



LGA Corporate Peer Challenge

West Lancashire Borough Council

15 – 17 March 2022

Feedback report





1. Executive summary.....	3
2. Key recommendations	5
3. Summary of the Peer Challenge Approach.....	7
4. Feedback	9
5. Next Steps	28

1. Executive summary

West Lancashire Borough Council is on a journey of transformation. This journey began with the Sustainable Organisational Review Project (SORP) in 2018 which led to the implementation of a new staffing structure in 2019. It continues through the work of the 'Our Future Transformation Programme'. This sets out a new approach to transformation in the context of the pandemic, with a renewed focus on priorities, customers and communities.

As with all organisations managing change, there have been challenges associated with maintaining staff morale in the context of an overall reduction in staff numbers and implementation of new ways of working. Although staff adapted quickly to new ways of working during the pandemic and provided excellent support to the community, this placed further demands on them.

There is a sense that the relatively new Corporate Leadership team, working with the political leadership, have responded by bringing a new leadership style and direction to the council. Staff who met with the peer team described this new leadership style as more engaging and empowering. It includes the development of a new People Strategy which has been co-designed with employees. Staff told the peer team that the Corporate Management Team *"make you feel empowered"*, that they *"are approachable"* and that there is *"trust and transparency between officers and councillors, feels like a team effort"*. The peer team heard from a number of staff who said that this approach is helping the council to turn the corner in building positive culture change. Staff are generally more optimistic and positive about the future. Both members and officers are proud to work for the council.

There is still more work to do to transform the council so that it can continue to meet the challenges and opportunities ahead. The council needs to build on the transactional approaches to transformation which have been developed to date (staffing re-structure, individual service reviews and processes) to a more joined up, whole system approach to transformation which is owned and understood by all. The peer team heard how the council have already started work on this through the 'Our Future Transformation Board'. In doing this, it will be important to have a clear vision for transformation which is communicated, understood and shared by all.

The Corporate Plan (2020 – 2023) sets out a vision for “*West Lancashire together; the place of choice to live, work, visit and invest*” along with seven overarching priorities. The council has made progress in relation to a number of key projects and initiatives in support of the Corporate Plan. These include the council’s on-going response to the pandemic, completion of phase one of the Skelmersdale town centre regeneration scheme and a Kick Start Programme which has supported over 210 young people into work. The peer team also heard how the council has transitioned both the Revenues and Benefits and Information, Communication and Technology functions back in house.

The council is highly regarded and trusted by local partners and the peer team heard how the pandemic has helped to strengthen local partnership working, particularly with the voluntary sector. There is an opportunity to build on this by strengthening the connection between strategic partnerships and priorities, such as those of the West Lancashire Strategic Partnership, and local partnership working that is taking place on the ground or through individual council services. Local partners are keen and willing to work with the council to build a stronger, shared, strategic place-based vision and brand and understand their role in contributing to this.

The council has strong ambitions to drive improved health and wellbeing across the Borough. This includes proposals to develop two new Wellbeing and Leisure Hubs in Ormskirk and Skelmersdale, as well as investing in the existing facility at Burscough. A Strategic Outcomes Planning report, shared with the peer team, shows that, in developing the proposals, the council has undertaken feasibility and business case development work including support from specialist external advisors. The peer team’s view is that these plans are very ambitious for the council. It will be important for the council to continue to constructively challenge and scrutinise proposals to ensure they remain robust, deliverable and sustainable in the longer term.

The peer team heard how, over the last two years, the Finance team have experienced a number of capacity challenges. These include challenges associated with the pandemic which involved the team adapting quickly to take on the initial responsibility for the administration of the Business Support Scheme and wider Covid related financial planning. Capacity challenges were further exacerbated by the departure of some experienced members of staff and challenges associated with the Financial Management Information System. Together, these challenges have

impacted on the work of the team. This has resulted in the External Auditor giving an “except for” qualification for value for money in relation to the 2019/20 accounts, citing weaknesses in the council’s arrangements for ensuring capacity within the finance team. The Corporate Management Team and leadership recognise these challenges and the need to bring additional rigour to internal financial management, systems and reporting.

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. Ensure there is capacity within the Finance Team to bring additional rigour to internal financial management, systems and reporting

This reflects the findings of the External Auditor who issued an ‘except for’ qualification for value for money in relation to the 2019/20 accounts, citing weaknesses in the council’s arrangements for ensuring capacity within the Finance Team. In doing this, it will be important for the Finance Team to be given a period of time to consolidate, develop and adapt to new systems, processes and ways of working.

2.2. Continue to strengthen the approach to budget setting

This should ensure significant financial movements and their implications are highlighted earlier in the budget setting process.

2.3. Finance Reporting – there are opportunities to strengthen the current approach as follows:

- I. Review the approach to the way in which the capital programme is reported. Consideration should be given to including those schemes funded through internal borrowing to help strengthen comprehensive oversight of all capital schemes.
- II. The council should consider including a forward forecast of reserve projections as part of the Medium-Term Financial Strategy (MTFS) as a useful indicator of

future resilience.

- III. The current approach to budget monitoring is limited to mid-year reporting to Cabinet rather than quarterly. The peer team were pleased that the council intends to move to a system of quarterly reporting during the next financial year which should help bring additional rigour, scrutiny and transparency to the council's finances and decision making.

