

LGA Corporate Peer Challenge

Rossendale Borough Council

16 – 18 November 2021

Feedback report



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1. Executive summary

Rossendale is an area with a proud industrial heritage, beautiful countryside and unique towns and villages. Amongst all North West district councils, Rossendale is better than average for the proportion of the working age population qualified to level 2 or higher, new business registrations and for health outcomes across a range of indicators including dementia, cancer and alcohol related hospital admissions¹. Those who spoke to the peer team are proud of the local area and its strong community ethos.

Similar to other areas across the county, the area has challenges including pockets of deprivation; 13.95% of Rossendale's Lower Super Output Areas are amongst the 10% most deprived in England. The Borough of Rossendale has obesity, suicide and teenage pregnancy rates which are worse than the average of North West district councils and for English councils².

The Council clearly cares for its local communities and has a vision, outlined in its Corporate Plan (2021 – 2025) to “*have a thriving economy, built around our changing town centres, creating a quality environment for all and improving the life chances of all those living and working in our borough*”. The Council has identified four strategic priority areas: a thriving local economy, high quality environment, healthy and proud communities and to be an effective and efficient council.

The Council has responded well to the COVID-19 pandemic whilst maintaining day to day service delivery. The peer team found a council which is pro-active and ambitious to do more in spite of the financial challenges ahead.

The Leader is valued and well respected amongst members, staff and partners and the Cabinet is seen as cohesive. Member and officer relationships are generally positive. The Council's Chief Executive is well regarded and is bringing new ideas to the Council. Together with the Corporate Management Team, they are beginning to shape a new approach to the management of the Council including employee engagement, project governance and organisational culture.

The workforce are committed, responsive and adaptable and are keen to share their

¹ LG Inform

² LG Inform

ideas to support on-going improvement. Staff generally enjoy working at Rossendale Borough Council with a staff survey undertaken in 2020 finding that 85% of respondents enjoy working at the Council.

The Council has a good level of self-awareness of its challenges, opportunities and areas where improvements are needed. This is reflected within its own self-assessment and in conversations the peer team had with a range of members and officers. These challenges include a future annual funding gap of c£445k up until 2024/25. They also include managing the legacy arising from the East Lancashire Empty Homes project which was originally set up to bring around 400 empty homes back into use (see below). The Council became the accountable body in 2015. To date the Council has incurred costs of £7.1m and the project will continue to have a negative financial impact approaching £1m per annum until December 2024/25. The Council also needs to close the accounts from 2017/18 onwards.

There is also a need to improve recycling rates for the Borough. The Council has the third lowest recycling rates amongst statistical nearest neighbours and the fifth lowest rate amongst all district councils in the North West (2020/21)³. The Council have identified this as a priority service action for this year and set themselves a target to recycle up to 50% of household waste by 2025 (rate for 2020/21 is 34%).

Moving forward, the Council needs to consider how it can build more corporate capacity to fulfil its ambitions. The delivery of the ten-year savings programme has led to some officers and services taking responsibility for additional functions and, in some cases, feeling too stretched. For a relatively small Council, there is a lot to do and partnership working will be key to this. The Council should continue to harness the energy, positive relationships and new ways of working developed during the pandemic to further strengthen partnership working around key strategic priorities and programmes including climate change, tourism, health, housing and digitalisation.

Further work with partners on the Corporate Plan, to develop a clearer shared narrative about Rossendale as a place, its future and the Council's role within this, will help strengthen partnership working on these key strategic priorities and programmes. Looking ahead, the Council should seek, where possible, to engage

³ LG Inform

stakeholders at the earlier 'design' stage of future key plans and strategies to strengthen shared ownership and increase buy in to the delivery of priorities.

There is a strong commitment from the political leadership, Chief Executive and Corporate Management Team to grow future income opportunities. Over the past few years, a number of initiatives have been implemented which provide the foundations upon which to build. These include a 10-year partnership with Capita, agreed in 2019, to provide the revenues, benefits and One Stop Shop Service (on track to deliver £2m savings over the lifetime of the contract). To build on the work to date, it will be important for the Council to be clearer about what developing a commercial approach means in practice to them and what they are trying to achieve in the short, medium and longer term.

