



Corporate Peer Challenge Blackpool Council

3 – 6 March 2020

Feedback Report

1. Executive Summary

The Corporate Peer Challenge on which this report is based took place immediately before the Coronavirus pandemic was declared and councils became involved in the emergency response to Covid-19. This report therefore does not anticipate or reflect on the significant additional challenges and demands this placed on Blackpool Council nor does it reflect on political changes that have occurred since the team was on site. However, the findings and recommendations presented here should assist the Council in strengthening its capacity to respond to the impacts of Covid-19 in the longer term.

Blackpool is a densely populated borough of 140,000 residents which has a past and present which is inextricably linked with the tourism industry. Following the arrival of the first trains to Blackpool in 1846, the area enjoyed a long period of physical transformation which was shaped by the tourism industry. Since the 1970s however, Blackpool has experienced a decline in visitor numbers, leading to a number of social and economic challenges within which the Council operates.

At the Council's last Corporate Peer Challenge in 2014, the Council were challenged to develop a strong and distinctive vision for Blackpool, which has since been set as:

'Retaining our position as the UK's number one family resort, with a thriving economy that supports a happy and healthy community who are proud of this unique town'.

It was clear at this peer challenge, that the delivery of this vision is beginning to be seen. The Council have taken a direct, bold role in investing into Blackpool to enable this to happen. The efforts of the Council have led to a growth in private sector confidence and subsequent investment on a large scale. Just one example of this is a £300m 'Blackpool Central' development which is one part of a wider planned public/private investment of £600m into the town.

Linked to the local socio-economic challenges, the Council for a number of years have faced high levels of demand for children's services; including the highest numbers of Children in Need and Children Looked After in the country.

In November 2018, the Council received an OFSTED inspection of children's services and received an 'Inadequate' grading which followed a 'requires improvement' judgement in 2014 and an 'inadequate' judgement in 2012. In the most recent January 2020 letter from the Children's Commissioner, there is acknowledgement of the progress made since November 2018 but there is a push for pace – and to see the impact of this progress more quickly embedded and rooted in frontline practice.

To bring about the improvements required, the Council have invested significant additional resources into its children's services – which in 2020/21 alone included an additional £14.9m. This is a particularly significant commitment given the £153m reduction in public spending required by the Council since 2010. The amount of corporate support the Director of Children's Services (DCS) receives from colleagues

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across the Council has also increased. Given the need to bring about this improvement at pace, the Council should continue to prioritise this area in this way. Whilst this improvement is clearly of crucial importance to outcomes for children and young people in Blackpool, it is also key to the ongoing financial viability of the Council.

The Council have overspent against budget in children's services over a number of years. This was most significantly the case in 2019/20 as the Council was forecasting an overspend of £10.1m in children's services. This was after the use of a one-off reserve of £3.6m which was put aside at the start of the year to support improvement.

Whilst since 2010 the Council have dealt with a budget shortfall of £153m with a cumulative impact of over £800m, future savings will be required and the overall budget position will continue to be a significant challenge.

At the budget monitoring report to Cabinet in January 2020, an overspend of £7.606m was forecast. If realised, this would eradicate the entirety of the Council's 'working balances' and lead to the use of a small amount of earmarked reserves in addition to this. General fund reserves or 'working balances' as they are referred to locally have been used over a number of years, to then be topped back up via the use of earmarked reserves. Whilst the Council reports having indicated some space within the £41m of earmarked reserves to do this, it is a practice which is unclear and does not aid sustainable and ongoing robust financial management.

For 2020/21 the Council set a budget with an identified funding gap of £19.65m. To bridge this gap, additional funding, savings and efficiencies of £17.35m have been identified. The remaining £2.3m will rely on the use of earmarked reserves. Further to these amounts and outside of this budgeted spend, the Council has additional funding pressures which may also need to be addressed in 2020/21 – including a further £3.6m in children's services, on top of that already allocated.

