

LGA Corporate Peer Challenge – Progress Review

Bury Council

2nd October 2024

Feedback



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.

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:

- 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.

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