The peer team heard how the Council is in year one of a strategic property asset review. The Council should accelerate this review to increase the understanding of assets and how they can best be used to maximise income and savings. The Council should also consider further opportunities to benchmark its fees and charges against those of statistical neighbours.

Scrutiny can play an important role in driving improvement. There are some examples of good scrutiny work including two 'scrutiny in a day' reviews in 2019/20. There is an opportunity to review the scrutiny function to strengthen its role in holding the Executive to account and informing both policy development and providing service performance challenge. There are also opportunities to review the Council's approach to councillor queries to ensure greater consistency in response across services.

The Council has recognised the climate emergency and developed an overarching strategy and action plan to act. Proposed actions over the next 10 years are focussed on efficient energy consumption, sustainable transport, including work with local public transport providers and Lancashire County Council, waste collection and the wider environment. The peer team found that priority actions agreed for 2021 have been implemented including an assessment of the Council's carbon footprint and establishment of a £1m carbon reduction fund (over four years). This fund will be used to support carbon reduction projects both within the Council and with community groups and businesses. Building on this work, the Council should now

use the outcome of the carbon audit to agree clearly defined targets for carbon reduction and use these to prioritise allocation of the fund. The Council should continue to strengthen climate change leadership at all levels through staff and member engagement. Principles of co-design should underpin future work with both staff and local communities on this agenda.

To support the delivery of the Council's ambitions, consideration should be given to the development of a strategic communications plan. This should help to create the story, narrative and voice for the Council and the Borough.

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:

- 1.1. **Develop a clearer, shared narrative about Rossendale as a place, its future and the Council's role within this.** This can help build shared ownership and understanding of the vision and priorities for Rossendale.
- 1.2. **Prioritise partnership engagement and activity to focus on the things that can have the greatest impact.** There are opportunities to work with partners to build further ownership, understanding and buy in to the Corporate Plan, vision and priorities for Rossendale. In doing this, it is important to be clearer about what the Council wants from key partnerships and vice versa.
- 1.3. **Work with partners to bring a renewed focus and thinking on tourism within Rossendale.** There is strong energy and willingness from partners to develop and promote the tourism offer in the borough.
- 1.4. **Consider how to build more corporate capacity to fulfil ambitions.** In particular, building capacity around key corporate priorities, programmes and services including the visitor economy, climate change, health, housing and digitalisation. Partnership working will be key to this.
- 1.5. **Consider how best the Council can set out and deliver its strategic**

housing ambitions for Rossendale in support of the new Local Plan⁴.

This should set out where the Council will focus its energy and resources to deliver its housing ambitions and how it will work with partners and stakeholders to do so.

- 1.6. **The Council should continue to prioritise work with the auditors to ensure closure of accounts from 2017/18 onwards.**
- 1.7. **Review the Council’s approach to councillor queries** to ensure greater consistency in response across services.
- 1.8. **Review the scrutiny function to ensure it has maximum impact. This includes how it holds the Executive to account and its role in informing both policy development and providing service performance challenge.** This review should help to bring a renewed focus on the leadership of scrutiny across the Council.
- 1.9. **Develop a strategic communications plan including how the Council can make best use of social media channels to engage audiences and promote the work of the Council.** This should be aligned to work with partners to develop and agree a clearer, shared narrative about Rossendale as a place and future ambitions.
- 1.10. **Strengthen climate change leadership at all levels of the organisation.** More work should be undertaken with staff on the overarching climate change strategy. This should aim to build confidence in integrating climate action into their roles and service areas including how they work with residents. The communications plan (outlined above) will need to reflect this.
- 1.11. **Ensure climate action initiatives are co-designed and co-created working alongside local communities.** This should include the development of local climate change community networks.
- 1.12. **Agree what developing a commercial approach means for the Council in**

⁴ [Adopted on 15 December 2021](#)

the short, medium and longer term. The Council should consider setting out the parameters and principles for commercialisation, being mindful of HM Treasury's view through the Public Works Loans Board review earlier this year and the revised CIPFA Prudential Code. Authorities should report on and clearly distinguish investments for treasury management, service, and commercial purposes.