The Council have a Medium Term Financial Sustainability Strategy (MTFSS) for the period 2016 – 2022. Due to ongoing uncertainty around funding, the Council decided not to refresh this document publicly since 2016. Councils elsewhere more typically have instead taken the option to have a 'rolling' MTFSS. This often covers a shorter three year period, which is then updated each year based on the latest available information – leaving the Council with a three year outlook at all times which is constantly updated to reflect the latest position. This is considered best practice and is an approach used widely. It is the view of the peer team that the Council should move to this approach with immediate effect to enable clearer strategic financial planning. As part of this work, the Council should also now take the opportunity to refresh its policy on financial planning and reserves to ensure this is clear and sustainable.

2. Key recommendations

There are a range of suggestions and observations within the main section of the report that will inform some 'quick wins' and practical actions, in addition to the conversations onsite, many of which provided ideas and examples of practice from other organisations. The following are the peer team's key recommendations to the Council:

- 1) **Give the Council's priority of a 'Resilient Organisation' parity with the other two corporate priorities ('The Economy' and 'Communities'). This should be supported through a programme, of corporate transformation, co-ordinated through a clear delivery plan which is routinely monitored.** The financial sustainability of the Council should be central to this work with shared responsibility and clear lines of accountability.
- 2) **Publish a new rolling Medium Term Financial Sustainability Strategy (MTFSS) which is shaped by the Council Plan and covers the next three years.** This document should be updated each year (or more frequently if required) and presented to members for approval. All funding assumptions, cost pressures and impact on the reserves strategy should be included in order that a robust financial position can be derived to inform member decision making.
- 3) **Use the new Medium Term Financial Sustainability Strategy (MTFSS) to refresh the annual budget process to ensure significant, understood, risk assured and deliverable savings in place across the organisation that are less reliant on one-off funding and technical adjustments.** This clearer process should also allow a longer lead in time (if required) for more difficult savings/income targets, which will help support future financial sustainability
- 4) **Revise the Council's reserves policy so that this is robust, transparent and more easily understood.** This should include putting in place the necessary gateways so that all working balances and earmarked reserves are retained as the last corporate resort – supporting financial sustainability
- 5) **Clarify the process of reporting and publishing of corporate budget monitoring against the MTFSS and ensure its transparency.** This will help members and officers to have a more detailed understanding of the Council's budget performance and risk exposure.
- 6) **Continue to prioritise children's services – ensuring the pace of improvement required as well as ongoing financial sustainability.** This will include taking any further steps the Council can to co-locate staff, implementing the sufficiency strategy and reducing the wider, corporate demands on the Director of Children's Services during this improvement period.

- 7) **Consider the ways in which the Council can corporately and creatively support recruitment** to ensure the existing committed and proud workforce is bolstered by the right skillsets at the right time.
- 8) **Develop strategic partnership working and partner relations so that these have breadth and depth consistently across place and people based services in Blackpool.** This will include clarity about roles and responsibilities, identifying common priorities and opportunities for further cost sharing and reductions, as well as having clear lines of accountability. Working in this way can also include how partners across Blackpool work with and build further community capacity.
- 9) **Reflect on the findings from the LGA Communications Review in 2017 and where appropriate, implement these actions to address the continuing issues faced by the Council in this area and the need to effectively communicate more widely.**
- 10) **Accelerate the steps being taken following the Declaration of a Climate Emergency in June 2019.** This will mean both communicating what the Council and other public bodies locally are doing to reduce the carbon footprint as well as thinking about this challenge holistically with the wider Blackpool community. This will mean taking steps quickly to engage the community and sharing this design space and agenda with them.

3. Summary of the Peer Challenge approach

The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected your requirements and the focus of the peer challenge. Peers were selected on the basis of their relevant experience and expertise and agreed with you. The peers who delivered the peer challenge at Blackpool Council were:

- **Rob Tinlin** (LGA Associate).
- **Cllr Clyde Loakes** (London Borough of Waltham Forest)
- **Cllr Sean Anstee** (Trafford Council)
- **Stephan Van Arendsen** (Executive Director of Corporate Resources – Sefton Council).
- **Wendy Lowder** (Executive Director – Adults and Communities, Barnsley Council)
- **Laurence Ainsworth** (Director of Public Service Reform – Cheshire West and Chester Council)
- **Shadow** – Martha Lauchlan (LGA)
- **LGA peer challenge manager:** Dan Archer (LGA Programme Manager)

The Lead Peer (Rob Tinlin) and Lead Member Peer (Cllr Clyde Loakes) were also members of the previous Corporate Peer Challenge team in Blackpool in 2014. This brought an additional sense of longer term continuity from the previous peer challenge which is reflected in this report.

