

LGA Corporate Peer Challenge

Burnley Borough Council

9 – 12 September 2024

Feedback report



Corporate Peer Challenge

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1. Introduction

Corporate Peer Challenge (CPC) is a highly valued improvement and assurance tool that is delivered by the sector for the sector. It involves a team of senior local government councillors and officers undertaking a comprehensive review of key finance, performance and governance information and then spending four days at Burnley Borough Council to provide robust, strategic, and credible challenge and support.

CPC forms a key part of the improvement and assurance framework for local government. It is underpinned by the principles of Sector-led Improvement (SLI) put in place by councils and the Local Government Association (LGA) to support continuous improvement and assurance across the sector. These state that local authorities are: Responsible for their own performance, Accountable locally not nationally and have a collective responsibility for the performance of the sector.

CPC assists councils in meeting part of their Best Value duty, with the UK Government expecting all local authorities to have a CPC at least every five years.

Peers remain at the heart of the peer challenge process and provide a 'practitioner perspective' and 'critical friend' challenge.

This report outlines the key findings of the peer team and the recommendations that the council are required to action.

2. Executive summary

Burnley is an ambitious council, with a clear and embedded vision and priorities for the borough as set out in the Council's Strategic Plan. Underpinning the vision, *"to make the borough a place of choice. It will be a place where businesses invest because of its skilled workforce and its competitive, modern economy. It will be a place where people live because of its clean and safe neighbourhoods, its reputation as a centre of educational excellence and its quality green space"*, is a strong focus on the delivery of priorities, with attention given to improving educational attainment; growing the economy; improving housing supply and quality; and reducing deprivation and health inequalities.

There is clear evidence of the council delivering effectively against its priorities, with innovative approaches to enable growth, including a regeneration programme that has seen the council purchase the shopping centre 'Charter Walk' in 2021 for £20.7m. The peer team were impressed with the council's response to improving housing supply and quality which has incorporated for example a targeted empty homes redevelopment programme funded through the recycling of capital receipts.

Moving forward, a review of the council's strategic plan is underway and will be published in 2025. Aligned to this, peers believe that it is important that the current work on the creation of an overarching communications strategy is prioritised and utilised to promote the council, particularly its successes.

Burnley has a growing and diverse population, with the 2021 Census showing that 14.7% are of South Asian heritage, with other ethnic groups making up smaller percentages. Peers saw the extensive work that is undertaken in collaboration with community and voluntary organisations, such as Building Bridges and New Neighbours Together, to engage with communities and community leaders to build trust and promote community cohesion. The model is seen as best practice and held in high regard nationally.

Burnley has a strong, effective leadership and culture set by the Leader and Chief Executive, who are well regarded and valued by staff and partners.

There is evidence of good collaborative working with partners, including for example the University of Central Lancashire (UCLAN), Burnley College, Calico, Burnley Leisure and Burnley Football Club, who collectively work to deliver against the shared ambition to improve health and wellbeing outcomes and "add years to life and life to years". This vision is understood and owned by partners, demonstrating strong evidence of civic pride in pursuit of what is 'Best for Burnley'. One example is the creation of 'Down Town', a one stop shop for vulnerable households providing coordinated support across clinical, social and economic needs that opened in May 2023.

Business growth and the Burnley place brand has been spearheaded by the Burnley Bondholders, a network initially created by the council in 2009, but now a private

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sector-led private/public partnership with a paying membership of 200 businesses. Peers heard that the Bondholders have successfully raised the borough's profile as a place of economic opportunity and have also contributed significantly to raising local aspirations for example through work with the college to shape the curriculum and enable local employment opportunities for local people.

The council has led on the successful delivery of the aspiration to turn Burnley from a 'Mill Town' into a 'University Town'. Working in collaboration with UCLAN and wider partners, the council has supported the expansion of the university with investment in land and property.

The council currently has an ambitious and up to date local plan with good land supply. The council will need to consider commencing work on a new Local Plan once the implications of future housing delivery targets and plan making reforms are clarified by the government, to ensure that it maintains a pipeline of housing and employment land.

The council should continue to work collaboratively with local, regional and national partners to focus on tackling the root cause of deprivation and inequalities. To more effectively demonstrate the impact of this work, the council should look to develop shared outcomes that can be monitored and evaluated.