- 1.13. **The Council should accelerate the property asset review.** This will help increase the understanding of assets and how these can best be used to maximise income and savings.

The peer team also identified a number of 'quick wins' to consider as follows:

- I. To expand the capital strategy for the new financial year (for approval at Council) to include non-treasury investment monitoring for both service and commercial purposes, ensuring associated risk is proportionate within the financial capacity of the Council.
- II. To consolidate quarterly financial monitoring update reports to Cabinet with quarterly performance monitoring updates.
- III. Include a climate change 'check' on Council report templates.
- IV. Set up a 'commercial/income generation' inbox to encourage all employees to contribute ideas as to how income can be generated.

2. Summary of the peer challenge approach

2.1. 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:

- Jason Gooding, Chief Executive, Carlisle City Council
- Councillor Sir Stephen Houghton, Leader of Barnsley Council
- Councillor David Renard, Leader of Swindon Council
- Louise Branford White, former Director of Finance and Commercial (s151), Hambleton District Council and now Associate Director, Link Group

- Amanda Smith, Training Manager, Centre for Alternative Technology
- Cindy Lowthian – Peer Challenge Manager, Local Government Association

2.2. 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, you asked the peer team to provide feedback on:

- **Tackling climate change** – providing a critique of current plans and how the Council can more strongly influence local businesses and residents to play a bigger role in delivering practical action to tackle climate change.
- **Becoming a more commercial council** - including identifying more external income opportunities and how the Council can embed commercial skills and ethos across its workforce.

2.3. 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 three days onsite at Rossendale Borough Council, during which they:

- Gathered information and views from more than 41 meetings, in addition to further research and reading.
- Spoke to more than 106 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.

3. Feedback

3.1. Local priorities and outcomes

Rossendale Borough Council is rightly proud of its achievements including the £15m New Hall Hey development, £5m Spinning Point development, Futures Business Park in Bacup, Rossendale Works which has placed over 130 into employment and a £1.1m Heritage Action Zone in Bacup.

Both members and officers clearly care for Rossendale's communities and the Council has a strong ambition to improve outcomes for local people. This is reflected in the Corporate Plan 'Our Place, Our Plan' (2021 – 2025) which sets out an overarching vision, along with four strategic priorities, focused on ensuring a quality environment and improved life chances for all those living and working in the Borough.

The process to develop the new Corporate Plan was inclusive, particularly considering the challenges associated with facilitating engagement and consultation

during a pandemic. This process involved the development of a draft Corporate Plan, with input from Cabinet and consultation with opposition group members, public and wider stakeholders including Rossendale Leisure Trust, East Lancashire Clinical Commissioning Group, Lancashire County Council, Rawtenstall Chamber of Commerce and voluntary sector partners. It was then discussed by the Council's Overview and Scrutiny Committee before approval by Council in September 2021. Whilst generally a positive process, the peer team heard from some stakeholders that they would welcome more active involvement at the earlier 'design' or 'visioning' stage of future plans and strategies.

The peer team were pleased to learn that Rossendale Borough Council commits to undertaking an equality impact assessment for all new strategies to understand their impact on protected equality groups. The equality impact assessment for the new Corporate Plan was published alongside the Plan for consideration by members.

The Council's performance framework has also been revised to reflect the Corporate Plan and corporate projects for 2021/22. There are 42 performance indicators, relevant to the local context and these are used to provide quarterly updates to members via the Overview and Scrutiny Committee. The annual service planning process has also been refined, shaped by the Corporate Plan, including the approach to target setting, ensuring targets are more challenging in the required service areas including recycling of the borough's domestic waste (e.g. target was increased from 45% to 50% by 2025).

The peer team heard how the Corporate Plan has been aligned to the Council's Medium Term Financial Strategy (2020/21 – 2024/25). A report to Cabinet in November 2021 gave an update on the MTFS and highlights the importance of ensuring budget resource allocations continue to drive delivery of the new priorities.

