2, the council forecasts that £18.888m of the £22.350m of identified savings will be delivered and in recent years:

- £13.7m / £16.4m of identified savings were delivered in 2022/23
- £5.5m / £8.1m were delivered in 2021/22.

Given the budget gap the council has to address, it is imperative that the council delivers on as much of the approved budget savings as possible, as without this, the budget pressure will only grow again. The council has successes in some parts of the organisation in delivering on budget savings and so, sharing the learning from this can help the council overall, as part of this collective ownership. There is also an

opportunity to look at any underlying causes of savings non-delivery and how these could be addressed to support future savings delivery too.

While developing the new Medium Term Financial Plan there is a significant opportunity for the council to focus on the resource side of the Plan. LGInform data shows that in 2022/23, the council failed to collect 7.27% of non-domestic business rates. This is higher than most CIPFA neighbours and double the group average of 3.01%. The new interim chief finance officer recognises there is an opportunity to widen corporate understanding of the resource elements of the Medium Term Financial Plan and how the senior team can contribute to ensuring the council generates maximum income as well as managing expenditure.

Finally, elsewhere in this report, the amount of exciting place based regeneration work that the council is engaged with is explored. More widely, the council has a three year capital programme which is heavily focused on regeneration and economic growth. A significant amount in the programme is front-loaded, with the approach to capital showing large levels of rephasing and carry forward taking place during the year, a practice that has been seen in each of the last three years. Whilst this has had the benefit of reducing in-year overspends it is not strong financial management. The council are encouraged to review the approach to capital programming and planning to help develop a more robust picture to work with.

4.5 Capacity for improvement

The peer team heard from people inside and outside the council, how the council is fortunate to have many great people who care deeply about Bury and are really keen to be part of one team working for the borough and its residents. Examples were given to the team of people going above and beyond their roles to help deal with the demands and pressures the council faces, to support local communities, as summarised positively by one officer the team met with *“there’s lots of pressure and lots of demand, but I’m still here 20 years later!”*

The most recent staff ‘Pulse’ survey shows that 81% of staff now feel encouraged to respectfully express any concerns they may have which is a significant increase from a score of 50% in 2018. The council does however recognise the need to increase the response rate to the staff survey, to increase the number of employee reviews

completed from around 53% and to increase the number of staff who share their equalities data, to support organisational and workforce improvement. Members of staff the team spoke with speak very positively about the improvements they have seen and welcome the improved internal communications and engagement experienced – describing how “this feels different” now. Externally, partners have observed how the council has changed in recent years, less focussed on providing internal services and more engaged with how the council is there to listen to and work with local communities.

People can see how Bury as a place is changing and are really positive about the difference this represents. This momentum is set to continue to grow as the council’s plans for regeneration and inclusive growth continue to come to fruition. The council has a high level of ambition here, as articulated in the 2030 vision, ensuring this continues to progress will require looking at the level of capacity the council has available for its place-based schemes to ensure it matches the scale of ambition and plans in place. This includes the regeneration plans across the borough, education, and the council estate to name just a few examples. A significant proportion of staff in place based roles are funded by capital funding, which by its nature will mean fixed term funding underpinning these roles.

Since 2003, the responsibility for the day-to-day running of the council’s housing stock has sat with Six Town Housing, an arm’s length management organisation (ALMO). Earlier this year, the council took the decision to bring this back ‘in-house’, following an options appraisal carried out independently. This presents opportunities to improve the offer to local tenants, as well as support local communities more widely. A transition of this nature is however a significant undertaking with a number of risks to consider and carefully manage. It is important that the council develops a deep, collective understanding and plan for the risks and opportunities around Six Town Housing and reflects the risks associated and their mitigations through the discussions informed by the Corporate Risk Register. In the short term, the council are encouraged to:

- Create a clear, suitably expert landing zone within the council for the ALMO, which has suitable levels of experience and knowledge and clear roles and lines of accountability.

- Continue the work started to ensure compliance with the sector's expectations of social housing.
- Continue work that has begun to more fully understand relative stock condition.
- Create a capital plan directly related to stock condition and expected standards.

From the above, the council can then produce a new 30-year Housing Revenue Account Business Plan which will guide the use of funding around a more informed view of stock quality, need and outcomes for local people.