At the time of the corporate peer challenge, the future of devolution in Lancashire was uncertain. However, the council should continue to contribute positively and constructively towards the Devolution debate, to ensure the best outcome for the residents and businesses of the borough and Lancashire.

Staff and councillors reported that there is a supportive and 'can do' culture at the council. Staff are committed, highly motivated and passionate for Burnley. Officer and member relationships are respectful and collegiate, with roles and responsibilities understood and there is strong, inclusive decision making and governance. However, one area that would benefit from further development is the enhancement of the role of scrutiny in holding partners to account.

Burnley Council has a Net Revenue Expenditure of £19m for 2024/25, along with useable reserves that the council has increased from £13.1m to £34.2m during the

period 2015-2024. The Medium-term financial strategy for the period 2025-2029 identified a cumulative gap of £3.4m. The peer team found that this strategy is robust and includes prudent assumptions that provide contingency against future pressures.

Work should continue to challenge service managers and budget holders robustly and on a monthly basis to monitor the in-year budget position. This should also ensure joint ownership and accountability for addressing budget pressures.

Capital resources are used in innovative ways to support economic growth, the place vision for Burnley and the housing offer. For example, during 2021/22 the Council approved two significant capital projects, Pioneer Place and the acquisition of Charter Walk shopping centre. Both developments will require financial support from the Council and will involve taking on commercial risk. However, in mitigation, various strategies have been put in place, including building reserves over the next 10 years to provide a buffer for budget pressures, along with specific reserves for the schemes to renew the assets and capture any overperforming income.

Moving forward, the review of the asset management strategy that is currently underway should be utilised to underpin future financial planning and investment decisions, along with complementing the local plan and housing improvements programme.

Overall, the comparatively sound and sustainable financial position of the council provides the basis for the council to continue to deliver its vision and make improvements in services provided to residents, both now and into the future.

Staff in the organisation are well supported, and there is a strong focus on health and wellbeing, staff engagement, opportunities for progression, and training and development, that are all clearly driven through the organisational development strategy.

There is a need however for greater succession planning and skills sharing, particularly in areas where there are current or potential shortages, recruitment challenges, or capacity issues (such as that seen in Planning, Legal and Housing) and to consider if workforce planning is effectively embedded into service planning models.

Building on this, the peer team believe that there is a need for the council to review the service delivery operating model to ensure that it remains fit for purpose. Reviews such as this will assist with ensuring organisational resilience and the ability of the council to address future community needs.

The peer team would like to offer thanks to Burnley for their hospitality, responsiveness, and open and transparent approach.

3. Recommendations

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

- 3.1 Refresh the overarching communications strategy in line with the review of the Council's Strategic Plan.** This should incorporate mechanisms to promote Burnley Council including successes and areas of best practice, along with marketing Burnley as a place to live, work and visit.
- 3.2 Consider future housing and commercial land supply, including the potential need for a new local plan, once the implications of proposed planning reforms are clear.**
- 3.3 Continue to contribute positively and constructively towards the Devolution debate** to ensure the best outcome for the residents and businesses of the borough and Lancashire.
- 3.4 Continue to work collaboratively with local, regional and national partners to focus on tackling the root cause of deprivation and inequalities.** This should include developing shared outcomes that can be monitored and evaluated to more effectively demonstrate the impact of this work.
- 3.5 Enhance the role of scrutiny in holding partners to account.**

- 3.6 Review the asset management strategy to underpin future financial planning and investment.** This should also complement the local plan and housing improvements programme.
- 3.7 Continue to embed jointly owned monthly budget monitoring between service managers and budget holders.** This should also ensure joint ownership and accountability for addressing budget pressures.
- 3.8 Consider future service delivery models to ensure organisational resilience and the ability of the council to address future community needs and remain dynamic.**
- 3.9 Champion effective succession planning to embed future workforce resilience.** This should incorporate a review of the approach to workforce planning in conjunction with the development of service plans.