The peer team found a mixed level of awareness of the new Corporate Plan amongst those they met with and the Council's self-assessment acknowledges that there is more work to do in this regard. There are opportunities to work with partners to build further ownership and understanding of the vision and priorities for Rossendale. This should involve developing a clearer, shared narrative about Rossendale as a place – which involves partners being given the opportunity to contribute to the narrative about their area and its future ambitions.

It is also the view of the peer team that the Council has an ambitious agenda with much it would still like to achieve. Significant ongoing programmes of work include the Climate Change Strategy/Action Plan, Digital Strategy, Visitor Strategy and Economic Development strategy; the latter includes projects and programmes within each of Rossendale's town centres. The Council is also looking to extend its leadership role in relation to health and wellbeing alongside the development of a Rossendale Health and Wellbeing Plan.

It is important therefore, given the level of ambition and activity that the Council ensures its ambitions are matched to its capacity to deliver. Further work with partners to build the shared narrative for Rossendale should help build a shared approach of the Council's vision and priorities and help build partnership capacity around the delivery of the Corporate Plan. This should help inform prioritisation of key projects and programmes, supported by partners.

The Council compares strongly and/or around the average of CIPFA nearest neighbours in relation to the time taken to process housing benefit change events, number of households in temporary accommodation, processing of both major and minor planning applications within target timescales and new business rate registrations.

The Council's most recent performance update to members shows how 71% of performance indicators (PIs) are performing on or above target and those performing below target (9.5% or 4 PIs) have action plans with measures in place to improve.

The peer team found the Council is aware of the areas in which it needs to improve and has plans in place. This includes recycling where the Council has the third lowest recycling rate amongst statistical nearest neighbours and the fifth lowest rate amongst all district councils in the North West (2020/21). The peer team heard about the challenges facing the Council in relation to collections including the topography of the borough. The Council has developed an action plan to address these challenges including the piloting of a new approach in parts of the borough. Although this pilot was initially delayed due to the national shortage of HGV drivers, work is due to commence over the coming months. The Council is also working hard to process a backlog of applications relating to the Disabled Facilities Grant which built up last year due to resource issues within the team.

3.2. Organisational and place leadership

The Council is taking a lead in shaping the future of Rossendale as a place, spearheading the regeneration of its three town centres and delivering major projects including the £15m New Hall Hey development in Rawtenstall, £5m Spinning Point development in Rawtenstall and a £1.1m Heritage Action Zone in Bacup. The Council recognises the huge potential in the place which occupies a strategic location both into Lancashire, Greater Manchester and West Yorkshire. The area has a beautiful rural environment, strong industrial heritage and good motorway links.

Rossendale's Economic Development Strategy (2018-2033) outlines the economic ambitions for the borough. Priorities are underpinned by an understanding of the social, economic and geographical characteristics of Rossendale. These include better than average for the proportion of the working age population qualified to level 2 or higher (in the North West), 2,700 active businesses⁵ in 2021 (an increase of 220 from 2020) and a pre-Covid unemployment rate of 3.3% which is lower than the national average at 3.9%. The Strategy also recognises the socio-economic differences across some areas of the borough and has actions identified to address these including ongoing work to transform town centres, support business and attract new investment.

The Council are using their place leadership role to lead a bid to restore the rail link to Manchester via Bury. In November 2021, the Council was invited to produce a strategic outline business case, with funding from the Department for Transport and Lancashire County Council. The aim (subject to the bid being successful) is to create an integrated heritage and passenger railway, enabling local commuters quicker access to Manchester and boosting the local economy.

Increasing the number of quality new homes and associated infrastructure to support healthy communities is a strategic aim within the Corporate Plan. The Council has identified the development of a Housing Strategy as a corporate project for 2021/22. The peer team heard how work on the Housing Strategy has been delayed due to capacity issues. The Council needs to consider how best it can set out and deliver its strategic housing ambitions for Rossendale in support of the Local Plan for Rossendale. This should set out where the Council will focus its energy and

⁵ Rossendale District Profile, Lancashire County Council

resources to deliver on its housing ambitions including how it will work with partners and stakeholders.