2.4. Ensure proposed plans to invest in two new Wellbeing and Leisure Hubs are robust, constructively challenged and scrutinised

The council needs to ensure the plans are deliverable and sustainable in the longer term.

2.5. Develop a more joined up, whole system approach to the transformation programme

Key to this will be to ensure there is a clear vision and organisational narrative for future transformation at West Lancashire Borough Council. This needs to be clearly communicated, understood and shared by both members and officers.

2.6. Tawd Valley Developments

Continue to build a consensus on the way forward following the independent review undertaken by Local Partnerships.

2.7. Continue the on-going work to bring greater rigour to key governance processes including procurement

The work undertaken to date shows that the council is on the right trajectory and this work should continue.

2.8. Strengthen the connection between strategic, borough wide partnership working and local partnership working

Local partners are enthusiastic to strengthen this connection and to help build a collective understanding of the place-based vision and brand for West Lancashire.

2.9. Neighbourhood Working - build clarity and understanding on what the future of neighbourhood working means for the Borough

There are opportunities for the council, working with partners, to build a stronger clarity and understanding about the aims and objectives of neighbourhood working in West Lancashire.

2.10. Resident Survey

The peer team noted that the most recent resident's survey was undertaken pre-pandemic in 2019. The council will need to commission the next residents' survey which can help inform ongoing improvement, transformation and recovery work.

2.11. Develop the Borough's refreshed Health and Wellbeing Strategy

The current strategy has recently expired (2021). In developing the new one, there are opportunities to build on the strong partnership working and ways of working developed during the pandemic. The council should also consider how this work can be aligned to the work of Lancashire's Health and Wellbeing Board and Health and Wellbeing Strategy.

2.12. Establish a 'wider determinants/health inequalities' cross-departmental officer group

This group will facilitate joint working and information sharing across the council to support the council's health and wellbeing strategic ambitions

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:

- Karen Bradford, Chief Executive of South Kesteven District Council
- councillor Steve Siddons, Leader of Scarborough Borough Council
- Jamie Sutterby, Director of People and Communities, South Norfolk and Broadland District Councils

- Ann Crawford, Deputy Director, Health, Wellbeing and Workforce, Office for Health Improvement and Disparities
- LGA Peer Challenge Manager – Cindy Lowthian, Programme Manager (Northwest)

The peer team were also supported, virtually, by Richard Wyles, the Section 151 Officer at South Kesteven District Council.

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 addition to these questions, the council asked the peer team to provide feedback on

- Partnership working – how the council can harness and drive forward new ways of working with partners developed during the COVID-19 pandemic, particularly work with the voluntary sector and business community.
- Health and Wellbeing – the council's place-based role in addressing health

inequalities/improved health and wellbeing outcomes for local communities

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 two and a half days on site at West Lancashire Borough Council, during which they:

- Gathered information and views from more than 31 meetings, in addition to further research and reading.
- Spoke to more than 70 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 Plan (2020/21 – 2022/23) sets out the overarching vision for '*West Lancashire together; the place of choice to live, work, visit and invest*' alongside seven overarching priorities. The Plan was in the process of being revised and developed just as the pandemic hit in 2020. The peer team heard how the development process was re-adjusted and re-evaluated accordingly to ensure agreed priorities reflect the national and local COVID-19 context.

The process of developing the Council Plan included a workshop with members of both the Corporate and Executive Overview and Scrutiny committees. It also involved an on-line consultation survey, open to the public, staff and key stakeholders. The

peer team heard how a total of 484 responses were received. The peer team were pleased to note that an Equality Impact Assessment was shared alongside the Plan which was adopted by Full Council in October 2020.

The council's latest Annual Report (2020-2021) outlines a number of achievements in what was a challenging year. These include completion of phase 1 of the Skelmersdale town centre regeneration scheme, launch of a Climate Action Plan and a Kick Start Programme which has supported over 210 young people into work. The council has also transitioned both the Revenues and Benefits and Information, Communication and Technology functions back in house.

The council has agreed to refresh the Council Plan on an annual basis to ensure that it remains relevant to the needs of the Borough. The council is already committed to working with partners to make better use of shared data, insight and intelligence. This includes the appointment of a new joint intelligence role between the council and health partners. There are opportunities to use this shared data, intelligence and insight in both the development of the Council Plan and in measuring performance against the delivery of priorities, ensuring they are evidence led. In doing this, it will be important to maintain focus on the key priorities and deliverables and ensure they are aligned to the council's Medium-Term Financial Strategy.

The peer team heard how the council is on a journey of transformation. The aim is to ensure that there is the capacity, systems and processes in place to deliver agreed priorities whilst continuing to maximise opportunities to reduce costs. This transformation journey began with the Sustainable Organisational Review Project (SORP) in 2018. This led to the implementation of a new staffing structure to achieve savings. It continues through the work of the 'Our Future Transformation Programme'. This sets out a new approach to transformation in the context of the pandemic, with a renewed focus on priorities, customers and communities.