4. Summary of peer challenge approach

4.1 The peer team

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

- Paul Medd, Chief Executive - Fenland Borough Council
- Cllr Tony Saffell, Leader of the Independent Group - North West Leicestershire District Council
- Cllr Alan Rhodes, Cabinet Member for Corporate and Financial Services - Bassetlaw District Council
- Gemma Bell, Director of Finance and Assets - Cheltenham Borough Council
- Julian Jackson, Director of Place - Tameside Council
- Rachel Robinson, Peer Challenge Manager - Local Government

4.2 Scope and focus

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

1. **Local priorities and outcomes** - Are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities? Is there an organisational-wide approach to continuous improvement, with frequent monitoring, reporting on and updating of performance and improvement plans?
2. **Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges? What is the relative financial resilience of the council like?
5. **Capacity for improvement** - Is the organisation able to bring about the improvements it needs, including delivering on locally identified priorities? Does the council have the capacity to improve?

As part of the five core elements outlined above, every Corporate Peer Challenge includes a strong focus on financial sustainability, performance, governance, and assurance.

4.3 The peer challenge process

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical

assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared by reviewing a range of documents and information in order to ensure they were familiar with the council and the challenges it is facing. This included a position statement prepared by the council in advance of the peer team's time on site. This provided a clear steer to the peer team on the local context at Burnley Borough Council and what the peer team should focus on. It also included a comprehensive LGA Finance briefing (prepared using public reports from the council's website) and a LGA performance report outlining benchmarking data for the council across a range of metrics. The latter was produced using the LGA's local area benchmarking tool called LG Inform.

The peer team then spent three and a half days onsite at Burnley Borough Council, during which they:

- Gathered evidence, information, and views from more than 50 meetings, in addition to further research and reading.
- Spoke to more than 140 people including a range of council staff together with members and external stakeholders.

This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government officers and members.

5. Feedback

5.1 Local priorities and outcomes

Burnley is located 21 miles north of Manchester and 20 miles east of Preston, within the county of Lancashire. There are two main urban settlements, Burnley and Padiham, along with small villages situated in the surrounding Pennine countryside, with 80% of the make-up of the borough being rural. The borough is the 11th most deprived area out of the 317 districts and unitary authorities in England¹,

¹ Lancashire County Council Local Authority Profile (2019 Index of Multiple Deprivation)

compounded by deindustrialisation that saw Burnley go through a period of economic decline in the 1980s and 1990s. Responding to these socio-economic challenges and growing the economy are clearly top priorities for the council.

Burnley is an ambitious council, with a clear and embedded vision and priorities for the borough as set out in the Council's Strategic Plan through which it is seeking *“to make the borough a place of choice. It will be a place where businesses invest because of its skilled workforce and its competitive, modern economy. It will be a place where people live because of its clean and safe neighbourhoods, its reputation as a centre of educational excellence and its quality green space”*.

Underpinning the achievement of this vision is a strong narrative and distinct focus on the delivery of priorities, with particular attention given to improving educational attainment; growing the economy; improving housing supply and quality; and reducing deprivation and health inequalities. This strong focus on the delivery of priorities ensures that resources and the council's financial strategy are suitably aligned to achieving the strategic plan.

Burnley utilises an evidence-based approach to identify strategic priorities, inform policy development and deliver operational plans, drawing on a range of intelligence sources from operational feedback and performance data to intelligence provided by partners (such as the Lancashire Joint Strategic Needs Assessment). Work is currently underway in conjunction with the Health and Wellbeing Partnership to combine health data with housing and economic information to enable proactive support to be targeted at neighbourhoods with the greatest need. The council is committed to listening to and learning from its communities, drawing on the biennial resident satisfaction survey and focused consultations (such as that for the Towneley Park Masterplan) to shape decision making.

Feedback from employees consistently demonstrated their understanding of the council's vision and supported the view that the council has a 'can do' culture, with staff trusted and empowered to bring forward new ideas to respond to priorities and adopt an agile approach to work.

Peers were impressed with the collaborative work that the council enables and

facilitates with key partners, such as the University of Central Lancashire (UCLAN), Burnley College, Calico, Burnley Leisure and Burnley Football Club, to deliver against the shared vision, to improve health and wellbeing outcomes and “add years to life and life to years”, which is understood and supported by all. There was strong evidence of civic pride and understanding of place, with a clear sense that partners are working as an extension of the council as one team in the pursuit of delivering the ‘Best for Burnley’.

