

LGA Corporate Peer Challenge

Blackburn with Darwen Borough
Council

11 – 14 July 2023

Feedback report





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1. Executive summary

Blackburn with Darwen Borough Council (BwD) is an ambitious council with strong and well respected political and managerial leadership. The peer team were impressed with the clear sense of pride and ambition for the borough demonstrated by all those who spoke with them. This was articulated by one partner as *“there is a unique passion in Blackburn with Darwen and you see that passion for the borough in the council”*.

The borough of Blackburn with Darwen is made up of diverse and multi-cultural communities (as outlined in 4.1). The area was significantly impacted by Covid and also experienced tighter national and local restrictions for longer periods compared to most other areas. The borough’s Public Health Annual Report (2022) shows how COVID-19 impacted on some of these communities harder than others including older people and black and ethnic minority communities. Both councillors and officers are understandably proud of the council’s leadership during this unprecedented time and their role supporting local communities and businesses.

Post pandemic peers were pleased to see how the council are using the new Corporate Plan (2023-2027) as an opportunity to re-set a clear strategic vision for both the council and the borough. The new Corporate Plan, agreed in December 2022, sets out a vision for *“every single resident, no matter who they are, to have a good quality of life”*. The peer team were impressed with the extensive consultation undertaken to inform the new Corporate Plan including a conference involving 130 partners and a resident survey involving up to 2,000 people. A set of new organisational values, to underpin the Corporate Plan, have been co-designed with staff through an employee voice champions group. The peer team heard from staff how these new values are beginning to shape organisational culture and how leaders are committed to continuing the work to embed these values across all services.

The council is in the process of finalising a new performance management framework aligned to the new Corporate Plan. This will include a revised number of key performance indicators and a commitment to report performance on a quarterly basis. The council’s most recent publicly available performance report (at the time of the peer challenge) was published in December 2022. This relates to delivery of the previous Corporate Plan (2019 – 2023). It will be important for the council to ensure

the new performance framework, aligned to the new Corporate Plan, is finalised so that it is able to report, demonstrate and track achievement of priorities against the new Corporate Plan, its vision and missions.

There are also opportunities to better prioritise, rationalise and align the wide range of strategies and plans currently in place or in development in support of the council's core missions. The peer team would encourage the council to undertake a prioritisation exercise which will also support the 'grow or stop' elements of the council's Finance Strategy (outlined in section 4.4 below).

The peer team were struck by the level of ambition and determination to think big and unlock the borough's potential. Creating 'a more prosperous borough where no-one is left behind' is a key priority in the Corporate Plan. A proposed £1bn vision for the future is underpinned by the new Local Plan (2021-2037) which is in the final stages of development. The aim is to help unlock new economic activity and guide investment and development in the borough. The peer team were impressed with the council's commitment to growing the cultural offer in the borough in support of this vision. The council, working with partners, has been successful in attracting considerable external funding including two levelling up fund bids totalling £40m and the Darwen Town Deal totalling £25m.

As investment schemes are bought forward, it will be important to ensure they are underpinned by robust business cases including option appraisals, detailed financial modelling, risk analysis and legal implications for each scheme. This will help the council to constructively challenge and scrutinise each proposal, ensuring they are deliverable and sustainable. It will also be important for the council to continually demonstrate how physical regeneration schemes are aligned to improving outcomes for residents and there are opportunities for the council to strengthen its narrative for residents in this regard.

The council has an impressive track record of managing significant challenges including the ongoing reductions in spending power since 2010, the turbulence caused by COVID-19 and the impact of the recent economic challenges. Financial challenges are set to continue with a forecast funding gap for the period to 2026/2027 of £18.6m in addition to agreed savings totalling £3.716m to balance the budget for this year (2023/2024).

Demand for adult and children's social care remains an on-going pressure. The children's services Ofsted judgement changed from 'good' to 'requires improvement' (RI) in February 2022 and an improvement plan is in place and is being delivered through an improvement board with an independent chair. A Joint Targeted Area Inspection (JTAI) published in July 2023 shows positive progress is being made with more work still to do. Similar to many other councils, pressures also remain in adult social care including increased demand for extra care and domiciliary care, increasing complexity and costs of care packages and the on-going impact of cost-of-living crisis on communities.

In this context, it will be important for the council to maintain focus on delivery of the required savings. The council will need to ensure the right balance in terms of ensuring continued progress in relation to the borough's ambitious growth plans and the need to meet the ongoing pressures within both children's and adults social care. In the context of increased socio-economic challenges associated with rising prices and interest rates, it will also be important for the council not to be over reliant on economic growth to help bridge the budget gap.

Similar to other councils, budget reductions implemented over the past ten years have led to a re-shaped work force and significant reduction in overall staff numbers impacting all parts of the council. As the council has sought to prioritise front line services, this has impacted on capacity in some back office enabling and support services such as Information and Communication Technology (ICT), Human Resources, policy, research, performance, finance, legal and democratic services (outlined in more detail in section 4.5 of this report).