The council needs to ensure that the new approach to transformation builds on the transactional approaches developed to date e.g. individual service reviews and processes (as captured in the 'Our Future Workstack' schedule of projects) to a more joined up, whole system approach to transformation which is owned and understood by all and embedded in the organisational culture of the council. Key to this will be to ensure there is a clear vision and organisational narrative for future transformation at

West Lancashire Borough Council. This needs to be clearly communicated, understood and shared by both members and officers.

There is recognition, from senior officers and members, that digital transformation, including use of data insight and intelligence, is a key enabler to the wider transformation of the council. A Digital Strategy was agreed in 2019 and the peer team heard how the pandemic has accelerated the council's work in this area. The council moved quickly to support both officers and members to work remotely as well as strengthening systems and processes to support residents in accessing information and help online. In 2021, a new arrangement with Lancashire County Council was agreed for ICT support.

The council's Performance Management Framework involves the production of Annual Service Action Plans (SAPs) aligned to the Council Plan. The peer team heard how performance is monitored monthly through the Corporate Management Team and through quarterly reports to the Corporate and Environmental Overview and Scrutiny Committee and Cabinet.

The council is looking to strengthen the current performance management framework. The aim is to ensure a stronger alignment and measurement of the 'Our Future Transformation Programme' projects against the agreed priorities within the Council Plan. A new governance and reporting framework, overseen by the 'Our Future Transformation Board', will involve more robust performance monitoring of agreed transformation projects. The council is also strengthening the approach to service planning to ensure that this is digital by design to support corporate oversight and monitoring.

The latest performance report covers the quarter ending 31 December 2021. This covers 46 performance indicators, 10 of which are 'data only' (no target). Of the 36 indicators with targets, 21 met or exceeded target but 10 were 5% or more off target. The latter includes council tax and business tax collection rates, re-cycling rates, percentage of rent loss through vacant dwellings, sickness absence rates, average answered waiting time for dealing with calls, processing times for housing benefit and council tax support and the number of visits to leisure facilities.

The peer team were pleased to note that performance improvement plans have been prepared where performance is 5% or more off target. A common theme highlighted

within all these performance plans is the impact the pandemic has had on performance with an expectation that performance will improve.

This is with the exception of the percentage of kerbside household waste sent for reuse, recycling and composting where no performance improvement plan has been prepared. The current quarter rate is 42.54% against a target of 51%. The report states that, as there are no immediate plans to change the recycling offer, current levels of recycling are likely to remain broadly static and this is why an improvement plan has not been produced. The peer team heard how there is an intention to review recycling targets as part of the Council Plan refresh. Although the council has not achieved its target for this quarter, [LG Inform data](#) shows that the council's overall recycling performance for 2020/21 is better than all other district councils in the North West. The peer team would still encourage the council to continue to challenge itself in this regard.

[LG Inform data](#) shows how the council compares to other councils in the North-West. Areas where they are below the average of North-West councils include obesity rates (year 6), smoking prevalence (2nd highest in the North-West) and both of these areas are considered later in this report. Council tax and non-domestic rates collection are also below the North-West district council average; these areas have been highlighted in the council's own performance report.

The peer team were pleased to learn that the council has recently refreshed its Equality, Diversity and Inclusion Strategy (2022 – 2026). This includes the establishment of an Equality, Diversity and Inclusion Working Group with representatives from each service area. Objectives are aligned to key projects and programmes including the development of the Borough's leisure offer, health and wellbeing offer and digital inclusion. The Strategy recognises the importance of on-going evaluation and reporting on the progress being made.

4.2. Organisational and place leadership

There is a sense, from those who met with the peer team, that the relatively new Corporate Leadership team, working with the political leadership, are bringing a more engaging and empowering style of leadership and direction to the council.

Both Members and officers are self-aware of the challenges and opportunities faced

by the Borough. These include opportunities which arise from the Borough's close proximity to the Liverpool City region and M58 corridor. This includes the Liverpool Superport, one of the largest International Ports, which is just 10 miles away. The Borough is also home to Edge Hill University which has more than 22,000 students and the area has the greatest amount of Green Belt designated land in England. There are a number of international companies based in the Borough including PepsiCo-Walkers Ltd, Procter and Gamble and Nippon Sheet Glass.

The challenges faced include those associated with levels of deprivation within some areas of the Borough. Overall, the Borough ranks 178th out of 317 local authorities¹ on the Indices of Deprivation. 20% of the area, mainly in Skelmersdale, is within the 20th percentile of most deprived areas in England. The peer team heard how pre-existing health inequalities have become more visible during the pandemic, with those living in the most deprived areas of Borough having poorer health outcomes than those in the least deprived areas. There are also areas of contrast with 30% of the Borough, predominantly in suburban areas and villages, being within the 20th percentile of least deprived areas in England.

The council has progressed a number of initiatives to address the challenges and maximise the opportunities. These include phase 1 of the regeneration of Skelmersdale town centre. This has involved a total investment, from all partners involved, of c£16.6m. The council has also undertaken a number of public realm improvements and new cycling and walking routes in Ormskirk town centre working with Historic England and Lancashire County Council. The aim has been to create sustainable travel links to Edge Hill University and increase footfall in the town. The council's Economic Regeneration Strategy indicates footfall figures are now recovering well from the pandemic². The council's Kickstart programme has supported 210 young people into work.