The Council's Visitor Economy Strategy, covering the next 10 years, recognises the huge potential in Rossendale. It aims to harness the power of Rossendale's heritage, arts, cultural and leisure assets to support economic growth. There is strong energy and willingness from both business and voluntary sector partners to work with the Council to bring this strategy to life. In particular, how they can work with the Council to bring a renewed focus and thinking on tourism within Rossendale.

The Council are rightly proud of the work they have undertaken, with partners, to manage the impact of the pandemic whilst maintaining day to day front line service delivery. The Council moved at exceptional pace to enable nearly all office-based staff to work from home whilst ensuring a large proportion of services remained available via telephone and online. Most front-line Council services such as waste collection, street cleansing and grounds maintenance, continued to be delivered with minimal disruption. The work of the Council's communities' team was re-directed to mobilising and supporting the Rossendale Connected Hub; a partnership of voluntary and community sector organisations developed to support the most vulnerable. To date, the Hub has been in direct contact with over 3000 local people to offer support. The Council's response also involved the allocation of 1476 grants to local businesses⁶ and they were the first in the county to appoint to a new post of Covid Business Advisor to support local businesses.

Business and community groups view the Council as a well-respected and valued partner. This includes the pivotal role they have played to shape the vision for each of Rossendale's town centres. The Council's partnership work with the Leisure Trust is helping to support its longer-term sustainability. Partnerships with the voluntary sector are also strong including the Rossendale Connected Hub, Rossendale Civic Pride and Bacup Pride who have a collective body of over 100 volunteers working to improve public spaces across the borough. The Council also facilitates Community Partnerships within each of Rossendale's towns to help further promote engagement and partnership working at the community level.

The peer team heard from members and officers at Rossendale Borough Council

⁶ Small Business Grants Fund and Retail, Hospitality and Leisure Continuity Fund (BEIS)

who welcome a renewed drive, from the County Council, for closer partnership working at county level. This includes on-going discussions about a potential county deal for Lancashire.

The Council should continue to harness the energy, positive relationships and new ways of working developed during the pandemic to support delivery of the Corporate Plan. As outlined above, this should help strengthen the capacity of the Council in relation to key strategic programmes including climate change, tourism, health and housing.

An example of where this approach is already working is in relation to the Council's 'Our Place, Our Wellbeing' plan for the borough. This has involved work with Rossendale Connected and health partners to co-design the plan. It is clear that Rossendale Council has a genuine ambition to shape the delivery of core functions including leisure, parks and green spaces to improve health and wellbeing. This includes addressing levels of adult and childhood obesity where the borough has some of the highest rates amongst North West district councils and statistical nearest neighbours.

3.3. Governance and culture

The Council has a good level of self-awareness of its challenges, opportunities and areas where improvements are needed. This is reflected within its own self-assessment and in conversations the peer team had with a range of members and officers.

These challenges include managing the on-going financial impact and legacy arising from the East Lancashire Empty Homes project. In 2015, the Council assumed responsibility for this scheme as the legally accountable body, designed to bring back into usage over 400 empty homes following the collapse of the renovation company. A report published by the Council's internal audit provider in November 2015 highlighted corporate failure of risk management and governance at the Council relating to commissioning, procurement approaches, corporate oversight and programme design/implementation.

The Council immediately accepted the findings, and an improvement plan was implemented to address the issues raised. However, the project continues to have a

negative financial impact approaching £1m per annum on the Council's budget until 2024/25 and the Council has incurred costs of £7.1m to date.

A more recent update report to the Council's Audit and Accounts Committee in July 2021 shows how the learning from the project is continuing to shape the approach to project and programme governance across the Council. This includes work to bring greater rigour to the management of corporate projects through the Council's Programme Board including project governance, risk and financial controls. The peer team noted that, as part of the 2020/21 internal audit programme, the Council has committed to rechecking the actions from the 2015 internal audit to provide on-going reassurance on controls and processes.