The council, as demonstrated in their position statement, is aware of the capacity challenges it faces. The council is already in the process of reviewing/testing its operating model to ensure it is working effectively and efficiently in support of the council's agreed missions. It will be important to ensure this work includes a specific focus on the capacity of core services. There is also an opportunity, as this work develops, to engage staff and councillors to build a greater understanding of the future operating model, its underlying principles and to set out the steps and resources to get there.

Peers were impressed with many examples of transformation and innovation

highlighted throughout this report. But in the conversations that the peer team had with a range of staff and councillors, there was a mixed understanding on what future transformation means for them and the council. There are opportunities to build greater clarity for staff and councillors on the future vision for transformation and how this will lead to measurable improvements in efficiency, effectiveness and resident satisfaction.

During their time on site, the peer team were presented with examples of strong corporate governance and a commitment to ongoing review and improvement. There are robust financial planning and monitoring arrangements in place and these have improved since the council's Corporate Peer Challenge in 2018. The Audit and Governance Committee is working hard to ensure the council's framework of governance, risk management and control is in place. Building on this, the peer team believe there is an opportunity to develop the Corporate Risk Register shared with the Audit and Governance Committee into a more comprehensive document which captures risks, impact, likelihood, mitigation actions and timeline for actions.

Further improvement could be made if the role and profile of overview and scrutiny were enhanced. This should include work with both councillors and officers across the organisation to help build a better understanding of the role and function of overview and scrutiny, its purpose and effectiveness. Ensuring that there is effective officer support will be key to this.

Peers were pleased to see how the council has established a forum which brings statutory governance officers together on a monthly basis. These include the Chief Executive, Section 151 Officer and Monitoring Officer (MO). There are opportunities to further enhance the golden triangle of good governance by reviewing opportunities to involve the Chief Legal Officer (MO) in other decision-making forums/governance meetings. This will ensure that they have the opportunity to shape discussions, alongside the Section 151 Officer, ensuring appropriate oversight is included at all levels of decision making.

The peer team also identified a number of quick wins in relation to enhancing core governance practices. These quick wins include ensuring consistency in how minutes are published on the democratic services website. They also include reviewing the approach to how officer decisions are published so that they are more easily

accessible to external stakeholders.

2. 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:

2.1 Financial Management

Maintain focus on the delivery of the required savings and ensure council wide understanding and ownership of the on-going financial challenges and associated savings requirements. Develop clear, realistic delivery plans for 2024/2025 and future years savings with regular monitoring reports focussing on the delivery of those savings to both the leadership team and Executive Board.

2.2 Prioritisation

A wide range of strategies plans and frameworks have been developed and are in place or planned. The peer team were impressed with the ambitions of the council. Similar to many other councils, the capacity of the council is constrained with the on-going financial challenges faced and the capacity of 'back office' functions. The council should undertake a rationalisation and prioritisation exercise to help bring focus, where possible, and to consolidate into a fewer number of these whilst ensuring they are aligned to the new Corporate Plan, resources and capacity to deliver. This prioritisation exercise will also support the 'grow or stop' elements of the council's Finance Strategy.

2.3 Performance Management

It is recognised the council is in the process of revising and finalising a suite of key performance measures aligned to the Corporate Plan (2023 -2027). The council should finalise this work at pace to enable it to report quarterly on progress and achievements against the new Corporate Plan to staff, residents, partners and stakeholders.

2.4 Growth

The council has exciting and ambitious growth plans aimed at creating a more

prosperous borough. As schemes are brought forward, they should be underpinned by robust business cases including options appraisals, detailed financial modelling, risk analysis and legal implications.

2.5 Inclusive Growth

The council should continue to challenge itself to ensure regeneration schemes are not viewed only as physical regeneration but are aligned to people, improved outcomes for residents and the boroughs wider priorities including health, housing, skills, climate change and business growth. The council should strengthen its narrative for residents in this regard.

2.6 Social Care (children and adults)

Similar to other councils, rising demand in both children's and adult social care social care presents a key challenge. The council needs to maintain focus on these core services and the ongoing improvements in children's social care following the Ofsted 'requires improvement' judgement in 2022.

2.7 Corporate Capacity

Ensure the work already underway to review and test the council's existing operating model includes a specific focus on the capacity of core services. This will support the council in ensuring its ambitions and priorities are aligned with available people and resources. It will also be important, as this work develops, to engage wider staff and councillors and to set out the steps and resources to get there.

2.8 Transformation

Build greater clarity for staff and councillors on the vision for transformation and how this will lead to measurable improvements in efficiency, effectiveness and resident satisfaction.

2.9 Overview and Scrutiny

Engage councillors and officers in work to enhance and embed a culture of effective overview and scrutiny across the council. Consideration should also be given to the officer resource required to support effective overview and scrutiny at the council.

2.10 Governance

Building on the Statutory Governance Officers Group, review opportunities to further enhance the golden triangle of good governance by ensuring the council's Chief Legal Officer (monitoring officer), chief executive (head of paid service) and Section 151 officer are involved in all relevant senior decision-making forums.