There is clear evidence of the council delivering effectively against its priorities, with innovative and enterprising approaches enabling growth. In response to the ambition to create vibrant and viable town centres and grow the economy, the council has undertaken successful regeneration enabled via the Burnley Town Centre and Canalside Masterplan. The plan incorporates five key areas for growth including a new university campus, a canal side residential development, diversifying retail and leisure, and leveraging the opportunities of the football club’s location. Peers were struck by the repurposing of heritage buildings (old mills), enabled as part of the regeneration, such as Victoria Mill that is now occupied by the university.

This regeneration work has seen the council take a lead in economic growth locally, particularly through the investment in Pioneer Place (a new leisure and cinema complex) and purchase of the town’s main shopping centre ‘Charter Walk’ in 2021 for £20.7m. The town centre is thriving, regularly delivering a surplus that is invested back into the town centre, but also maintaining a ‘community ethos’ accommodating a number of community projects, such as ‘Down Town’ (a community hub).

The peer team were impressed with the council’s response to their objective to improve housing supply and quality. This has incorporated, for example, a targeted empty homes redevelopment programme funded through the recycling of capital receipts. Included within this is the acquisition of 22 previously empty properties for conversion and reuse as temporary homeless accommodation to reduce associated costs and improve management control. Burnley have also employed a number of private rented sector interventions to improve the quality of housing and enable neighbourhood renewal, such as a proactive approach to selective licencing, which now covers 39% of the total number of private rented properties in Burnley.

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Burnley has a growing and diverse population, with the 2021 Census showing that 14.7% are of South Asian heritage, with other ethnic groups making up smaller percentages. The borough continues to welcome asylum seekers and refugees through the government's resettlement programmes. Peers saw the extensive work that is undertaken in collaboration with community and voluntary organisations, such as Building Bridges and New Neighbours Together, to engage with communities and community leaders to build trust and promote community cohesion. The model is seen as best practice and held in high regard nationally (the council has recently been invited to share their learning at a series of national events following the riots that occurred across the country during the summer of 2024).

Moving forward, the peer team heard that a review of the council's strategic plan is currently underway for relaunch in 2025. Peers believe that it is vital that the plan identifies a new vision into the medium and longer-term that reflects the local, regional and national context and incorporates a forward looking narrative for the borough, supported by partners.

In developing this plan, further work should be developed with key partners to ensure that there is a good understanding of current and future service demands and resident needs covering the extent of public service provision, through a robust needs assessment. This will be particularly important across the themes of youth services and education provision, where concerns regarding capacity were shared with the peer team.

Aligned to the creation of the new strategic plan, peers believe that it is important that the current work on the creation of an overarching communications strategy is prioritised. This should incorporate both promoting council services, particularly areas of best practice, but also marketing Burnley as a place to visit (for example in conjunction with the reopening of Towneley Hall following current restoration works).

5.1.1 Performance

Burnley council prioritises the delivery of an organisation-wide approach to continuous improvement. There is a clear golden thread from the council's vision through to service plans and individual performance development reviews. Service

plans are embedded and reviewed annually in line with the refresh of the strategic plan. Whilst there is a robust approach to strategic risk management, risks are not evident within service plans, which the peer team suggest should be considered.

To inform the Corporate Peer Challenge, the peer team considered the latest [LG Inform Reports](#) for Burnley Council, which outline key performance data and how this compares to the Council's Chartered Institute of Public Finance and Accountancy (CIPFA) nearest neighbours.

The socio-economic context of Burnley as a place shapes the borough's position against some metrics, for example attainment levels are comparatively low and public health outcomes challenging. However, overarching analysis of the performance data has highlighted the following themes: The council performs well across a suite of metrics that assess the skills levels of the local area (51 per cent of the working age population are qualified to level 3+, which is line with the nearest neighbour average and the borough is a top performer for the rate of further education and skills achievements). This could be attributed in part to the strong links that the council has with both Burnley College and UCLAN.

Performance is also strong in relation to the processing of planning applications (100% were actioned on time during Quarter 1 2024/25) and the number of days taken to handle housing benefit claims (a top performer at just 2 days during Quarter 4 2023/24), indicating that the council has a grip on internal process metrics.

Of note is the significant proportion of vacant dwellings in the borough (4.1% in 2023), but as highlighted above, the council has prioritised bringing empty properties back into use, consistently exceeding the internal target of 80 per year and seeing a reduction in the overall numbers from a peak in 2009 of 3,232 to 1,731 in 2023.