Scope and focus

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges cover. These are the areas we believe are critical to councils' performance and improvement:

1. Understanding of the local place and priority setting: Does the council understand its local context and place and use that to inform a clear vision and set of priorities?
2. Leadership of Place: Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
3. Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?
4. Financial planning and viability: Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
5. Capacity to deliver: Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

In addition to these questions, you asked the peer team to provide feedback on the Council's approach to performance management.

The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement focussed and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement. 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 current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge every 4 to 5 years. Blackpool Council had a Corporate Peer Challenge in 2014. Where relevant to do so, findings from that previous peer challenge have been referenced in this report.

The peer team prepared for the peer challenge 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 4 days onsite at Blackpool, during which they:

- Spoke to more than 80 people including a range of council staff together with councillors and external partners and stakeholders.
- Gathered information and views from more than 50 meetings, visits to key sites in the area and additional research and reading.
- Collectively spent more than 300 hours to determine their findings – the equivalent of one person spending more than 8 weeks in Blackpool.

This report provides a summary of the peer team's findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit (3rd – 6th March 2020). In presenting feedback to you, they have done so as fellow local government officers and members, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things you are already addressing and progressing.

4. Feedback

4.1 Understanding of the local place and priority setting

The Council understands well the history of Blackpool ‘the place’ as referenced at the start of the Executive Summary of this document, as well as the impact this has on the communities the Council serves.

At the Council’s last Corporate Peer Challenge in 2014, the Council were challenged to develop a strong and distinctive vision for Blackpool. Not only has this been achieved but the delivery of it is now beginning to be seen.

Underpinning the vision of *‘Retaining our position as the UK’s Number One family resort, with a thriving economy that supports a happy and healthy community who are proud of this unique town’* are two headline priorities. One which focusses on the economy, one of which focusses on communities. On the economic priority the Council is making progress by delivering projects to increase year-round footfall in Blackpool. Examples of this include the building of a conference centre, new ‘brand’ hotel accommodation and leisure facilities.

In relation to both the economic and communities priorities, the Council have taken bold, locally relevant steps to address some of the challenges presented by the make-up of large parts of the local housing stock which is so crucial to many of the town’s social problems. These issues have developed over time and relate to the original purposes of these properties and the decline in ‘overnight stays’, which has led to an increased transience of local communities. The Council have created the Blackpool Housing Company and utilised £70m of Council investment to renovate and remodel over 400 properties since 2016. This work is on track to create around 1000 quality homes out of failed stock by 2024 across Blackpool. This has helped stabilise families whilst also seeing the costs of this loan successfully returned to the Council in full.

Blackpool continues to suffer from a churn of 8,000 residents each year moving in to and out of the borough. This equates to around 7% of the local population. This presents significant challenges when attempting to grow community stability and engagement in some parts of Blackpool which impacts on the capacity of the voluntary, community and faith sector locally.

The Council asked the peer team to feedback on their approach to community engagement and capacity building as part of this peer challenge. The Council have had some successes in recent years in engaging the community, one example being the way in which a new model of children’s social care practice named ‘Blackpool Rocks’ has been co-produced with the community, initially as part of the response to the ‘inadequate’ judgement in children’s services, as well as the way in which the Council have engaged different partners including the local voluntary, community and faith sector in the Pride of Place approach.

There are further opportunities to do this though.

One clear example is the way in which the Council, as the place leader for Blackpool, develops a meaningful response to the Climate Emergency declared by Council in June 2019. As part of this declaration, the Council committed to engaging with the community and putting in place a Citizens Assembly which has not yet happened, nor has a date been planned. In order to realistically deliver against the Climate Emergency it is crucial that the Council begins to not only engage with the community, but to design a response with the community. The Council will need to effectively communicate the steps it is taking in responding to this emergency to help build wider community ownership and demonstrate commitment.