2.11 Core Governance Practices

Increase the visibility of core governance practices. This includes ensuring greater consistency in the way minutes are published on the democratic services webpages and in the publication of officer decisions are published. It also includes opportunities to develop the Corporate Risk Register shared with the Audit and Governance Committee into a more comprehensive document which captures risks, impact, likelihood, mitigation actions and timeline for actions.

3. 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:

- Alison Greenhill, Chief Operating Officer, Leicester City Council
- Councillor David Baines, Leader of St Helens Borough Council
- Councillor Rob Waltham MBE, Leader of North Lincolnshire Council
- Adam Richens, Director of Finance, Bournemouth, Christchurch and Poole Council
- Asif Ibrahim, Director of Legal and Governance (Monitoring Officer), City of Bradford Metropolitan District Council
- Cindy Lowthian, LGA Peer Challenge Manager

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 relation to theme 5 (capacity for improvement) the council asked the peer team to share particular reflections on how you can ensure that the corporate core of key services e.g., ICT, digital, HR, performance, policy, procurement, business planning and democratic services etc, remain resilient and are directed effectively in support of corporate priorities, particularly in the context of budgetary savings over a number of years.

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 at Blackburn with Darwen Borough Council, during which they:

- Gathered information and views from more than 45 meetings, in addition to further research and reading.
- Spoke to more than 100 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.

4. Feedback

4.1 Local priorities and outcomes

The council has a history of embracing external peer challenge to support ongoing improvement and shared learning. This is the council's third Corporate Peer Challenge (CPC) with the last one taking place in 2018. Over the past three years the council have also had themed peer challenges covering Early Years, Communications, Children's Services (remote peer support) and 'Leaving Care'.

Since the CPC in 2018, it is clear the council has made progress in a number of areas and has much to be proud about, even with the disruption to business-as-usual arising from the pandemic in 2020 and the move to RI in children's services in February 2022.

During our time on site, the peer team saw many examples of projects which are testing new ways of working and which have been recognised on a national scale. These include (but are not limited to) participation in the national Supported Housing Improvement Programme to improve conditions in supported housing, the Homeless Pods Project to support rough sleepers in the borough, the development of digital communications during the pandemic which won a 'gold' award at the national Public Sector Transformation Awards, participation in the national Social Integration Pilot and work through a People's Jury to tackle Climate Change.

A strong pride, commitment and ambition for both the council and place was displayed by staff, councillors and partners who met with the peer team. We saw a

genuine ambition to deliver the vision for “*every single resident, no matter who they are, to have a good quality of life*”.

BwD is a diverse and multi-cultural borough. The council's position statement shows how 36 per cent of residents identified their ethnic group within the Asian, Asian British or Asian Welsh category, up from 28.1% in 2011. The 0-19 younger population is the fifth highest in England and the 65 plus population grew by 18% between 2011 and 202. As outlined above, COVID-19 impacted on some of these communities harder than others including older people and black and ethnic minority communities and the borough experienced tighter national and local restrictions for longer periods compared to most other areas. The council's leadership and response, working alongside partners, during such challenging times, is understandably a great source of pride for councillors, officers and partners.

Post pandemic, the peer team were pleased to see how the council is using the new Corporate Plan (2023-2027) as an opportunity to re-set the vision for both the council and the borough to ensure “*every single resident, no matter who they are, to have a good quality of life*”. The peer team found the Corporate Plan to be well crafted and designed, identifying a clear strategic vision and associated missions which provide a strong blueprint for where the council is going.

The peer team were impressed with the extensive consultation undertaken to inform the new Corporate Plan including a cross-sector partnership conference involving 130 partners, a resident survey involving nearly 2000 people and engagement with staff and members. A set of new organisational values, to underpin the Corporate Plan, have been co-designed with staff through an employee voice champions group. The peer team heard from staff, members and partners how “*we are on a journey*” (referencing ways of working to support implementation of the corporate plan). We also heard from staff how the new organisational values are beginning to shape a more engaging and open organisational culture. This work should continue to ensure the new values are fully embedded across all service areas.

Through the development of a revised business planning and performance management framework, the peer team saw evidence of how the council is seeking to ensure that there is a strong golden thread to link strategies and operations with the Corporate Plan and its key missions. There are a wide range of strategies, plans

and frameworks in place, under development or planned. The council's position statement refers to over 15 plans which cover key areas such as skills, housing, cultural investment and equality and diversity. In addition to these there are also strategic plans in place which cover a range of corporate core services such as finance, digital, climate, data and procurement.

Similar to other councils, the capacity of the council is constrained with the on-going financial challenges faced and the capacity of 'back office' functions. There are opportunities to undertake a rationalisation and prioritisation exercise to help bring focus, where possible, and to consolidate into a fewer number of these plans and strategies whilst ensuring they are aligned to the new Corporate Plan, resources and capacity to deliver. This prioritisation exercise will also support the 'grow or stop' elements of the council's Finance Strategy.