There is a robust focus on performance management, including regular reporting of performance information to Full Council, the Executive, Scrutiny, Management Team and the Policy Board. Scorecard reports for individual service areas incorporate both local metrics and benchmarking data. The performance of strategic partners, including for example Liberata, who deliver the Revenues and Benefits Service, are monitored weekly. This approach enables the council to have a strong grip on the

management of services delivered by external partners.

This activity has enabled the creation of a strong performance culture, with areas of under-performance investigated, causality understood, and action taken. For example, during the last year collaborative work has been undertaken with the council's waste collection contractor, Urbaser, to reverse the volume of missed bins from a high of over 175 per 100,000 collections to just 6.2 per 100,000 (considerably better than the target of 75 per 100,000).

Through the recently launched Digital Strategy, it is the aspiration of the council to enable dashboards to be generated that provide a 'live' overview of the performance of key services. Investment in the automation of data would provide a more efficient model moving forward and free up capacity, with the current approach to data collation and reporting being undertaken manually.

5.2 Organisational and place leadership

Burnley has a strong, effective leadership and culture set by the Leader and Chief Executive, who are well regarded by staff and partners that the peer team spoke with. Feedback shared by staff demonstrated that they have confidence in the council's leadership, which they described as 'engaging', 'open' and 'collaborative'. Community leadership across officer and member teams is a strength, with community groups such as Building Bridges Burnley (a partnership of faith organisations who work together to celebrate diversity and develop understanding) reporting that the council is a trusted partner, accessible and supportive.

There is a strong sense of civic pride and passion for the place throughout the organisation; elected members and staff are proud to work for Burnley and will go the extra mile to achieve the best outcomes for the borough (as demonstrated through the emergency response community hub set up overnight the day before the country went into the first lockdown at the start of the Covid pandemic in March 2020).

Peers were impressed with the strong network of effective partnerships in place across the borough working collectively for what is 'Best for Burnley', particularly those galvanised to address health inequalities, such as Burnley Together (that has recently evolved into the Health and Wellbeing Partnership). The partnership

incorporates a range of partners, including Calico, Burnley Leisure, Active Lancashire, Burnley Football Club, the Integrated Care Board, Job Centre Plus and the community, voluntary and faith sector. The organisations have worked together to create 'Down Town' a one-stop shop for vulnerable households providing coordinated support across clinical, social and economic needs that opened in May 2023. During the last financial year 23 partners delivered services from the hub facility, supporting over 720 individuals in various ways including skills and employability, domestic abuse, benefits, debt and finance, empowering women, advocacy, and health and wellbeing.

The council has led on the successful delivery of the aspiration to turn Burnley from a 'Mill Town' into a 'University Town'. Working in collaboration with UCLAN and wider partners, the council has supported the expansion of the university with investment in land and property as part of the town centre regeneration plan, along with securing Levelling Up Funding. UCLAN is on track to have 4,000 students in Burnley by 2025, with 38% of registrations for 2023/24 from a local postcode, showing that the new campus is contributing towards greater social mobility (Burnley experiences high levels of deprivation, with 38% of lower super output areas in the borough ranked within the 10% most deprived in the country²).

Feedback from a range of organisations that peers spoke to illustrated that the council is a valued and trusted partner, with a reputation as an enabler and for delivery. For example, working in partnership with Calico Homes (the local housing association), the council has supported the delivery of 900 additional social housing units in the last few years.

Business growth and the Burnley place brand has been spearheaded by the Burnley Bondholders, a network initially created by the council in 2009, but now a private sector-led private/public partnership with a paying membership of 200 businesses. Peers heard that the Bondholders have successfully raised the borough's profile as a place of economic opportunity and have also contributed significantly to raising local aspirations for example through work with the college to shape the curriculum and

² 2019 Index of Multiple Deprivation

enable local employment opportunities for local people.

It is the view of the peer team that the council should now capitalise on the Burnley brand regionally, nationally and internationally to encourage further awareness of Burnley as a place to live, work and visit through the marketing of the existing visitor offer, along with employment and further education opportunities.