The council commissions an annual Resident Survey to provide representative views of residents' overall satisfaction with the council, its services and the local area. The results of these surveys are used to inform planning and services. The peer team noted that the most recent survey was undertaken pre-pandemic in 2019. The council will need to commission the next residents' survey which can help inform

¹ West Lancashire Borough Council Corporate Peer Challenge Self-Assessment, 2022

² Economic Regeneration Strategy 'Peer Review' overview report

ongoing improvement, transformation and recovery work.

The peer team heard how the council has retained the ownership and management of almost 6000 homes. The council is using its role as a social landlord to help shape improved outcomes for residents, with a strong prevention focus. Examples include financial health checks for tenants, Money Advice service, training and education programmes, promotion of low-cost home contents insurance and support to households in fuel poverty. The council also plans to invest £37m in the stock between 2024 and 2029.

In March 2020 the Cabinet approved an extension to the council's current Housing Strategy to 2022. The intention is to ensure that work to develop a new Housing Strategy, beyond this, is aligned to the work currently taking place to develop the Borough's new Local Plan. The council will need to maintain momentum on the development of the new Housing Strategy, particularly given the strong links between strategic housing and the council's ambitions to improve health and wellbeing in the Borough.

With reference to the Local Plan, the peer team heard of some delays in the timescale for adoption. A report to Cabinet in September 2021 outlined a timetable for the new Local Plan (April 2023 to March 2040) to be adopted in December 2024. An update report, shared with Cabinet in March 2022, outlines a revised timetable for adoption in July 2025. The primary reason cited for this delay relates to current vacancies within the planning team. Similar to other councils, the council has experienced challenges in recruiting to senior planning positions. The council is actively recruiting to the vacant posts. Staffing resources will remain critical to the delivery of the Local Plan timetable and the council should continue in their efforts to support the Planning Team in filling the identified gaps and in wider work for the council to become the 'the employer of choice' within the borough and region.

Linked to this, the peer team also heard of the council's work to review the Planning Service. This commenced in October 2020 and has led to 81 recommendations. The latest update report to Cabinet states that good progress is being made with the main recommendations in progress, completed or on target to be completed in accordance with scheduled future start dates. Again, it will be important to ensure the Planning Team have the capacity to deliver both this work and the work required to develop

the new Local Plan.

Harnessing new ways of working with partners developed during COVID-19

The peer team were asked to share particular feedback on how the council can harness and drive forward new ways of working with partners developed during the COVID-19 pandemic. In doing this, the peer team met with a number of partners from the statutory, voluntary, community and business sectors. It is clear, from these conversations, that West Lancashire Borough Council is a highly regarded and trusted partner. Local partners told the peer team that they *'are one of the best district councils to work with'* and *'nothing is too much trouble'*.

The peer team heard how local partnership working had strengthened during the pandemic including the development of new interventions, systems and forums to support the most vulnerable. This includes the establishment of the West Lancashire Together helpline managed by the Customer Services team. The peer team heard how over 3,500 residents accessed the helpline either online or by calling a freephone number. The council also awarded £41m in COVID-19 business grants through 16 different schemes and to over 1,941 individual businesses. This is to be commended.

The geographical area covered by West Lancashire Borough Council forms part of the Lancashire and South Cumbria Integrated Care System (ICS). There are five health and care place-based partnerships across the ICS geography including the West Lancashire Partnership (WLP). Partners told the peer team that this means that the council is in a unique position within the ICS because this place-based partnership is entirely coterminous with the council's own geographical area. This presents opportunities to build strategic partnership working with health colleagues which is focussed on West Lancashire as a place including opportunities for sharing knowledge, expertise, teams and resources. The peer team heard how the council is already working collaboratively to share data through the creation of a joint Public Health Office role with health colleagues aimed at strengthening data sharing and insight.

Building on the work developed during the pandemic, there is an opportunity to strengthen the connection between strategic partnership working taking place through the Council Plan and the West Lancashire Strategic Partnership and local partnership working that is taking place on the ground or through individual council

services. The peer team found that there is mixed awareness amongst some local partners about the role of the West Lancashire Strategic Partnership and the five-year place strategy. Similarly, there was mixed awareness about the council's Corporate Plan and priorities.

Building on the response from the pandemic, local partners are keen and willing to work with the council to strengthen this connection and develop a shared understanding of the place-based vision and brand for West Lancashire and their role in contributing to this. There are opportunities for the council to strengthen strategic partnership working, networking and learning around major agendas including health inequalities, climate change and housing.

The peer team heard how the West Lancashire Partnership is committed to organising and mobilising partnerships around three neighbourhoods: Burscough and the Northern Parishes, Ormskirk and Aughton and Skelmersdale and Upholland. The council's self-assessment states that some work has already taken place, within the council, to develop Neighbourhood Teams. Whilst it is still early days, the peer team found a lack of understanding and clarity from those they met with, on what neighbourhood working means for the council. There are opportunities for the council, working with partners, to build stronger clarity and narrative on what this means for them and the Borough and to ensure proposals are aligned to and form part of the 'Our Future Transformation' programme.