BwD council is clearly committed to tackling inequalities and strengthening equality, diversity and inclusion across the council and borough. This includes work through the borough's Corporate Equality, Diversity and Inclusion Group and through the Joint Health and Wellbeing Strategy. The council has published equality objectives covering workforce, decision making, training, culture, educational attainment and work with the voluntary, community and faith sector. The council is a level two Disability Employer. Peers were also pleased to see how the council records, analyses and publishes data in relation to the make-up of both its workforce and service users.

The latest 'Equality Watch' (2022/2023) provides analysis on the make-up of the workforce. There is recognition of the need to undertake further work to ensure the make-up of the workforce is, as far as possible, more reflective of the borough as a whole including ethnic minorities who are currently under-represented. The data also implies a need to better understand progression routes into higher graded roles where the ethnic minority workforce is under-represented. Staff feedback embraced the relaunched work in this area and want to use the development of the new Equality and Diversity Action Plan – to be published this year – as an opportunity to focus on this work and ensure real visible change.

Performance Management

Section one of this report shows how the council is in the process of finalising a new

performance management framework aligned to the Corporate Plan agreed in December 2022. It will be important to prioritise this work to enable the council to report publicly on progress and achievements against the new Corporate Plan (2023 – 2027) vision and missions.

The peer team considered Blackburn with Darwen's latest [LG Inform Headline Report](#) which outlines key performance data and how this compares to the council's Chartered Institute of Public Finance and Accountancy (CIPFA) nearest neighbours. It shows how the council's performance is stronger in a range of key areas including average 8 attainment score (21/22)ⁱ, time taken to process housing benefit claims and change events (Q3, 22/23) and the processing of planning applications for both minor and major applications (Q2, 22/23). The council's position statement also shows how the council is in the top 19% of all councils for the time taken to determine major planning applications and the top 12% for non-major developments.

The council performs below the average of CIPFA nearest neighbours in relation to the percentage of household waste sent for recycling (2021/2022). This is reflected within the council's Corporate Plan with a commitment to increase recycling rates from 30 per cent to 65 per cent by 2030.

One clear priority for the council, reflected in the Corporate Plan, is the improvement of children's services following the Ofsted 'requires improvement' judgement in February 2022. The council has responded through the development of an improvement action plan to address the key concerns which were around multi-agency strategy discussions, data and assurance and services and support for care leavers up to the age of 24. Implementation of the action plan is overseen by an independently chaired Improvement Board. As outlined in section 4.4 of this report, the council is also making additional investment in the service to support improvement.

A joint targeted area inspection (JTAI) of the multi-agency response to identification of initial need and risk was undertaken by Ofsted in May 2023. It is positive how this report highlights how recent changes in the senior leadership team have been a catalyst for improvements. The report highlights both the areas of strength and progress and a number of areas that still need to improve. The council will need to maintain a one council commitment to on-going improvement in children's social

care. It will also be important for the council to ensure the right balance in terms of ensuring continued progress in relation to the borough's ambitious growth plans and the need to meet the ongoing pressures within social care.

Both LG Inform data and the council's position statement highlight the borough's impressive entrepreneurial culture. Business registration rates per 10,000 are the second highest of CIPFA nearest neighbours and start up rates are higher than Lancashire as a whole, alongside the proportion of higher turnover businesses just above the Lancashire average. Blackburn with Darwen is listed in 4th place out of 25 Town and Cities for Small to Medium sized Enterprise jobs and the council's position statement shows how this is seen as evidence of the Borough's strong recovery from the pandemic.

There are economic challenges and inequalities facing the borough and the peer team found the council has a strong commitment to address these. These include some skills gaps with levels at working age below the national average. The council are currently developing a new Skills Plan to help address these gaps. The borough also has high levels of economic inactivity, particularly amongst women and ethnic minority populations, with a notably high proportion of people economically inactive due to looking after their family or home. It is positive that the council is working with partners to commission research to better understand this.

The borough also has some significant health inequalities which are captured within the borough's Joint Strategic Needs Assessment. This includes life expectancy which is below the national average. Peers were pleased to see how there is a commitment to tackle these health inequalities through the Corporate Plan which has 'Building healthier, happier and safer communities' as a clear mission for the council.

In relation to Adult Social Care, LG Inform data shows staff turnover (all sectors, all services) is higher than the CIPFA average. Peers can see how the council is proactively seeking to address these challenges (and workforce challenges in other areas such as children's social care) through the new workforce strategy (2023-2026). Despite these workforce challenges, the council is still around the average of CIPFA nearest neighbours in relation to the overall satisfaction of people who use services with care and support (2021/2022).

4.2 Organisational and place leadership

Blackburn with Darwen Council demonstrates strong, visible and well respected political and managerial leadership. The peer team found that senior leaders have a clear understanding of Blackburn with Darwen as a place, its opportunities and challenges. The Corporate Plan outlines a clear vision and associated missions for both the council and wider borough.