Bringing the ALMO 'in-house' is one of the opportunities that the council can then also look at for the benefits that it brings more widely, against the priorities of the council and for the borough. This may include opportunities to support day-to-day operations within the public realm and the feeling of place that people experience, aligning this to how Bury more widely is changing and developing. The council is also actively considering the opportunities from this to improve the local experience of residents in engaging with social housing, linked to the neighbourhood model, as well as the opportunities to look at the combined corporate estate made available from this transition and how this could be most effectively and efficiently utilised.

As the council takes the steps to improve its financial standing, which supports the delivery of its priorities for Bury, establishing a suitably resourced corporate transformation strategy and plan, which is directly aligned to a new MTFP will be required. This will need to build upon a strengthening of relationships between corporate leadership and services and is an important part of embedding a 'One Council' approach. Given the time taken to implement transformational change, it is important this is tackled quickly and includes services to children and young people, blending in the work already begun.

To deliver on the scale of change and transformation the council will require to deal with its corporate financial position, there is a need to further develop the role and approach of core enabling functions, working well with services and building on examples of good practice already seen. This includes the role of finance (as

mentioned earlier in this report), HR and IT – given that continuing the digital improvement work already started is one of the areas that will support the wider transformation programme. This will need to consider the capacity of the services and prioritisation of work in order to focus on supporting the changes necessary. There may also be further opportunities in building on the strong integrated neighbourhood approach, to further rationalise and modernise the corporate estate which will also support this transformation programme.

The team heard from colleagues at the council, of the steps taken since the OFSTED inspection of children’s social care in 2021. To continue to make the progress required, ahead of a full OFSTED ILACS re-inspection, it is important that the council is able to build the resilience of the children’s leadership team which includes appointing to the vacant permanent posts within the structure. The council is moving towards the Family Safeguarding Model which appears to have been well received by the service. This is a model that has been seen elsewhere in the sector to be often attractive to social workers and so could be used as part of the recruitment strategy to reduce the reliance on agency workers. At the time of the peer challenge, around 48% of social workers were employed on temporary agency contracts, which the council are keen to reduce.

To support this shift, it is important to ensure a workforce strategy for children’s social care is further developed which is suitably phased to reflect the anticipated demand for services the council will expect. This involves looking ahead, taking into account the potential impact of different demand management initiatives including in particular revocation and re-unification. This strategy should also take into account the workforce and caseload requirements during different forms of recruitment, as well as the difference presented by the new Family Safeguarding model of practice. This strategy should help support the right environment for social work to thrive including reward, welfare and wellbeing.

Finally, outside of the net revenue account, the council has held a deficit position against the Dedicated Schools Grant (DSG) since 2012, with a deficit of £18.6m at the start of this financial year. The council was one of the first councils in the country to be included within the Project Safety Valve programme to help deal with a deficit of this nature, in January 2021. Whilst the deficit has reduced, the pace of improvement

in the performance of the service and the pace of reduction of the financial deficit needs to increase. With this in mind, over the Summer the council refreshed its plan for bringing about this improvement. This plan is now seen, by those the team spoke with, to be in a stronger position to bring about improvements in the service offer and deal with the cost pressures associated. Whilst it is not possible to provide assurance of this specific area, during a peer challenge of this corporate nature it is clear that in order to deliver on this plan, the council will need to ensure suitable project capacity, oversight and core service support is in place in a timely way to see this realised. It is important that the council rapidly embeds its very recent developments such as the graduated support pathway, its early years offer around SEND, and its specialist provision offer. There is an ideal opportunity to tie-in more closely the health offer to support children with special / additional needs, through the development and implementation of a new SEND strategy, together with an outcomes framework.

In summary, in order to match the council's ambitions and despite its difficult financial context, some careful investment in capacity and capability will help the organisation realise those ambitions and manage the context.

4. Next steps

It is recognised that senior political and managerial leadership will want to consider, discuss and reflect on these findings. The CPC process includes a progress review, which provides space for the council's senior leadership to update peers on its progress against the recommendations from this report and is due to take place in September 2024.

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. Claire Hogan, Principal Adviser for the North West region, is the main contact between your authority and the Local Government Association. Claire is available to discuss any further support the council requires.

claire.hogan@local.gov.uk.



LGA Corporate Peer Challenge – Progress Review

Bury Council

2nd October 2024

Feedback

A decorative footer graphic consisting of a series of overlapping, stylized arrows pointing to the right. The arrows are in shades of teal, orange, and purple. The text "Corporate Peer Challenge" is written in white on a dark purple background to the right of the arrows.