During the pandemic, the council's Chief Operating Officer (COO) had a lead role, on behalf of the Lancashire Local Resilience Forum, in helping to co-ordinate work with the voluntary sector in support of the pandemic response. In West Lancashire this involved a monthly Forum in which local voluntary sector groups (foodbanks, community groups, charities etc) met with the council and other partners to share information and updates. It also included the production of a weekly Community Engagement Brief, overseen by the council, which provided local COVID-19 data and key messaging. Voluntary sector partners spoke highly of their engagement with the council during the pandemic, saying that their role had been better understood, recognised and valued. Moving forward, they are keen that the crucial role they play in supporting ongoing recovery continues to be recognised and valued. The council should build on these strong relationships and ways of working developed with the sector to ensure they continue to be engaged and supported.

The peer team also heard how the council is engaged in discussions, pan Lancashire, to develop proposals for a County Deal. In January 2022, the council considered and agreed the initial proposal and scope for this deal including principles of governance for any future deal. The Leader continues to work with Lancashire Leaders on these proposals.

4.3. Governance and culture

The political and managerial leadership is viewed as approachable and credible. The peer team heard how “*there is much cohesion amongst the management team with enthusiasm in the bucket loads*”. As outlined earlier in this report, there is a sense that the Corporate Leadership Team, working with the political leadership, are bringing a more engaging and empowering leadership style and direction to the council. The peer team heard from a number of staff who said that this approach is helping the council to turn the corner in building positive culture change. Both members and officers described positive member and officer relationships. Councillors are seen as trusted, with a strong knowledge, focus and commitment to their local communities. Staff who met with the peer team are clearly loyal and flexible and both officers and members are proud of the work they do.

At the time of the peer challenge, West Lancashire Borough Council was in ‘No Overall Control’ with a Labour led administration (since May 2021). The peer team heard how, in this context, the council’s committees (with the exception of Corporate Overview and Scrutiny) are made up of Chairs and Vice Chairs from across the political groups. The council has also developed a number of approaches to support cross-party collaboration and working. These include regular meetings with group leaders and the Chief Operating Officer. A monthly newsletter for members, called the ‘Members Update’, provides updates for all members relating to council services. This work should continue to help strengthen a ‘one council’ ethos and approach.

The council has made some changes to the scrutiny process with effect from the 2021 municipal year. The aim is to allow for greater pre-decision scrutiny. The changes involve the Executive Overview and Scrutiny Committee meetings being held prior to Cabinet which allows them to scrutinise cabinet reports and provide constructive challenge prior to decisions being taken. A special ‘Call In’ meeting is also scheduled following each meeting of the Cabinet. The aim is for these meetings

to take place only as and when required, recognising that more pre-decision scrutiny should reduce the need for 'call in'. A report shared with the Executive Overview and Scrutiny Committee in February 2022 states that these new ways of working *'have added significant value to the decision-making process, allowing more cross party working prior to decisions being taken'*.

The council's Forward Plan is published 4 weeks prior to decisions taken by Cabinet (in accordance with the legal requirement to give 28 days' notice of a planned decision). A process has been put in place allowing members to request items from the Forward Plan to be included on the agenda for Executive Overview and Scrutiny. The council should consider building in a longer notice for planned decisions (where possible). This could provide opportunities for the Scrutiny Committee to undertake more in-depth reviews several months in advance of decisions being made e.g., in relation to major decisions and key policy areas.

West Lancashire has 20 parish councils and one parish meeting. These cover all of the Borough with the exception of Skelmersdale and Ormskirk. The council's Monitoring Officer aims to attend a minimum of three meetings with parish clerks each year. The council's Community Engagement Brief, developed during the pandemic, is shared with parish clerks and covers a range of topics relevant to local communities. Parish councils are also invited to submit topics for consideration by the council's Corporate Overview & Scrutiny Panel. Parish councils were also consulted on the development of the new Code of Conduct. This work shows that the council recognises the added value that partnership working with parishes can bring to local communities and the effective operation of the council.

To further strengthen openness and transparency in the decision-making processes, the council may wish to consider the live streaming of meetings. This would provide opportunities to strengthen community engagement and accessibility in the democratic decision-making process.

New members each have a Personal Development Plan and are supported through a range of development and training programmes. A Member Development Commission (MDC) – a cross-party group of members - oversees the development of the programme for all members. Examples of sessions delivered over the past year include induction training (for new members), scrutiny sessions, Local Plan briefing

and a climate change session (COP-26). Future sessions include Risk Management, Code of Conduct training, Planning, Licensing and Social Value. The peer team were pleased to learn that the MDC monitor participation numbers. Some courses e.g., Modern Day Slavery, Questioning Skills for Scrutiny, have attracted lower participation numbers. It will be important for the MDC to continue to monitor take-up and encourage participation. The LGA also deliver a range of [Member Development/Leadership programmes](#) which members can access. These include a number of on-line courses.

The council has a 'Key Risk Register' in place to manage and mitigate against risk. An annual Risk Management Framework update report, for 2021, was shared with Cabinet in March 2022. Key risks are reviewed quarterly by the Corporate Management Team and periodically by members. Two new risks have been added to the register over the past year relating to external funding uncertainty and the recruitment and retention of key staff in areas such as planning and other specialised areas. The Risk Management Framework Report highlights the positive improvements to risk management that have been made over the last 12 months. These include a new policy and toolkit, a suite of training webinars, the introduction of risk impact categories, and a quarterly risk newsletter.