Over the past year, there have been changes to the senior leadership team including new strategic directors for Children/Education (DCS), Adults and Health (DASS) and a new Director of Public Health. A new post of Director of Health and Care Integration, a joint appointment between the council and Integrated Care Board, was appointed in summer 2022. The Strategic Director of Finance and Resources (s151) post, vacant during the peer challenge, has been subsequently filled through the return of the previous postholder. This strengthened leadership stability is important as the council looks to reset itself to deliver the vision and missions within the Corporate Plan.

Over the past two years, investment has been made in the development of both the political and managerial leadership through a focus on member development opportunities and the introduction of a 360-degree leadership tool for senior officers. Now that key senior officer positions on the leadership team are filled, the peer team recommends that the Corporate Leadership Team look to set aside time, alongside the political leadership, for some facilitated 'top team' development sessions. These sessions would help to further strengthen ways of working together in support of the corporate plan.

As outlined in section one, the council has developed a proposed £1bn vision for the future underpinned by the new Local Plan (2021-2037) that is in the final stages of development. This outlines six priority areas including the Blackburn Growth Axis which will build on key regional growth corridors and opportunities arising from the relocation of the National Cyber Force Headquarters in a neighbouring borough. A £250m masterplan for Blackburn town centre sits at the heart of the Growth Axis. It is positive and exciting that the council has been successful in bids for external funding to support the borough's growth ambitions including the Darwen Town Deal, £20m Levelling Up Funding for improvements to Junction 5 of the M65 and a second £20m Levelling Up Funding to help bring forward plans for a £60m skills and education

campus as part of the Town Centre Master Plan. The peer team visited some of these developments and saw first-hand how these are already transforming the borough.

As investment schemes are brought forward, it is important that they are underpinned by robust business cases including option appraisals, detailed financial modelling, risk analysis and legal implications for every scheme. This will help the council to continue to constructively challenge and scrutinise each proposal, ensuring they are deliverable and sustainable. The peer team, whilst impressed with the regeneration ambitions could not easily identify the risks to the council in delivery of the schemes.

The council should also continually challenge itself to ensure that regeneration schemes are not viewed solely as 'physical regeneration' but are aligned to delivering the council's vision for every single resident to have a good quality of life. This includes the creation (and monitoring) of social value through procurement. It also includes being clear on how outputs of the Levelling Up bids (as an example) are resulting in the creation of new jobs (not only job re-location). The council is encouraged to strengthen its narrative for residents in this regard.

Meeting future housing need through the provision of quality and affordable housing is key to this. Over the past four years, the borough has seen delivery of c1,500 new homes and half of these are high quality detached propertiesⁱⁱ. Peers heard how the borough is now one of the places in the North-West that consistently outperforms in relation to national housing delivery targetsⁱⁱⁱ. The council is also working through two Joint Venture Development Companies - Barnfield Blackburn Ltd and Maple Grove Blackburn Ltd - to help create residential developments, jobs and employment space.

But housing challenges remain associated with the borough's high-density older housing which can be less energy efficient and more difficult and expensive to heat. Discussions with partners also gave the sense that there are opportunities to ensure social housing issues are reflected more prominently in the council's priorities. There were some perceptions that housing growth, whilst extremely positive for the borough and welcomed, was mainly in the higher end sector. The Peer team accept this is undoubtedly more complex in a council which has undertaken a stock transfer. However, the proposed development of a new Housing Strategy presents an opportunity to strengthen links with social housing providers to help address the

social and affordable housing needs for the borough.

The peer team met with a range of statutory, voluntary and private sector partners and heard how the council is seen as outward looking with ambitious plans to improve the prosperity of the borough. Partners reflected that council is seen “*as a force for good*”, that “*we value the council*” and that the council has a “*long history of partnership working*”.

Peers heard how the council is working, alongside Blackpool Council and Lancashire County Council, with a view to securing government commitment for a devolution deal. The council is clear that any devolution deal secured must result in positive outcomes for the communities of Blackburn with Darwen.

Blackburn with Darwen forms part of the Lancashire and South Cumbria Integrated Care System (ICS) where partners come together to plan for and deliver joined up health and care services. It is positive that the council is represented on the different levels of governance for the ICS. Peers were told that the council is seen as a ‘*trusted and valued partner*’ and one of the ‘*easiest partners to work with*’.

Peers heard how the Integrated Care Board has recently agreed to delegate some future NHS services to Blackburn’s ICS place-based partnership in support of greater integration and this has been welcomed by the council’s leadership. It is positive that there was recognition, from both the officer and managerial leadership, that there is still much work to do to achieve this integration including providing clarity in terms of what this means in terms of practice for staff, developing culture and ways of working,

The borough’s strong voluntary, community and faith sectors are a key asset to the borough and the council works closely with them through commissioning, provision of financial support and a range of volunteering initiatives. Peers were impressed with the number of groups and volunteers in the borough. An annual celebratory event is held to show thanks to these volunteers. It will be important for the council to continue to show recognition and value for the work they do across all communities in the borough.