However, this is only one example of where community engagement could be used. The question for the Council is to now define the model of community engagement and capacity building which is best for Blackpool, and then identify the steps that need to be taken corporately to build this. There are different models available to do this from which the Council can look to learn. This will have implications for how the Council develops plans and strategies, but also the expectations for partnership working. This will also need to reflect on how the role of members can be made central to this and the resource and governance requirements involved. All councils benefit from a clear relationship between the vision for the place, the corporate plan, medium term financial plan and operating framework. Those councils which are particularly strong in terms of community engagement are also often able to equally connect into this, their approach to working with the community. Having this approach helps to systematically and more easily connect local leaders (both at the Council and in communities) with the local priorities.

Whilst focussing on the headline economy and community priorities which underpin the vision for Blackpool, there is a third, less visible priority based on being a 'resilient organisation'. Such are the financial challenges facing the Council following budget reductions of £153m since 2010, it is the clear view of the peer team that this priority should now be given significant and urgent attention to place it on a par with the other priorities. This should then be supported, monitored and governed through a suitable plan to ensure the capacity of the Council is best geared towards achieving this.

4.2 Leadership of Place

As a relatively compact unitary adjoining a Lancashire County sub region, Blackpool has made a conscious effort to grow partner relations based on its economic growth and regeneration ambitions. This has involved building relations with partners in the visitor economy – such as through the 'Pride of Place' Board. The Pride of Place Board includes prominent national and local business leaders

as well as some representation from other public bodies and third sector organisations. The board is there to influence and communicate Blackpool's place based ambitions at a regional and national level. These ambitions and 'asks' of government are articulated through the 'Blackpool Town Prospectus – 2030 Agenda for Action'. This was published in collaboration with Business in The Community as well as the Lancashire Enterprise Partnership. This is a manifesto for Blackpool which sets out a list of 'requests for action' from Government to accelerate improvement in the town, as well as the key projects that act as the basis for this.

This prospectus is now being refreshed and is due to be relaunched soon. Under this document the Council intends to develop a more detailed document which will state the different roles of the Town Deal, High Streets Fund, the Council and the private sector. Within the context of an increase in private sector confidence this refreshed document provides an opportunity for the Council to reflect on the role it plays in future and how far it needs to go when intervening in the market. It is likely that this is not a case of tapering Council support off, but identifying the periods when to intervene in the market and when to take a different approach. There are examples where this has started to happen, chiefly through the use of affordable financing rather than grant funding.

As part of the refresh of this prospectus the peer team feel it is an important opportunity to consider how this is communicated. This includes how it can be communicated differently for different audiences, to help more people to understand it, have confidence in it, advocate and act. This can include local SMEs but can also include MPs and influential private sector partners.

Whilst strategic economic partnerships have been strong for a number of years in Blackpool, this is not the case in the same depth across other service areas. Relationships elsewhere are developing – including both the Director of Adults relationship with the CCG, and the DCS with partners across the children's agenda.

An overarching strategic partnership, with a singular vision and agreed priorities is no longer in place in Blackpool and whilst capacity is limited across agencies there are substantial benefits and opportunities in developing strategic partnership working. This is an area that should be given further consideration.

This includes the potential for shared delivery plans as well as shared capacity and resources. This will require developing a knowledge and understanding of partnership working more broadly across the senior officer cohort (across all public/community facing organisations across the place). This should be carefully done however to ensure it suits the collective interests in Blackpool and avoids adding weighty governance demands. Rather it should be used to extend the leverage possible and network of capacity available to each individual partner organisation. In doing this, the Council can further build upon some of the good

practice seen locally in strategic partnership working (such as the Pride of Place Board).

Outside of Blackpool and in Lancashire more widely the Leader and CEX are widely recognised by peers and partners for the positive, proactive roles they play across the sub-region. The Leader and CEX have a positive working relationship with partners at the County Council, with the CEXs of both councils sharing representation at relevant meetings. The Leader and CEX are also aware of some of the activity across the wider North West region, where it has potential implications for Lancashire and Blackpool (an example being collaboration across the Lancashire boundary into Cumbria).

4.3 Organisational leadership and governance

In Blackpool, members and officers have a stable and positive working relationship which allows officers to focus on delivering against the Council's priorities whilst also feeling comfortable to raise issues and challenges.

The Corporate Management Team (senior officer team) have a close working relationship. This has been shown through the support for children's services provided corporately since the OFSTED inspection in November 2018, as well as the openness to this support from children's services. Allowing the DCS the space to continue to optimise her capacity – focussing on the improvements required in children's services will continue to be important in working to the pace required.