The council has also undertaken work on a number of other key governance processes. This includes the development of a new Member Code of Conduct (adopting some elements of the LGA's model Code) and Whistleblowing Code; both of these were adopted in February 2022. The Audit and Governance Committee's latest internal audit report shows that 74% of planned audit work is either completed or in progress. The peer team heard how the Monitoring Officer and Internal Audit Manager work closely together to support this work.

It is the view of the peer team that the council is on the right trajectory in their work to bring greater rigour and transparency to key governance processes and that this work should continue. Given the strong links between procurement, value for money and risk, this will be a key area to review (the peer team understand that work on this has started). In reviewing the council's procurement framework, it will be important to consider the role of procurement in the development of the council's Community Wealth Building initiative.

In December 2021 the council commissioned a cross party working group to investigate options for potential changes to the governance system. This was in the context of the council being in 'No Overall Control'. The aim is to ensure governance arrangements work effectively within this context. The cross-party working group is expected to report its findings to Full Council no later than February 2023. The peer team heard how the council has engaged the Centre for Governance and Scrutiny to support some of this work. Considering what works well and what doesn't, within the current governance system, should be the starting point for this work and any potential changes should build on this. The peer team would encourage the council to continue to source external support from the CfGS or LGA.

The council is in the final stages of an Electoral Review with the Local Government Boundary Commission. Draft proposals involve the reduction in the number of councillors by nine (from 54 to 45 councillors) and a reduction in the number of wards by ten to 15 (creating uniform 3 Member Wards). The final recommendations will come into force in May 2023. Any proposed changes to governance will need to take account of this.

The council owns Tawd Valley Development, a property development company set up in 2018. The Company's website states that any profit that the Company makes is reinvested into services which benefit the local communities of West Lancashire. TVDL's annual Business Plan (2021) outlines an ambition to build 363 homes across 3 phases of delivery over a 5-year period. The council's self-assessment states the company has completed its first phase of 81 affordable, energy efficiency homes and that the council has been successful in a bid to Homes England to bring the total funding secured to date to £1.4m.

The peer team heard how, in September 2021, the council commissioned an independent review of Tawd Valley Developments via Local Partnerships. Following the move to a position of no overall control in May 2021 and changes to the operating context since the company was first established (including changes to the Prudential Code), Members were keen to seek reassurance about the overall budget position and that the Tawd Valley Business Plan is still fit for purpose. In February 2022, the council considered the findings of the Independent Review. The council agreed a motion to stop all developments within and outside the Borough other than those sites already in progress, and to implement a phased and controlled wind down of

current activity of TVDL. The peer team understand that, more recently, this motion was rescinded (April 2022). It will be important to continue to build a consensus on the way forward.

4.4. Financial planning and management

The council has agreed a three-year Medium Term Financial Strategy (MTFS) ending in March 2025. This shows an overall budget surplus of £0.4m in 2022/23, but with a deficit of £0.1m by 2024/25. This represents an improved position of £1.6m from that reported to council in July 2021, which reported a budget gap of £1.2m for 2022/23.

The council operates a separate Housing Revenue Account (HRA) which is in a healthy position. The HRA has total income of £25m and a small surplus of £0.3m expected in 2022/23, with plans to invest £37m between 2024 and 2029.

The council's net revenue budget for 2022/2023 is £16m. The peer team noted how a budget surplus of £0.4m, reported to budget council in February 2022, varies significantly from the figure reported to Cabinet in January 2022. This figure showed a net reduction of over £1m. The peer team heard how the council have begun to review and strengthen the budget setting process and it will be important for this work to continue. The aim should be to ensure significant movements and their implications are highlighted earlier in the budget setting process. A proposed upgrade to the Financial Management System should aid this process.

In the lead up to the setting of the budget for 2022/2023, the peer team heard how there was some collaborative working across political groups. In the context of the council being in No Overall Control, this approach to cross-party working is important in building a one council approach to ensure continuity with budget plans.

The council's agreed capital programme is £5.5m from 2020/21– 2022/23, with a provisional allocation of £0.4m for 2023/24. This is based on anticipated capital receipts of c£5m. The peer team noted that the council's approach to reporting on the capital programme excludes schemes funded through internal borrowing such as the Skelmersdale Town Centre scheme. The council should consider reviewing this approach to ensure the capital programme reporting also includes schemes funded through internal borrowing. This will help strengthen comprehensive oversight of all capital schemes including levels of Minimum Revenue Provision (MRP) applied to

internal borrowing.

The council's reserves on 31 March 2021 totalled £27.3m. As part of the MTFs, the council have developed a new structure for the reporting of reserves, rationalising them from 23 'pots' to 6 reserves. Building on this, the council should consider including a forward forecast of reserve projections as part of the MTFs as a useful indicator of future resilience.

The peer team heard how, over the last 2 years, the Finance team have experienced some capacity challenges. These include challenges associated with the pandemic which involved the team adapting quickly to initially take on responsibility for the administration of the council's business support scheme. To date over £41m has been paid out to support local businesses.

Capacity challenges were further exacerbated by the departure of some experienced members of staff and staff absences. The peer team also heard of challenges associated with the Financial Management Information System and the need for this to be upgraded to provide greater system integration and efficiency.