Corporate Peer Challenge

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1. Introduction

The council undertook a LGA Corporate Peer Challenge (CPC) between 28th November and 1st December 2023 and promptly published the full report with an action plan. A copy of the original report, can be found on the council's website, via the following link:

<https://www.bury.gov.uk/in-focus/local-government-association-corporate-peer-challenge>

The CPC Progress Review is an integral part of the CPC process. Taking place approximately ten months after the CPC, it is designed to provide space for the council's senior leadership to:

- Receive feedback from peers on the early progress made by the council against the CPC recommendations and the council's RAG rated CPC Action Plan.
- Consider the reflections of peers on any new opportunities or challenges that may have arisen since the peer team were 'on-site' including any further support needs.
- Discuss any early impact or learning from the progress made to date.

2. Summary of the approach

The Progress Review focussed on each of the recommendations from the Corporate Peer Challenge, under the following theme headings:

- Narrative and focus
- Financial planning, management and delivery
- One Council
- Inclusive growth

For this Progress Review, the following members of the original CPC team were

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Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

Chair: Councillor Louise Gittins

Chief Executive: Joanna Killian

President: Baroness Grey-Thompson

involved:

- Lead Peer - Paul Hanson (Chief Executive – North Tyneside Council)
- Lead Member Peer - Cllr Peter Marland (Leader – Milton Keynes Council)
- Garry Cummings (Deputy Chief Executive and Director of Finance, Transformation & Performance – Stockton on Tees Borough Council)
- Dan Archer (Senior Regional Adviser Local Government Association).

3. Progress Review - Feedback

In reflecting on the progress made against the thirteen recommendations from the original CPC, the council's action plan update grades one of the recommendations as 'complete', five as 'green', six as 'amber' and one as 'red'.

The peer team commend the council for potentially making more progress against these recommendations, than it has perhaps given itself credit for.

It is clear to the peer team that the council has both listened to and acted on the feedback given. There are examples throughout this report where this is demonstrated.

In how the council has approached the recommendations, a 'sharpened focus' has been demonstrated, with particular attention being given in recent months to steadying the ship, before starting to move attention to the other areas from the recommendations. This sharpened focus in itself, is a reflection of how the council has listened to the feedback given previously and is an essentially important approach to hold on to.

The challenges around improving the performance of children's social care remain, following the previous 'Inadequate' Ofsted ILACS inspection. This has been added to with the need to respond as a partnership to a challenging SEND Area Inspection in February, which required the local area partnership to produce a priority action plan.

Whilst the financial position remains challenging, an increased clarity and confidence is now starting to emerge at the council in its understanding of its financial standing.

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This better positions the Council to develop and implement the actions needed to address the challenge that remains, to avoid the position worsening into a more urgent situation. To support this, the council's transformation programme must become closely aligned to the Medium-Term Financial Plan – *indeed becoming the mechanism by which it is delivered* - demonstrating, how the council will deliver on a sustainable basis without a continuous reliance on reserves.

Meeting this challenge, will help ensure the borough is then able to fully capitalise on all of the opportunities available to it locally and progress against the three key priorities the council has now identified. Doing further work to resource the inclusive growth programme is a key aspect of this. Approaching this from the perspective of resourcing this to meet the council's three key priorities, working across the outcomes they represent and supporting the medium-term financial position.

The Cabinet have an essential role, to lead this journey. Building from the increased support now available to the Cabinet, this is a journey of continuous development, that Cabinet will need to own and lead, drawing on the support of others as required.

Narrative and focus

This theme bears particular reference to the following recommendations:

- Refresh your 2030 strategy, using this to tell the story as a positive vision, based on the strengths and assets that now exist locally.
- Sharpen up the priorities for the council and use them to shape decision making processes and resource allocation consistently.

Following the CPC, the council established a 2024/25 Corporate Plan, shaped around three priorities of tackling inequality, inclusive economic growth and improving children's services. Members and officers the team spoke with clearly recognise these sharpened priorities, and the focus around them was communicated to the peer team. The council has also recently appointed an independent partner to co-produce a refresh of the council's strategic narrative.

To progress further from this position:

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- We encourage the council to move beyond identifying how projects and programmes align to these priorities, and begin to articulate the difference they will make, in terms of the change in outcomes the council seeks for Bury.

Doing this can help to further galvanise efforts across the council – as ‘One Council’. Focussing energy around a clear, common cause. It can also then help in identifying the specific standards and expectations required for this.

Having this can help the council to then develop a clear and compelling strategic narrative – the story the council wants and needs to tell, as well as the milestones of change to come.