The Leader of the Council is widely regarded as a strong, capable and credible Leader who has taken steps to encourage the engagement of the wider member cohort from across the different political groups. Ensuring all members receive regular, proactive internal communications will help all members to be the ambassadors and champions for Blackpool that they want to be.

In addition to the above, ensuring that all of those in positions where additional insight, advice and challenge can be gathered are further engaged is important. One example of this is how the Chair of Audit in particular is engaged earlier, in suitable detail, when appropriate. This role is of crucial importance to the Council in bringing the necessary challenge required.

The use of regular and more easily understandable performance and finance information is crucial for supporting more local stakeholders in understanding the performance of services and the progress the Council is making against the Council Plan. This is an area that the Council requested the team look at and more detailed feedback is provided at section 4.6.

The Council have taken steps in the last year to review the role and effectiveness of Scrutiny. Improvements have been made since this review, with evidence of performance information being presented to Scrutiny more regularly and the use of

some financial information. The Council have also put into place a Scrutiny Leaders Board to bring the chairs of Scrutiny closer together, creating a more mature relationship with the Cabinet and has evidence of scrutinising partners activity in Blackpool. There are opportunities to further develop the use of performance information at Scrutiny which is covered under the performance management section of this report. The scrutiny function needs to reflect emerging and real priorities. For example - the Climate Emergency does not currently have an easy fit within the existing scrutiny architecture.

While the Council benefits from executive oversight of the performance of wholly owned companies but improvements need to be made to ensure performance of the services provided by these companies are adequately scrutinised to demonstrate transparency and give further ongoing assurance. This is reflected further, below in the section on performance at 4.6.

4.4 Financial planning and viability

Overall Strategic Context

The Council's net revenue budget requirement for 2020/21 is £141.8m which is an increase from £133.3m in 2019/20.

Since 2009/10, the Council has dealt with budget shortfalls totalling £153m. To manage this reduction in funding, the Council have taken bold and ambitious decisions. Examples of which have included the use of Wholly Owned Companies and have also involved the use of capital financing and borrowing to accelerate the delivery of regeneration initiatives. This has allowed the Council to intervene in local economic growth at a time when the market may not have been ready to.

Over the period since 2009/10 the Council have also experienced a significant increase in demand for children's social care and adults social care which combined, now equate to 76% of the Council's overall net revenue expenditure. This increase in demand and spend has been felt particularly acutely in children's services during 2019/20.

2019/20 forecast budget position and proposed budget for 2020/21

The Council have overspent consistently against the children's services budget over a number of years. In 2019/20 this overspend is forecast to be £10.1m. This is the biggest threat to the financial sustainability of the Council and requires annual support from both general balance and earmarked reserves.

This level of overspend in children's services has led to the Council overall forecasting an overspend against budget of £7.6m in 2019/20 (5.7% of net revenue expenditure). When this budget forecast is realised, the Council will eliminate all of its existing general fund reserves or 'working balances' as they are named locally, as well as some of its existing earmarked reserves.

As part of the budget for 2020/21, the Council have identified a funding shortfall of £19.65m, which includes an increase in budget of £14.9m for children's services. This demonstrates the Council's commitment to supporting children's services and is a topic picked up elsewhere in the 'Capacity to Deliver' section of this report. For 2020/21 the Council set a budget with an identified funding gap of £19.65m. To bridge this gap, additional funding, savings and efficiencies of £17.35m have been identified. The remaining £2.3m will rely on the use of earmarked reserves,

Senior officers of the Council are confident that there is the space within earmarked reserves to manage this and:

- To increase the working balance back up to £3m in April 2020, which is below the CFO recommended level of £6m but is already committed.
- To deal with the additional expected pressures on the budget for 2020/21 – including a £3.6m additional pressure in children's services.
- To give the Council the necessary safety net against known and unexpected risks and issues which may materialise (within reason).

Further-to but separately managed from this, the Council anticipates a high needs funding deficit of £9m by the end of 2020/21. The Council also operates a negative reserve for 'Strategic Leisure Assets' which is held separately and stands at £11m.