The peer team were also impressed with the council’s commitment to growing the cultural offer in the borough. This includes the Festival of Making which combines art, manufacturing, making and communities to celebrate the unique making heritage of

the borough whilst attracting tourism and supporting local businesses. This year's event had attracted thousands of people into the borough.

The council, working with partners, has also successfully attracted external funding including £2m Arts Council funding (2023 – 2026) in support of key cultural organisations and projects. This is in addition to £1m awarded in December 2021. The peer team visited a number of cultural, leisure and heritage projects and heard more about how the council is seen as a valued partner and one who is committed to growing the cultural offer in the borough. The peer team would encourage the council to continue to develop this approach and share their learning regionally and nationally.

The council declared a Climate Emergency in 2019 and has identified delivery of the Climate Emergency Action Plan (CEAP) as a key mission. The peer team were impressed with the work undertaken through a People's Jury to inform the plan. A report shared with the council's Executive Board in June 2023 outlines progress made in the implementation of the CEAP including energy efficiency measures, tree planting, procuring of electric vehicles and staff training. The council recognises that there is more work still to do and it will be important to ensure that delivery of the action plan is owned by officers, councillors and partners and continues to be informed by residents and businesses.

4.3 Governance and culture

There are constructive and mature relationships between members and officers and a clear passion and sense of ambition for the place. Staff described the senior officer leadership as approachable and accessible, and the peer team heard how there is a healthy environment of mutual support and challenge amongst the senior leadership team.

Over the past eighteen months there has been a clear focus on staff engagement. This includes work through the employee voice champions group, bi-annual staff pulse surveys, annual staff awards, chief executive vlog, storytelling to highlight values and behaviours, staff intranet, departmental briefings, 'thank you Thursdays' and an annual leadership conference. The peer team were invited to observe a 'Team Talk live' on-line meeting with the chief executive and directors and learned how these sessions cover a range of themes and topics.

Staff told the peer team that they feel empowered and that the working culture is “*very supportive*” and that Blackburn with Darwen “*is a brilliant place to work*”. As outlined in section 4.1 the council’s new Workforce Strategy, including new organisational values which have been co-designed with staff, are beginning to shape an engaging and empowering organisational culture. The relationship between the council and trade unions was also described as positive by both the council and union representatives.

The council operates through a leader and executive model of governance and the leader of the opposition sits on the Executive Board. The peer team were also impressed that the Borough’s youth MP and two Deputy youth MPs attend each meeting of the Executive Board to provide an update on their key issues.

In July 2022 the council took a positive step by reviewing the overview and scrutiny committee (O&SC) arrangements in view of the significant changes happening in health and social care and the enhanced focus on children’s services improvement. The People O&SC was replaced with two new O&SCs for Health and Social Care and Children, Young People and Education. The council has a further two committees for Place and Policy and Corporate Resources. Three of the committees are chaired by the majority group and one committee is chaired by an opposition member.

The council now needs to undertake further work to enhance and embed a culture of effective overview and scrutiny across the council. Whilst the chairs of each committee are clearly dedicated, knowledgeable and committed, there is an opportunity to work with members and officers across the council to build a better understanding of the role and function of overview and scrutiny, its purpose and effectiveness. This should include work with opposition members to address some feedback, picked up by the peer team, that it can sometimes be difficult to influence agendas and the future work programmes for some committees.

Consideration should also be given to the officer resource required to support effective overview and scrutiny at the council. The current officer resource is limited to one dedicated Democratic and Scrutiny lead. More recently, a named volunteer (head of service) has been allocated to offer independent support to each scrutiny chair. The peer team accept that it is too early to assess the impact this is having, but

question whether the ask is too great of these officers in terms of their capacity to ensure consistent, robust, high-quality support to the committees including dedicated support for scrutiny reviews.

The council is already working with the LGA to support the children's Overview and Scrutiny Committee in strengthening good and effective scrutiny of children's services. There are opportunities to build on this by sourcing further support from the LGA or Centre for Governance and Scrutiny for instance, for all of the council's overview and scrutiny committees.

During their time on site, the peer team were presented with examples of strong corporate governance and a commitment to ongoing review and improvement. The peer team observed a meeting of the Audit and Governance Committee which is working hard to ensure the council's framework of governance, risk management and control is in place. The peer team accept that they observed only one meeting of the committee, but based upon this, there may be opportunities for the committee members to self-reflect on their level of pro-active engagement during meetings to help ensure they continue to have a constructive and inquiring approach when items are presented. As outlined above, there is also an opportunity to develop the Corporate Risk Register shared with the Audit and Governance Committee into a more comprehensive document which captures risks, impact, likelihood, mitigation actions and timeline for actions.

There are five scheduled senior officer meetings whose membership reflects the purpose of each meeting. The peer team would encourage the Chief Executive Strategy Team to keep these meetings under review to ensure they remain effective. Peers were pleased to see that one of these meetings includes a forum which brings statutory governance officers together on a monthly basis. These include the Chief Executive, Section 151 Officer and Monitoring Officer (MO). There are opportunities to further enhance the golden triangle of good governance by reviewing the involvement of the Chief Legal Officer (MO) in other decision-making forums/governance meetings. This will ensure that they have the opportunity to shape discussions at evolution phases alongside the Section 151 Officer, rather than being consulted at a more advanced stage.