There will be a requirement for the Leader and Cabinet to develop the necessary policy positions for this. Equally there will then be a need for the senior officer cohort to engage with this in developing the tactical delivery infrastructure required. Including what this may mean specifically, how this can be delivered as well as the decisions and trade-offs this presents.

Financial planning, management and delivery

This theme bears particular reference to the following recommendations:

- Develop a single, clear and robust MTFP for the council. Ensure everyone understands this and what it means.
- Establish a corporate transformation plan, approach, resource and culture to support delivery of your MTFP.
- Work with the finance team to further develop a capable team into a stable and supported finance function – including moving quickly to appoint permanent leadership to work with the interim CFO.
- Further develop finance, HR and IT – including their role and the relationships they require. These services are key to enabling the delivery of the council’s transformation needs.
- Support the further development of risk and audit within the council. This includes the use of the Corporate Risk Register, the role of Internal Audit and the development of the Audit Committee – building on the points raised in this report.

Following the CPC, the council approved a new Medium-Term Financial Plan (MTFP) earlier this year. The council at the time of the progress review, forecasted a gap of approximately £30m for 2025/26, with £10m in savings from this already agreed, leaving a gap of around £20m, which would be phased over the next three years. The council is now able to demonstrate a clearer, more focused and more confident understanding of its financial position and gap. Moving from this, and developing an equal level of confidence in the plans to meet this challenge is the next, crucial step:

- This includes having the conditions in place to ensure that the £10m of savings agreed already for 2024/25 are delivered in full, whilst also developing the transformation initiatives required to meet the remaining budget gap (as well as any other future gaps that may materialise).

Following the original CPC, the council revisited its Transformation Strategy although there is more work to do here, given how crucial this work is, in delivering the savings the council needs. The council has identified the transformational potential from the upgrade to the existing Enterprise Resource Planning (ERP) system, and the benefits this may bring to ways of working at the council. Beyond this work, the transformation programme will also need to take a further, broader look at what services the council will deliver. This is work that will need to now happen at pace, in light of the budget challenge faced.

To better enable the delivery of the council's transformation programme, the council were also recommended to further develop finance, HR and ICT services. Following this, the council has taken a step to integrate finance within the Corporate Core, under a single Executive Director. The council has appointed a new, permanent chief finance officer who has landed well in the organisation in these early months. A department plan has been produced for the Corporate Core, and the Corporate Core Engagement Strategy has been refreshed, with a revised approach to the use of the Core Wider Leadership Team also implemented. There is more to do, to further develop the structures required for more fully implementing the council's wider transformation requirements, which can be progressed further in the context of the opportunities and requirements linked to the implementation of a new ERP system.

Further into this report, there is feedback on the steps the council has taken to ‘safely land’ the management and maintenance of the local social housing stock within the council. The significance of this, has required the focus of the Corporate Core over this period which has had an effect on the pace the council has been able to give to its work on transformation. The council is now out to recruit to the dedicated capacity required for housing operations, which once in place, can help to release other capacity from the Corporate Core for this.

To meet the scale of the financial gap that remains over this three-year period:

- Further work will be required to shape the focus of a transformation programme which is closely aligned to the MTFP, whilst remaining true to the priorities now set out for the council as well as the ‘LET’S’ principles. This will require ensuring the right capacity and resource is in place to develop and deliver this programme, as well as creating spaces so that this can be considered in the round as ‘one council’.

The above also includes the new opportunities that may present themselves – for example, opportunities from bringing the management and maintenance of the council’s social housing stock in house, which includes the use of capacity as well as the potential of the Housing Revenue Account. All of this can help to build the level of confidence in dealing with the financial challenge, whilst retaining a sharpened focus on the key priorities for the council.

Following from the above, one of the benefits of a high performing approach to assurance, risk and audit is that it can support the council in being increasingly confident in the delivery of its plans to meet its financial challenge. Following the feedback from the CPC, the council have delivered refresher training to Senior Leaders on risk in April 2024. The work programme of the internal audit function has also been refreshed against the new Corporate Plan and an internal governance group has been established to provide oversight of governance and assurance mechanisms.

Over the course of this progress review, the team are not able to assess the impact this has had more specifically on the management of risks and issues at the council. Continuously evaluating the level of assurance these mechanisms are able to

provide will inevitably remain important as the council seeks to progress against its transformation strategy. Whilst there are dedicated functions this is a shared responsibility across the council, which the newly developed internal governance group can support.