Financial Planning and Sustainability

The Council's Medium Term Financial Sustainability Strategy (MTFSS) covers the period 2016 – 2022. This document has not been refreshed since it was approved in 2016 and covers a six year period. The Council stated in their position statement the intention to commence updating the MTFSS following the budget to incorporate the next settlement period. In the absence of an updated document, officers spoke of different perspectives on whether they were planning for positive or more challenging news from the forthcoming Fair Funding Review. To avoid this doubt and make the financial projections as clear and robust as is practicable, the Council is encouraged to develop a new MTFSS at pace and to publish this quickly. Updating this document routinely, on a rolling annual basis in line with practice shown by a number of other councils, to reflect the national and local context will help ensure this key document remains relevant to the pressures the Council faces, and that the assumptions contained within it are robust. This will better support decision making and policy setting.

Whilst the funding for future years remains uncertain, many councils have taken the approach of developing a three year MTFSS in spite of this. Rather than waiting for the document to come to an end or any given point, the document is refreshed each year, for the following three years to aid meaningful financial planning and budget setting which can be otherwise inhibited and compromise organisational sustainability. This document should be shaped by the Council Plan

to ensure the deployment of the Council's resources is informed by the Council's priorities.

The reliance on earmarked reserves to balance the budget in 2020/21, as well as the relatively low number of deliverable, permanent savings put forward for 2020/21 suggests the Council would benefit from refreshing its budget process. This would be to help the Council to develop an increased number of permanent, deliverable savings (or new income) from across service areas. It would also look at the transformation opportunities that exist between service areas and scheduling some of the 'difficult decisions' – thereby aiding effective implementation.

The Council are encouraged to revise the reserves policy in relation to earmarked reserves, general fund reserves and in year contingencies. This should be done in a way which is both clear and transparent and develops a more consistent understanding of the financial position, leading to more dispersed ownership and informed challenge across a broader number of members and officers. Central to this revision of the reserves policy, it should be stated that reserves are there either for a specific purpose or as a last corporate resort to deal with unexpected issues that arrive in year. Routine unplanned budget variations should be met wherever possible from within existing service budgets.

Whilst the Council is planning to review its Minimum Revenue Provision, any benefit from this will be one-off in nature and should be incorporated into the review of reserves and balances and not stand in the way of the recommendations made in this report. In regards to ensuring a resilient, sustainable organisation the recommendations in this report are multifaceted and should therefore sit beneath a third 'resilient organisation' priority for the Council which has parity with the priorities of economy and communities. Underpinning this priority should be a clear delivery plan which is routinely monitored and is based upon a principle of marrying together collective responsibility with specific accountabilities. Ensuring this priority is achieved will help the Council to continue to deliver the non-statutory services which are so essential to Blackpool.

Given the overspend seen in each of the last three years, the reduction in earmarked reserves and the known additional pressures on the budget in 2020/21, it is important that the Council takes the opportunity to also reflect and adapt where necessary in-year financial management at a corporate level. This will include reviewing the monitoring arrangements for performance against budget which is reported to members and officers on a regular basis. Ensuring this is clear to understand will help to more clearly inform decision making. This would also include performance against savings and income targets and the implications for the reserves approach with considered options for remedial action evident. Within this the Council will also wish to include opportunities to embed more accessible corporate reporting of the financial performance of the wholly owned companies. Separately to this, in respect of the capital and commercial exposure, the Council's risk profile should be continually evaluated, monitored and reported.

4.5 Capacity to deliver

Blackpool has a proud, committed and hard working workforce who are ambitious for the Council but also the area. With this, there is a genuinely supportive environment across the officer cohort, with staff aware of the challenges the Council faces beyond their own service areas. Officers are keen to help and 'chip in' knowing the importance of these improvements to Blackpool and to the Council.

Like many councils, Blackpool has seen officer capacity reduce significantly since 2010, with the officer head count approximately a third less than was the case previously.

The Council responded to the challenge from the 2014 Corporate Peer Challenge of setting a clear vision for Blackpool and at this stage, the peer team recommend that given the challenges the Council now faces, the two priorities that underpin this are added to with a third focussing on 'Organisational Resilience' which has financial sustainability at its core but also draws on the wider actions the Council wish to take to transform and modernise the organisation.