The council should also consider increasing the visibility of some core governance

practices in line with the approach of most other councils. This includes ensuring consistency, across all committees, in the way agendas and minutes are displayed on the council's democratic services pages. There are also opportunities to review the way in which officer decisions are published on the website to ensure they are easy to find (the peer team struggled to find them).

4.4 Financial planning and management

The council has an impressive track record of managing significant challenges including the ongoing reductions in spending power since 2010, the turbulence caused by COVID-19 and the impact of the recent economic challenges.

The peer team found that the council has robust financial monitoring arrangements in place. These arrangements have improved since the last Corporate Peer Challenge in 2018. Reports now include the overall budget position alongside the tracking of budget savings and the council has a clear Financial Strategy in support of the Corporate Plan (as outlined below). Financial monitoring also includes a formal mid-year review of the Medium-Term Financial Plan (MTFP) following a recommendation made by the external auditor in their draft conclusion on financial stability for the 2020/2021 audit.

The council has finalised closure of accounts for 2022/2023 and is now undertaking work to produce the annual statement of accounts and finalise sign off of the accounts for 2020/21 and 2021/2022 by the external auditor. The latest external auditor's findings are for the year ending March 2021 which were reported to the Audit and Governance Committee in July 2023. Their Value for Money conclusion shows no significant weaknesses identified.

For 2023/2024, the council has set a general fund budget of c£171m and a capital programme of c£111m through to 2026. The council has no commercial investments outside of the borough and borrowing and government grants make up most of the capital programme. Peers were pleased to see how the budget for 2023/2024 is aligned to the new Corporate Plan and its core missions.

The updated MTFP (2024/27) outlines the financial challenges facing the council. It shows the forecast funding gap for the period up to 2026/27 is estimated at £18.6m. This is in addition to agreed savings totalling £3.716m for 2023/2024. The forecast

has been updated for pay and award, contract price increases and revised forecast of council tax increases. Budget papers show how the council remains heavily dependent on Government funding (both from the core settlement and discretionary grants) to both provide services and to invest in economic growth and regeneration. The papers outline challenges associated with raising income locally including a low tax base.

Peers were pleased to see how, in response to a recommendation from the Corporate Peer Challenge in 2018, the council have developed a financial strategy. This clearly sets the longer-term context and financial challenges facing the council alongside the current MTFP. It is based around the four themes of Growing (opportunities to raise income using mechanisms in place to increase taxable capacity), Charging (raising income through fees and charges), Saving (doing things differently and more efficiently through transformation) and Stopping (stopping spending on lower or non-priority areas).

Peers learned how the council have developed a strategic approach in support of savings for 2023/2024 and 2024/2025. This strategic approach is focussed on a number of workstreams covering organisational structure, use of assets, future delivery models, procurement, back-office efficiencies and income generation. It is positive that the council has started work to develop the council's budget for 2024/2025 based on these strategic work streams with targets set for each of these. The council now needs to develop clear and realistic delivery plans at pace to achieve these targets and future years savings.

It will also be important to ensure whole council wide understanding and ownership of the on-going financial challenges, transformation programme and associated savings requirements and continued strong monitoring and oversight to ensure delivery. The council should also consider opportunities to enhance public consultation and engagement on the budget to build understanding on the challenges ahead.

Over several years the council has used reserves to make up for year-end overspends, other than in 2020/2021 mainly because of the way in which they had to treat COVID-19 expenditure. In 2023/2024 the council has allocated £2.688m from the 'budget support reserve' in support of a balanced budget. Looking ahead, the MTFP assumes that the council will use c£1m of reserves to support the budget in

2024/25, reducing to £500k in 2025/26. Again, this is being taken from the Budget Support Reserve which will be exhausted by March 2026.

The council is showing higher risk in relation to the sustainability of reserves. The outturn report for 2022/2023 shows unallocated reserves fell from £7.718m in December 2022 to £6.941m in March 2023. Earmarked reserves in March 2023 are £55.469 million compared to £56.420 million in March 2022. It will be important to keep these under review especially as the council moves into the delivery stage of its growth projects.

The borough's trajectory of housing growth is good, with an increase in the council's taxbase for 2023/2024. The 'growth' strand of the council's financial strategy is mainly dependent on the council's regeneration activity. Given the current economic challenges associated with rising interest rates, rising price inflation and impact of the cost of living on communities, it is important that the council does not over rely on economic growth to help bridge the budget gap.

As outlined earlier in this report and similar to other councils, rising demand in both adult social care and children's social care presents a key challenge. The financial position of the Children's, Young People and Education Service has continued to see significant deterioration during 2022/2023 with an overspend of £2.968m. This is further to an additional £2.8m investment in the service as part of the agreed budget for the year. Budget papers show how the greatest demand pressure relates to the commissioned placements budget. Additional pressures were also seen against the Special Educational Needs Transport, Adoption and Fostering budgets. The budget for 2023/2024 includes additional investment of £3.5m to address these issues.