'One Council'

This theme bears particular reference to the following recommendations:

- Establish a 'One Council' culture and ways of working to better position the council in dealing with its challenges and achieving its priorities across the short, medium and longer term.
- Build the resilience of the Children's Leadership Team – including appointing to the vacant senior officer posts.
- Take steps to help further support and develop the Cabinet team, using the examples given in this report.

As part of this progress review, the peer team were able to observe how the will to move further towards a 'One Council' approach is moving into place. For example, the team heard from a number of people corporately and within children's services how the improvement of children's services is being increasingly seen as a shared endeavour across the council, compared to the same point last year. Equally, at the previous CPC, the team heard from a number of people a perception that the council's financial position would be fine, "*if Children's Social Care wasn't so high spending*". The feedback given at the CPC, served to highlight that, whilst the council was overspending against budget, it had been lower spending than its most similar councils. The council agreed the budget for 2024/25 following this analysis, which increased the base budget for children's social care, compared to the previous year. Beyond this, there has been a recognition from a number of colleagues across the council that these perceptions had moved on and that the financial challenge facing the council is not solely due to the level of spend within children's services, but is a challenge for the council, with colleagues within children's social care also reflecting this different perspective and the support of this.

In terms of building the resilience of the leadership team within children's services, a restructure of the management team has taken place with a Director of Social Care and Early Help appointed. In addition to this, the Director of Education post has been filled with a long-term secondment, with the children's commissioning function now also moved under the Director of Children's Services.

In regards to support for the Cabinet, additional business and policy support has been put in place following the CPC and a member development plan has been agreed. Members of the Cabinet recognise the increased level of support that is now available to them. A new portfolio holder for finance and transformation has been appointed to the Cabinet and has both taken steps to develop his relationships with relevant officers, whilst also beginning to tap into the external support and networks available.

Building from the support that is now available to the Cabinet and the positive steps taken:

- The Cabinet are encouraged to continuously develop in regards to how they bring their leadership to the council. Noting the different, informal roles required of each other to both support and challenge each other as well as the skills to craft and communicate, in different ways, the strategic narrative as it develops and evolves.

Inclusive Growth

This theme bears particular reference to the following recommendations:

- Ensure the council's inclusive growth ambitions are suitably resourced to see them realised.
- Start to prepare a new Local Plan to complement the Greater Manchester Places for Everyone Plan.
- Plan for the risks and opportunities around Six Town Housing in realising the changes the council seeks from this move.

'Inclusive economic growth' is one of the council's top three priorities in the Corporate Plan. A significant element of the previous CPC recognised the high level of ambition

for inclusive growth, the opportunities that exist and the potential benefits this can bring. The refreshed business plan for the service is currently reported as 'on track', however:

- Further work is required, to ensure the council has in place the resource it needs, to be confident it can realise the delivery of all of the major projects and schemes it has in play.

The council established a working group to begin to prepare a new Local Plan, that complements the Greater Manchester Places for Everyone Plan, following the previous CPC. Work is ongoing to develop masterplans for three strategic sites allocated as part of the Greater Manchester Places for Everyone Plan, although work to update the Local Plan has been paused in light of the updated National Planning Policy Framework guidance, which would significantly increase the housing target for Bury.

The council clearly listened to the feedback from the previous CPC, to create a safe landing zone for the housing Arm's Length Management Organisation (ALMO), in returning back into the council. Subsequent due-diligence exercises were completed to support this transition, finding a number of other gaps within the fundamental operating structure, which has required further focus. It was reported to the peer team that all improvement work following this transfer is on track, relative to the plan. The work around this has required significantly enhanced property compliance safety checks, advanced stock condition surveys and a new tenant engagement strategy. A strategic change partner has been engaged to work collaboratively with members, officers and tenants to further support the integration of housing over the next 6-12 months. The council is now out to recruit for a permanent Director of Housing Operations, to help lead and deliver on this next stage of this particular journey.

This can help to release existing capacity for transformation, whilst also providing additional, specialist expertise. Having this in position, will help the council to identify and deliver on work to realise the benefits this reintegration can bring, in meeting the sharpened priorities the council now has in place, the outcomes those priorities represent, within a framework which supports financial sustainability.

4. Final thoughts and next steps

We appreciate that senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation wishes to take things forward.

Under the umbrella of LGA sector-led improvement, there is an on-going relationship with the support offer to councils. The LGA is well placed to provide additional support, advice and guidance on a number of the areas identified for development and improvement and we would be happy to discuss this.

Claire Hogan (Principal Adviser) is the main point of contact between the authority and the Local Government Association (LGA) and her e-mail address is

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