Linked closely to this, the council should promote its successes and celebrate the innovative service models that it has enabled, for example through entry into sector specific awards. This would also serve as a mechanism to promote Burnley Council as an employer, providing an avenue to respond to existing recruitment challenges.

In considering future growth opportunities, members of the peer team note that the council currently has an ambitious local plan with good supply of both housing and employment land. However, the council acknowledges that there will be a need to revisit the Local Plan, providing a future supply of housing and employment land, once proposed planning reforms and future housing delivery targets are clarified by the government.

The council should continue to work collaboratively with local, regional and national partners to focus on tackling the root cause of deprivation and inequalities. This should include developing shared outcomes that can be monitored and evaluated to more effectively demonstrate the impact of this work. Aligned to this theme, it is the view of peers that the council should continue to engage and influence the work of the Integrated Care System on prevention and tackling the causes of health inequality, to leverage further support for this agenda. Demonstration of the impact of current initiatives will be beneficial in this regard.

At the time of the corporate peer challenge, the future of devolution in Lancashire was uncertain due to the calling of the July 2024 General Election before the County Deal agreed in the Autumn of 2023 was ratified through parliament. Peers believe that it is important that the council continues to contribute positively and constructively towards the Devolution debate, to ensure the best outcome for the residents and businesses of the borough and Lancashire.

5.3 Governance and culture

Staff and councillors that the peer team spoke to reported that there is a supportive and 'can do' culture at the council, with no sense of hierarchy and commitment to being a learning organisation. This enables the council to work in an agile and responsive way and focus on achieving the best outcomes for Burnley (as detailed in the examples shared in previous sections of this report).

Burnley has seen significant political changes during the 12 months leading up to the corporate peer challenge, triggered by the resignation of 11 members of the Labour party in Autumn 2023 (due to the national Labour Party's stance on the war in Gaza), who formed the Burnley Independent Group. This led to the formation of a new co-operative alliance, comprising Burnley Independent Group, the Liberal Democrats and the Green Party, led by the previous Leader of the council. Following the May 2024 elections, the makeup of the council comprised: 15 Labour, 10 Burnley Independents, 8 Conservative, 7 Liberal Democrats and 5 Greens, with Burnley becoming the only multi-party minority coalition in the country.

Coalition working has become part of Burnley's way of operating (since 2019 there has only been one year that the council has not been operating in a no overall control environment), with officers and members informing peers that a collaborative / partnership approach has become the norm. The current cooperative alliance was described as a 'coalition of calm', open and responsive, with a focus on playing to their strengths.

Officer and member relationships are respectful and collegiate, with roles and responsibilities understood. Councillors reported on the responsive approach taken by officers in their engagement with members and the rational discussions that inform decision making.

Peers were pleased to identify that Burnley has strong, inclusive decision making and governance. A programme of engagement opportunities with members including for example monthly meetings between the Executive and Management Team, quarterly meetings with Group Leaders and briefings for all councillors related to certain key decisions enables a 'no surprises' approach to decision making.

The decision-making process also ensures that scrutiny members are part of the process of refining and improving recommendations, with carefully timed meetings taking place prior to formal meetings of the Executive and incorporating all key Executive reports.

In considering the wider decision-making model, there is an opportunity to enhance opportunities for the wider management cohort (beyond the Management Team) to engage in the ongoing corporate leadership of the council, using this as an opportunity to draw in their expertise and capacity. This would also provide a vehicle to shape the pipeline of talent coming through the council and support succession planning.

Elected members are assisted in their roles through an annual member development plan that provides a range of training opportunities. There is recognition by the council of the need for responsive member development opportunities. For example, the Chief Executive provided a dedicated briefing session regarding devolution prior to a Full Council meeting about the Lancashire context, to ensure that members were fully briefed to inform the resulting discussion and debate. Additional training has also been provided on the use of social media in line with the creation of the new Digital Strategy. The council may wish to make greater use of the training and development opportunities available to elected members through the LGA.

The council has effective Scrutiny and Audit Committee arrangements in place. Scrutiny is chaired by a member of the opposition, with regular meetings and a programme of work that incorporates sight of Executive papers and working groups on topics such as climate change strategy. Feedback from members noted that the work of scrutiny enables them to influence policy development at the council. Peers felt that the approach could be developed by enhancing the role of scrutiny in holding partners to account, leaning into the principal power of scrutiny committees to influence the policies and decisions made by both the council and other organisations involved in delivering public services in the locality.