The Council has a backlog of closure of accounts from 2017/2018 and recognises the importance of working closely with auditors to get these closed as soon as possible. The latest opinion on Rossendale's accounts is for 2016/17 (reported to the Audit and Accounts Committee in July 2020). This issued an unqualified opinion on the accounts and a qualified 'except for' Value for Money conclusion confirming the Council did have appropriate arrangements in 2016/17, except for the previously identified deficiencies (highlighted above) in relation to the Empty Homes Programme.

It was reported verbally to the Audit and Accounts Committee (November 2020) that two factors were contributing to the delay in signing off of the 2017/18 accounts; the valuation of Property, Plant & Equipment (PPE) and the treatment of the Bus Company (previously owned by the Council and sold in 2018). These issues had also been raised in respect of 2016/17. The Council's self-assessment also says that some of the delays can be attributed to COVID-19 related delays and a change in auditor. The Council should continue to prioritise work with the auditors to ensure closure of accounts from 2017/18 onwards.

Staff, members and partners consistently spoke highly of the Leader of the Council and Cabinet members are well respected. The Chief Executive is also well regarded and is bringing new ideas to the Council. A number of new appointments to the Corporate Management Team (CMT) have been made including Director of Communities, Head of Finance and, more recently, Director of Economic Development. Together with the Chief Executive, the CMT are shaping a new

approach to the management of the Council including employee engagement, project and programme governance and organisational culture. A staff survey undertaken in 2020 shows over 70% of respondents agree CMT are leading the Council well.

Staff generally enjoy working at Rossendale Council and are positive about the future. A Staff Leadership Survey undertaken in 2020 found 85% of respondents enjoy working at the Council.

Member and officer relationships are generally positive with mutual trust and respect between councillors and officers. However, there was frustration amongst some members about inconsistencies to the way member queries are dealt with across some service areas. The Council should review the approach to member queries to ensure greater consistency in response.

There are some examples of good scrutiny work including two 'scrutiny in a day' reviews in 2019/20 focussed on suicide prevention and holiday hunger. Clear terms of reference were agreed, both reviews engaged wider partners including voluntary and community group representatives and both led to a series of recommendations being agreed. Example outcomes following these reviews include training for Members on suicide awareness in February 2020 and delivery of a holiday hunger project, working with 6 primary schools, in the summer of 2019.

Building on this work, as the Council drives forward its ambitions for the next four years, there is an opportunity to review the scrutiny function to ensure it has maximum impact including holding the Executive to account and informing both policy development and providing service performance challenge. This review should help to bring a renewed focus on the importance of scrutiny across the Council including the relationship between scrutiny and the Executive and opportunities for more pre-decision scrutiny.

3.4. Financial planning and management

Similar to other councils, Rossendale has faced significant financial challenges over the past ten years having faced an overall budget reduction of around 40%. The Council has risen to this challenge and managed to deliver significant savings whilst still delivering major economic development projects and maintaining day to day service delivery.

However financial challenges remain. The Council's Medium Term Financial Strategy, which covers the period up to 2024/25⁷, presented to Council in February 2021, indicates a future annual funding gap of c£445k up to 2025 and the use of £606k from the Local Business Rate Retention reserve to ensure a balanced budget for 2021/22. Although the Council's first quarter update report shows how utilisation of Covid grant support will now help reduce this call on the business rates reserve (down to £0.014m for 2021/22) the Council still faces an ongoing annual funding gap.

The peer team considered assumptions in the 2021/22 budget and identified, from the experience of the previous 5-year financial outturn reports, that actual past performance was at the very least on target with the budget. Past performance is no guarantee for the future, but consideration could be given to a revised budget and outturn position for 2021/22 where projection is again that outturn will meet the targeted budget. This could potentially release £0.150m into the revenue budget on an ongoing basis and would assist in the Council's ongoing annual funding gap.

The Council has a five-year capital spending programme up to 2024/25 of c£26.7m. This includes three major on-going projects including phase 2 to the Whitaker Park Museum, Bacup Historic England Project and Futures Park. So far, the Council's investment property is valued at £0.55m with a yield of 4.55%. The peer team heard how a new £1m funding stream has been agreed (over the life of the current capital spending programme) to support carbon reduction projects, from 2021/22.