Pressures also remain in adult social care. Although the portfolio showed an underspend of c£2m in 2022/2023, this was primarily the result of maximising the use of additional discharge funding and other associated budget adjustments. The pressures for 2023/2024 include winter pressures, increased demand for Extra Care and Domiciliary Care, increasing complexity and costs of care packages and the impact of cost-of-living crisis on communities.

The peer team considered LG Inform data which compares the council to its CIPFA nearest neighbours across a range of financial metrics. The council's core spending power (per dwelling) is showing higher than the average, with social care spend as a

percentage of overall core spending being around the average of other councils. Debt servicing as a percentage of core spending power is higher than the average (this is the latest published data which relates to 2021/2022). As the council looks to make savings and improve outcomes for local communities, it will be important to continue to benchmark itself against others to support learning from across the sector.

4.5 Capacity for improvement

The peer team heard how there are opportunities for staff to participate in learning and development to help build the required skills and capacity within the workforce. This is reflected within the new Workforce Strategy. Achievements over the past two years include the roll out of ILM programmes, strength-based leadership programmes, introduction of 360-degree feedback, development of a new leadership hub and annual leadership conference. The strategy outlines the commitment to ensure annual appraisals and structured one to one meetings which are aligned to agreed missions within the Corporate Plan.

Similar to many other councils, budget reductions implemented over the past ten years have led to a re-shaped work force and significant reduction in overall staff numbers impacting all parts of the council. The council's Equality Watch reports show there are around 770 fewer posts than was the case in 2010.

As the council has sought to prioritise front line services, this has impacted on some back office enabling and support services such as ICT, HR, policy, research, performance, finance, legal and democratic services. Staff told the peer team *"we're a small unitary, capacity is a challenge"*, and *"we don't have people to do everything they want us to do"*.

Examples shared with the peer team include HR and Finance where some tasks are being undertaken which would normally fall within the remit of service managers (not the back office). The increased focus on children's services improvement (post Ofsted) is also impacting on the ability of enabling services to respond to other priorities. The peer team heard of some challenges within ICT relating to historic under-investment within some core areas but were given reassurances that this is

now being addressed. The ongoing capability, capacity and security of its ICT Infrastructure is key given the increasing focus on digital working practices.

The council is aware of its capacity challenges, which is why they asked the peer team to provide additional focus in this area. Work is already underway to review and test the council's existing operating model to ensure it is working effectively and efficiently in support of the agreed corporate missions. Peers were told that a set of design principles is being developed to underpin the future model and any changes agreed. There are opportunities to ensure this work includes a specific focus on the capacity of core services. This will support the council in ensuring its ambitions and priorities are aligned with available people and resources. It will also be important, as this work develops, to engage wider staff and councillors to set out the steps and resources to get there.

The council should also continue to explore the benefits of bringing together and aligning corporate core services as far as possible. Some of this work has already happened including a new centralised data and insights team which was established in 2020 which is continuing to expand and merge with other data and performance roles.

Peers understand that the council's transformation programme is aligned to the delivery of the Digital Strategy and its parallel aims of becoming 'digital first', 'enabling transformation for staff', ensuring the council is 'data driven' and facilitating 'secure and resilient technology'. As outlined above, a series of workstreams (to support delivery of savings) have also been agreed covering organisational structure, use of assets, future delivery models, procurement, back-office efficiencies and income generation.

Peers were impressed with the many examples of transformation and innovation already taking place across the council. Examples shared with the peer team include the Foster Care Transformation project and the digitalisation of services such as the taxi licencing function. Other examples include the running of community assets such as libraries and a leisure centre by communities.

In conversations the peer team had with a range of stakeholders, there was a mixed understanding of the council's future vision for transformation and a sense that the transformation work undertaken to date has been more reactive (as opposed to

proactive) with a focus on achieving savings.

The council has recognised this, and peers heard how a governance board is being established to develop and oversee the future programme. As outlined in the Corporate Peer Challenge undertaken in 2018, it is important for the council to be clear, to both members and officers, on the council's vision for transformation and how this will lead to measurable improvements in efficiency, effectiveness and resident satisfaction.

5. Next steps

It is recognised that senior political and managerial leadership will want to consider, discuss and reflect on these findings.

The LGA then ask you to publish the CPC report within three months of the CPC, alongside an Action Plan. The LGA will also publish this on their website.

The LGA will work with you to schedule a Progress Review – this is an opportunity for your senior leadership to update peers on progress against the action plan and identify any areas where you require further support. The LGA ask that this takes place not later than ten months of the CPC.

In the meantime, Claire Hogan, Principal Adviser for the North West, is the main contact between your authority and the Local Government Association. Claire is available to discuss any further support the council requires. Claire's email address is Claire.Hogan@local.gov.uk

ⁱAttainment 8 measures pupils' attainment across eight qualifications.

ⁱⁱ council Position Statement

ⁱⁱⁱ council Position Statement