Having these priorities clearly communicated corporately will be important in developing holistic solutions which benefit from the collective, team mentality of the officer cadre in Blackpool. Given the reduced capacity across these priorities, having clear delivery plans which detail accountabilities and are regularly monitored in place will also be crucially important given the reduced capacity the Council now has available to it.

It is expected that the organisational resilience priority would have a programme of corporate transformation underpinning it and would have actions included which relate to:

- Financial sustainability – and the recommendations put forward in this report.
- Human Resources and workforce planning – identifying the steps the Council wishes to take to explore further flexibilities in recruitment.
- Communications – given the challenges raised in relation to internal and external communication, reflecting on the recommendations from the 2017 communications peer challenge and taking action to resolve the current issues.
- Digital – mapping out the digital roadmap in line with the corporate priorities and resource pressures and taking these steps.
- Community engagement – the corporate expectations for this and how this approach will now be embedded consistently across service areas building on some of the examples of co-production.

- Partnership working – the steps required to further develop the breadth of partnership working.
- Responding to the climate emergency – how this will be embedded both as a corporately owned and addressed issue, as well as an issue which engages and designs a response alongside the community.

Developing meaningful and genuinely collectively owned plans and actions, will require senior officers from across Council services – with a specific purpose in mind – spending a short period of dedicated time together thinking about the future challenges and focussing on how the Council can collectively tackle them.

Having the specific, monitored plans in place underneath these priorities will help the Council to utilise its existing capacity to increased effect and avoid where possible trying to do all of this at once. This is particularly important in councils with a smaller workforce.

Outside of the Council there is capacity that the Council can continue to tap into. This includes the added value that partners can bring to priorities which are beyond their more traditionally considered fields of expertise. The Council has strong relations with the private sector and has begun to do this there – for example through the Pride of Place Board. Equally, the Council may at some point consider how to use the back office capacity that exists within the number of wholly owned companies and how this capacity and capability can be further shared. The Council is aware and wishing to develop the capacity of the community, voluntary and faith sector which can then be further used. This sector can be more fragile within Blackpool so co-producing with the sector a way forward and taking careful, considered and strategic steps will be important.

Following the OFSTED inspection in November 2018, a significantly increased level of corporate support for children’s services is evident. Whilst this has clearly been the case financially, this has also included senior officer support, capacity, performance information and business intelligence as well as commissioning support. In both adults and children’s services, the quality of commissioning support is highly valued by officers in these services and should be continued. Quality commissioning support in both of these service areas plays a crucial role in service improvement and outcomes, as well as the ongoing financial sustainability of the Council. Examples of this include the role of market shaping in adults’ services and the delivery of the new children’s sufficiency strategy and relevant Medium Term Financial Plan. The latter being just one example where children’s services and adult services have been able to share learning through shared resource. The Council has examples of high performing services (such as in parts of adults’ services). Whilst the Council is rightly focussed on bringing about the improvements required in children’s services, it is also important to not forget highlighting good performance both internally and externally as and when appropriate.

In supporting environments to share learning internally, the Council is aware of the benefits of co-locating all of its children's social workers. This is one example whereby the Council can further support the pace of improvement required in this service area.

4.6 Performance Management

As part of their Corporate Peer Challenge, the Council asked for specific feedback on performance management. This was an area of improvement raised at the last Corporate Peer Challenge in 2014.

It is clear from this peer challenge that the Council have made improvements in its approach to performance management. A performance management framework is in place which has a clear and robust logic to it. Performance management is aligned to the Council Plan and the Council has a series of performance dashboards in place for different audiences and different purposes.

Executive members and senior officers have access to and consider performance on a regular basis, with all heads of service the team spoke to able to confirm they have a performance dashboard which they speak with their respective Portfolio Holder about.

In children's services – the Council's priority area for both improvement and financial sustainability purposes - the Council has made a significant improvement in the quality of information available to the DCS and her management team. This has now given the DCS a more robust foundation from which to plan for placement sufficiency and financial monitoring.

There is also evidence that the wholly owned companies are being performance managed with some opportunity to look at how the performance of the services they provide could also be further scrutinised by members.