Together, these challenges have impacted on the work of the finance team including delays to the preparation of the Statement of Accounts, both for 2019/20 and 2020/21. As a result, External Audit issued an "except for" qualification for value for money in relation to the 2019/20 accounts, citing weaknesses in the council's arrangements for ensuring capacity within the finance team.

There was recognition, from Corporate Management Team, of these challenges. The Head of Finance, Procurement and Commercial Services (the council's Section 151 Officer), appointed in August 2020, has a clear improvement agenda. There are good working relationships between the portfolio holder for Resources and Section 151 Officer. Together they are making improvements to address the challenges and progress is being made. There is also a recognition that more work needs to be done to bring additional rigour to internal financial management, systems and reporting.

The progress made to date includes recruitment to some key vacancies. The peer team were also pleased to hear that recruitment to further vacancies (business partner posts) are in train. There is a commitment, as outlined in the council's transformation action plan, to upgrade the Financial Management Information System with work due to commence in April 2022. The peer team heard from officers

who said that this should help strengthen the automation and integration of financial management processes, accounting and reporting.

It is the view of the peer team that it will be important for the Finance Team to be given a period of time to consolidate the new system with processes and ways of working. The aim should be to strengthen a team culture which goes beyond transactions and processes to one which places the finance team as being central to corporate decision making. It will be important to continue to develop a culture where financial processes, systems and timescales are understood, recognised and valued by all.

The peer team heard how the current approach to budget monitoring is limited to mid-year reporting to Cabinet rather than quarterly. The peer team were pleased that the council intends to move to a system of quarterly reporting during the next financial year which should help bring additional rigour, scrutiny and transparency to the council's finances and decision making.

4.5. Capacity for improvement

A Sustainable Organisational Review Project (SORP), which began in 2018, led to the implementation of a new staffing structure in 2019. The peer team heard how this led to a reduction in overall staffing numbers and the development of new ways of working. Staff turnover figures, shared with the peer team, show the turnover for 2017/18 was 8.51%. As the SORP was implemented, this rose to 12% in 2018/2019 and 16.73% in 2019/20. The 2019/20 figure can be considered an outlier compared to the median LGA figures for a district council which was 13.1%.

As with all organisations managing change, the peer team heard how there were challenges associated with maintaining staff morale in this context. The pandemic has also placed additional demands on staff who have had to adapt quickly to new ways of working to maintain service delivery and support the most vulnerable. It will be important to ensure staff wellbeing continues to be at the heart of future organisational transformation and change.

The peer team heard from staff that the relatively new Corporate Leadership team, working with the political leadership, are responding to these challenges through a more engaging and empowering style of leadership. Staff engagement initiatives

include 'Team West Lancs.', a staff newsletter written by staff, an intranet site, a 'People Hub' (online platform for remote staff which acts as a two-way engagement tool), staff briefings with the Chief Operating Officer, a staff awards scheme, staff engagement in service planning and an employee survey. Building on these approaches, the council should take steps to ensure briefing and engagement opportunities reach all staff – particularly those who may not have access to computers e.g., those based in the council's depot.

The peer team heard how the most recent employee survey, the first since 2018, was completed in February 2021 with a 59% return rate. Although this represents an increase of 3% from the last survey in 2018, the council recognise that further work should be undertaken to increase returns.

This survey shows that 79% of staff say they enjoy working for the council and 91% feel that they understand how their team contributes to the council's objectives. Respondents were asked about the management support they receive and 76% said this enables them to focus on objectives and targets. In relation to staff communication, 74% feel key messages are communicated effectively. The survey also outlines areas where more needs to be done in some areas to build capacity to deliver priorities. Themes include silo working, challenges associated with workloads within some teams and performance management (of staff). In addressing the latter, it will be important to ensure that there are consistent approaches, across the council, to performance management and that accountability (for performance) forms part of this.

A set of Core Expected Behaviours set out the approach to how employees are expected to treat each other and work with each other. These are also reflected in a new People Strategy which has been co-created with staff. The aim of this strategy is to shape ways of working to ensure the council is 'high performing, agile, forward thinking, dynamic' and 'the employer of choice in the UK'. Staff who met with the peer team welcomed the new Strategy and the opportunities to be involved in its development. Overall, the peer team heard how there was a sense, from those they met with, that the council is turning the corner in relation to positive culture change.

The People's Strategy outlines how the council is committed to becoming a coaching and learning organisation. Most staff who met with the peer team said they have

annual performance appraisals to discuss performance and development needs. The employee survey shows that 71% of respondents say their managers undertake regular discussions on performance and 79% say their personal development is discussed as part of an appraisal. Staff who met with the peer team said that the Lunch and Learn sessions, introduced during the pandemic, were particularly welcome. These allow staff to join on-line briefings on key areas relevant to their roles. The council had been the best performing district council in 2020/2 for apprenticeships.

It will also be important for the Corporate Management Team, as a relatively new team, to invest time in their own individual and team development. This could include joint development sessions bringing together both the political leadership and Corporate Management Team covering themes such as roles and relationships, visioning, budgeting, team building, leadership styles and communication.