The Audit and Standards Committee (alongside being Chaired by the opposition), has three co-opted members. It maintains oversight of financial reporting and risk management, along with the work programmes of internal and external audit. As

noted by External Audit, there are clear arrangements for managing risk, with the strategic risk register monitored by the Risk Management Group and updates taken to the Audit Committee and the Executive.

An external peer review of the council's Internal Audit Service undertaken in 2022 identified that the service was partially compliant with the Public Sector Internal Audit Standards (PSIAS). Improvements since this time, such as updating the Internal Audit manual to ensure that policies and procedures reflect the PSIAS requirements, have led to a compliant assessment in 2023/24.

Production of the annual governance statement is informed by self-assessments - completed by senior officers, the Executive, Committee Chairs and the strategic delivery partner, Liberata. No significant governance issues or control weaknesses were identified during the 2024 self-assessment process.

The council's statutory officers meet regularly on a formal basis during the council cycle and as part of the decision-making process. In addition to this, the council's statutory officer group (including deputies) meets quarterly to oversee developments in the governance arena both internal and external to the council. This includes sharing best practice and co-ordinating cross department change, such as the implications of the Procurement Act 2023. Peers were pleased to see a recognition by the council of the need to continually invest in statutory officer professional development.

5.4 Financial planning and management

Burnley Council has a Net Revenue Expenditure of £19m for 2024/25, along with useable reserves that the council has increased from £13.1m to £34.2m during the period 2015-2024.

The Medium-term financial strategy for the period 2025-2029 identified a cumulative gap of £3.4m. This strategy is robust and includes prudent assumptions that provide contingency against future pressures. Savings are planned in advance, owned by the Executive, scrutinised, challenged effectively and have planned contingency. The 2022/23 External Audit report identified that the Council has been successful in the identification and delivery of savings to date to balance the budget, although the

auditors recommended that the Council monitor the achievement of savings more closely, something that the peer team would encourage the council to act upon.

The peer team believe that work should continue to challenge service managers and budget holders robustly and on a monthly basis to monitor the in-year budget position. In addition, the management team should continue to ensure joint ownership and accountability for addressing budget pressures, for example in relation to income volatility and temporary accommodation.

Capital resources are used in innovative ways to support economic growth, the place vision for Burnley and housing offer. For example, during 2021/22 the Council commissioned two significant capital projects, namely Pioneer Place and the acquisition of Charter Walk (shopping centre). Both developments will require significant financial support from the Council, as well taking on commercial risk. The Council's capital financing requirement is anticipated to grow from £67m in March 2023 to £83m in March 2025. The ratio of net financing costs to revenue stream is anticipated to increase from 21.5% in 2022/23 to 25% in 2026/27. This is high relative to other districts in the North West. However, in mitigation, various strategies have been put in place. These include a strategy to build up reserves over the next 10 years to provide a buffer for budget pressures, specific reserves for the schemes to renew the assets and capture any overperforming income and recognition of limited capacity to take on other significant capital schemes.

Further examples include the investment in empty homes (noted in section 5.1 above) that is funded by capital receipts, which are then recycled once properties have been refurbished. All projects funded by borrowing have budgeted costs either covered in base budget or by income.

Officers use their strong relationships with stakeholders, including for example UCLAN and Burnley Football Club, to work together on proposals to leverage external funding to deliver key place and people priorities. For example, the council secured £20m Levelling Up Funding to deliver key projects in the Town Centre and Canalside Masterplan including Town 2 Turf, the University Campus expansion and improvements to Burnley Manchester Road Station.

Moving forward, it is the peer team's opinion that the council should consider how it can take its commercial principles from recent investments into other areas, such as car parking, bereavement services or the Townley Hall masterplan (an iconic site built in the 1480's that is currently undergoing restoration work totalling £4m).

In addition, the review of the asset management strategy that is currently underway should be utilised to underpin future financial planning and investment decisions, along with complementing the local plan and housing improvements programme.

The financial stability of the Council is monitored in the strategic risk register with mitigations jointly owned by Heads of Service across the Council, with the most significant risks facing the council identified as the Revenue Support Grant funding guarantee and the business rates reset.