The Council has a dashboard of indicators aligned to the priorities in the Council Plan which provides an oversight of performance against this key document. To build on the improvement made it would be beneficial to look again at the indicators against the priorities to check:

- Do these measures reflect what was intended when the priorities were set?
- Are there measures missing from this?
- Is there a suitable level of stretch in place against each indicator to match the relative level of ambition against each priority? There may be opportunity to consider these levels of stretch and challenge through further, targeted comparisons to the most similar/relevant councils elsewhere.
- Is the report clear? Will it inform audiences quickly and robustly if a priority is 'off track' or deteriorating so that specific, effective action can be taken?

- Does it give enough background about the health of the organisation and the contributing context to performance, in the same place when considering this?
- Are there opportunities built in to discuss remedial action in a meaningful and engaging way when this performance information is discussed?
- Does it suitably relate to the use of Council resources, the impact of these and outcomes locally?

To continue to build on the progress the Council has made since the peer challenge in 2014, the Council should now focus its efforts in this field on more consistently moving from performance monitoring to effective performance management. Whilst there are a number of examples of this, there is some inconsistency in the way in which performance management information is used to inform decision making, accountability and resource allocation.

Being able to embed this further will mean reflecting on the way in which performance information is used and in particular the nature of the discussions this leads to. Where performance is off target – this is the opportunity (as appropriate depending on roles) to discuss the steps taken, remedial options and future prospects. This will require purposefully facilitated time to have these discussions routinely.

Further integrating service performance, risk, financial and ‘organisational health’ (e.g. sickness absence) information will help those involved to have more informed discussions about the context around performance levels and the remedial options for bringing performance back on track. There are opportunities in this for example to also understand financial performance more clearly, from a preventative standpoint.

Members of Scrutiny play an important role in performance management. Scrutiny now receive regular performance reports which is a positive step the Council has taken since a review of Scrutiny in 2018. Ensuring this improvement continues, and that Scrutiny continue to be supported to understand performance strengths and challenges in different areas will be important. Part of this involves the refreshing of the measures in the Council Plan performance scorecard and ensuring these give the fullest, truest and most timely account of performance against this Council Plan. This will help chairs of scrutiny when setting the forward plan for scrutiny towards the areas of most benefit to Blackpool. A number of councils have also taken the step of engaging a Scrutiny committee on the format and presentation of performance reports – to ensure this information is provided in the clearest, most accessible manner for this audience which may also help Scrutiny to continue to perform their role.

The team met with a number of heads of service who reflected that performance information is used in their service areas to manage teams and staff individually. There are examples of councils taking this further and using digital approaches to putting individual and team performance directly in front of staff members on a highlight basis when logging in to their mobile devices/laptops. This can include the

functionality where appropriate for the staff member to take direct action in response to this, supporting operational grip. Examples of this exist in social work, but also in other services areas which the Council may also wish to consider when developing the use of performance information further.

Beyond this and as the Council reflects on the way in which it engages the local community, a number of councils have extended the accessibility of their performance information so that dashboards are available digitally to the wider public to clearly display progress against the Council's Plan. There are models elsewhere in the sector that the Council would be able to reflect on when considering this also.

5. Next steps

Immediate next steps

We appreciate the senior managerial and political leadership will want to reflect on the findings within this report in order to determine how the organisation wishes to take things forward. To support you in your improvement journey the Peer Team have identified a number of key recommendations, some of which you may already have in hand. We welcome your response to these recommendations within the next three months through the development of an action plan.

Your Principal Adviser Claire Hogan (Claire.hogan@local.gov.uk) will arrange a call to discuss support for the Council going forward and can provide advice and guidance on any areas for development and improvement. In the meantime, we are keen to continue the relationship we have formed with the Council throughout the peer challenge. We will endeavour to provide signposting to examples of practice and further information and guidance about the issues we have raised in this report to help inform ongoing consideration.

Follow up visit

The LGA Corporate Peer Challenge process includes a follow up visit. The purpose of the visit is to help the Council assess the impact of the peer challenge and demonstrate the progress it has made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not necessarily involve all members of the original peer team. The timing of the visit is determined by the Council. The Council have requested that this takes place within 18 months.

Next Corporate Peer Challenge

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge or Finance Peer Review every 4 to 5 years. It is therefore anticipated that the Council will commission their next Peer Challenge before 2025.