The council is committed to actively learning from customer feedback. Initiatives include the development of two online engagement platforms for residents called 'Your Voice West Lancashire' and 'Tenant Hub'. Work to improve the customer experience also forms part of a number of service reviews being undertaken as part of the transformation programme. These include reviews in Planning, Business Support and Customer Services.

The council worked quickly to allow staff to work remotely during the pandemic. Moving forward, it will be important to ensure that staff have clarity on what future ways of working will be like as the council moves into the recovery phase of the pandemic. It will be important that the council's overall approach and expectations are effectively communicated, applied consistently (business needs allowing), seen as equitable and understood by all.

Similar to other councils, recruitment and retention of staff in some service areas is a particular challenge. These include planning, procurement and property (surveying). As outlined earlier in this report, this challenge is reflected in the council's Risk Register. In this context, it will be important to deliver the objectives outlined in the People Strategy to ensure the council will be 'an employer of choice' in the borough and region. This includes succession planning, investing in staff development, celebrating and valuing diversity, promoting the benefits of working at West

Lancashire e.g., agile working and ongoing work to support the health and wellbeing of staff.

4.6. Health and Wellbeing

A key strategic priority identified within the Corporate Plan is for '*Everyone to be Healthy, Happy, Safe and Resilient*'. The council is self-aware about the challenges faced in relation to improving health and wellbeing. These include challenges associated with obesity. [LG Inform](#) data shows the Borough experiences above average levels of obesity for children in year 6 and above average obesity rates for adults compared to all English councils. The Borough also has the third highest smoking prevalence rate of all English district councils in 2020. As outlined earlier in this report, the Borough has some areas, particularly in Skelmersdale, that have high levels of deprivation. The proportion of people over 60 is also increasing which will present additional challenges including demands on the health care system.

It is clear to the peer team that the council has a strong commitment to shape the delivery of its core services, including leisure, housing, economic development, planning, environmental health and parks/green spaces, to address these challenges.

The council has developed plans for two new Wellbeing and Leisure Hubs in Ormskirk and Skelmersdale, as well as investing in the existing facility at Burscough. A Strategic Outcomes Planning report, shared with the peer team, shows that in developing the proposals, the council has undertaken feasibility and business case development work including support from specialist external advisors. The peer team's view is that these plans are very ambitious for the council. It will be important for the council to continue to constructively challenge and scrutinise proposals to ensure they remain robust, deliverable and sustainable in the longer term

In 2018, the council agreed a three-year Health and Wellbeing Strategy with a vision for '*having in place the best conditions possible for people to live fulfilling lives*'. The council have delivered a range of initiatives including the 'Winter Ready Programme' supporting those at greatest risk of ill-health, Financial Inclusion strategy, employment support initiatives, (recognising the links between employment and health and wellbeing), Food In-security initiatives, a range of leisure initiatives and a 'Business Health Matters' programme. The latter has involved work with local

businesses to support the health and wellbeing of their employees. Work has also started on developing Asset Based Community Development approaches to support improved health and wellbeing. In developing and embedding this approach, it will be important to ensure this forms part of both the officer and member training and development offer.

Internally, the council has also implemented a number of health and wellbeing initiatives. These include the formation of a Workforce Health and Wellbeing Steering Group who are developing a workforce health improvement plan. It also includes the training of 20 mental health first aiders within the council. The council has also developed a framework to embed health considerations into the council's decision-making processes and reports.

Building on this, there are opportunities to strengthen cross-departmental and team working in support of the council's Health and Wellbeing strategic priority. The council should consider establishing a 'wider determinants/health inequalities' group. The group would facilitate joint working and information sharing across the council and help build a 'one council' approach to this agenda.

As outlined earlier in this report, the council have also appointed to a joint Data Analyst post, with health partners, to harness the use of shared data and intelligence to support improved health and wellbeing outcomes. This includes work with the Commissioning Support Unit to develop health inequalities profiles for the Borough. As part of the transformation programme, the council are working towards building a greater understanding and alignment of internal data to support this work. This data will be key in building a one council approach to reduce health inequalities across the Borough.

The council need to agree next steps in relation to the council's Health and Wellbeing Strategy which expired in 2021. In developing a new strategy, there are opportunities to strengthen strategic working with Lancashire County Council who deliver and commission a range of services and initiatives which impact on health and wellbeing in the Borough (social care, public health, schools, transport and highways etc). This should include closer alignment to the work of Lancashire's Health and Wellbeing Board and joint Health and Wellbeing Strategy. It will also be important to ensure the new Strategy is aligned to both the Corporate Plan and West Lancashire Partnership

Strategy (place-based partnership). The refreshed strategy should include a delivery plan and be resourced accordingly.

There may be opportunities to explore the potential, working with NHS health partners, to anchor them further within the Borough. This should build on the work currently underway to develop Community Wealth building approaches. Health partners have sizeable assets, workforce and spending powers and this may provide opportunities for West Lancashire's local economy (with links to wider health and wellbeing).

5. Next Steps

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

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The CPC process includes a six-month check-in session, which provides space for the council's senior leadership to update peers on its progress against the action plan and discuss next steps.

In the meantime, Helen Murray, Principal Adviser for the North-West, is the main contact between your authority and the Local Government Association. Helen Murray is available to discuss any further support the council requires and can be contacted via this email address: Helen.Murray@local.gov.uk