The peer team were informed that there is a good working relationship between the Section 151 officer and Finance portfolio holder, with appropriate levels of challenge.

The 2022/23 accounts received an unqualified opinion from external auditors Grant Thornton in December 2023, along with no significant weaknesses in Value for Money. Financial planning and governance were viewed as strong, particularly the annual budget setting process, budgetary control, committee effectiveness and arrangements for risk management.

Overall, the comparatively sound and sustainable financial position of the council provides the basis for the council to continue to deliver its vision and make improvements in services provided to residents, both now and into the future.

5.5 Capacity for improvement

The peer team were impressed with Burnley's collaborative approach to improvement, recognising a quote from a key partner that noted, "*Burnley has a policy of improvement where other boroughs have a policy of managing decline*". This is particularly evident in the council's approach to staff who are viewed as their greatest asset and the 'engine room of the council'. Burnley is open to innovation, with staff reporting that they are trusted and empowered to bring forward new ideas and challenge existing ways of working, building confidence and satisfaction with

their work.

Staff are committed, highly motivated and passionate for Burnley. The June 2024 employee survey demonstrated high levels of engagement, with 92% of respondents believing that their work makes a valuable contribution to the success of Burnley Council and 85% stating that they are satisfied with their job.

Staff are well supported, with a strong focus on health and wellbeing, opportunities for progression and training / development that are driven through the organisational development strategy. Examples of activities welcomed by staff that the peer team spoke to included lunchtime exercise sessions, financial support through a credit union, wellbeing champions and menopause champions. There is a commitment to staff development through the establishment of career graded posts and apprenticeships in services such as Planning, Legal and Democratic Services, along with a talent management programme.

During 2023/24 the average number of sick days per employee was 7.4, which was the lowest amongst 8 other Lancashire authorities). Staff engagement is prioritised, with a programme of internal communications, including a suite of newsletters, 'Chats with the Chief', staff conferences and awards.

Whilst the commitment and drive amongst middle managers was evident, capacity for this cohort is an issue due to operational demands restricting their ability to move forward with new, strategic developments.

The peer team were informed that there are difficulties recruiting to some service areas, particularly in services such as Planning, Legal and Housing. This is a common theme across the local government sector and as such innovative recruitment solutions are needed to respond to gaps. For example, peers felt that the council could utilise the Burnley brand more effectively to market the council as a great place to work.

There is also a need for succession planning and skills sharing, particularly in areas where there are current or potential shortages, recruitment challenges, or capacity issues and to consider if workforce planning is effectively embedded into service planning models.

Building on this, whilst the current service delivery operating model is sound, there is a need for the council to review the approach to ensure it remains fit for purpose and addresses future community needs. A review of how the council utilises the workforce to deliver services could for example involve the development of more generic roles and be a vehicle to ensuring organisational resilience, along with potential efficiency savings.

The peer team heard of a number of good examples of digital innovation that are making an impact on service transformation, demonstrating best practice that the wider local government sector can learn from. For example, working with their strategic partner, Liberata, who deliver the councils Revenues and Benefits Service, efficiencies and channel shift have been enabled by self-service solutions and chat bots. A clean streets app has been launched with Urbaser (the waste services provider), providing functionality for residents and bin crews to report incidents of fly tipping and littering.

Developments such as this are being supported through the council's newly launched Digital Strategy. The peer team believe that it is important however, that the council takes the time to consider if and how the Organisational Development and Digital strategies inter-connect and whether they are effectively focused on enabling the delivery of the council's priorities.

6. Next steps

It is recognised that senior political and managerial leadership will want to consider, discuss and reflect on these findings. The LGA will continue to provide on-going support to the council. As part of the CPC, the council are also required to have a progress review and publish the findings from this within twelve months of the CPC. The LGA will also publish the progress review report on their website.

The progress review will provide space for a council's senior leadership to report to peers on the progress made against each of the CPC's recommendations, discuss early impact or learning and receive feedback on the implementation of the CPC action plan. The progress review will usually be delivered on-site over one day.



The date for the progress review at Burnley Borough Council will take place during June 2025.

In the meantime, Claire Hogan, Principal Adviser for the North West, is the main contact between your authority and the Local Government Association. As outlined above, Claire is available to discuss any further support the council requires and can be contacted via Claire.Hogan@local.gov.uk.