

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.

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