The peer team found a good level of self-awareness of future financial challenges facing the Council amongst both the senior political leadership and corporate management team. There is recognition of the need to continue to close the gap between income and expenditure and reduce the reliance on reserves (as outlined above) and they also understand the need to prioritise work to close Council accounts from 2017/18 onwards (also outlined above). An increase in corporate resources specifically in the finance team would support these financial objectives.

The peer team found the Council has a willingness to implement new ways of working, including alternative delivery models, to generate income and achieve efficiencies. For example, a 10-year partnership with Capita to provide the revenues,

⁷ [Agendas, reports and minutes | Rossendale Borough Council](#) – Council 24th February 2021 – 2021/22 Council Budget and Medium Term Financial Strategy

benefits and One Stop Shop Service, agreed in 2019, aims to deliver a £2m saving over the life of the contract. As outlined later in this report, the Council is keen to set out a new commercial/income generating approach and increase the awareness of this across both officers and members, with staff focus groups being used to generate new ideas.

The Council's relatively new chief finance officer (who joined the Council in March 2020) is well respected and regarded and, together with the Chief Executive, is helping to ensure resources and risk are factored into policy and strategy development. Looking ahead it is important that the Council continue to apply this rigour and consistency to the allocation of resources to corporate priorities.

The Council should also consider consolidating quarterly financial monitoring update reports to Cabinet with quarterly performance monitoring updates (the latter shared with scrutiny only) to ensure Cabinet members have both the financial information and wider performance information together to inform decision making.

Due to the impact of COVID-19 on the Council owned leisure facilities (closures etc), their future viability has been identified as a corporate risk. The Council have been proactive in their response including facilitating the consolidation of all Council owned leisure assets under the Leisure Trust to maximise efficiency. The Council have also supported the Trust through government COVID-19 revenue funding (£100k), a lease payment holiday until March 2023 and rescheduling of debt repayment over a ten-year period to 2033. The quarter 2 update report says the financial projects are now much improved when compared to February 2021.

3.5. Capacity for improvement

The Council has a workforce of 164 Full Time Equivalents (FTE), equally split (approximately) between office-based services at Futures Park and the Operations Team based mainly at the Henrietta Street depot. The peer team found staff to be committed, loyal, flexible and adaptable. Staff adapted quickly to new ways of working during the pandemic and have helped to ensure services to residents have operated as close to normal as possible, with minimum disruption. The Council's 2020 staff survey found that 85% of respondents enjoy working at the Council. Most staff who met with the peer team are keen to contribute their own ideas to support delivery of priorities and savings.

The peer team found Rossendale's councillors, across all parties, to be committed to Rossendale as a place. They have a clear pride in the borough with a unique local knowledge of their wards and neighbourhoods.

For a small Council these are significant programmes of work to achieve on top of day-to-day service delivery. The Council's self-assessment identifies resilience in some services as an ongoing challenge. The peer team heard from a number of staff who had picked up new functions and responsibilities in addition to their main role. This has led to some feeling over stretched and has the potential to impact both accountability and the pace of delivery.

The Council has begun to examine capacity in some areas and has made some small alterations to staff structures as a result of this. This includes the creation of a new Property Officer role and COVID Business Support role, a reshaped HR Manager role and some changes in parts of the Planning service. As outlined earlier in this report, the Council needs to continue to ensure ambitions are matched to their capacity to deliver, ensuring clarity over specific priorities and recognising that everything can't be done at once. Consideration should also be given to building capacity/resources in corporate services e.g. finance.

A new Organisational Development Strategy (2021/25) has recently been agreed. This builds on initiatives that have been in place over a number of years including a structured member and officer development programme, appraisal process (where over 85% of staff have had an appraisal) and a series of service briefings for members.

The new strategy sets out on-going commitments to how staff will be engaged, empowered, supported and developed including a commitment to agree a new set of values for the Council. It is important that staff at all levels are involved in co-designing the new values to ensure they are jointly owned and form part of the day-to-day ways of working and organisational culture, at all levels.

As part of the new approach to organisational development, the Council have introduced some new approaches to staff engagement. These include quarterly staff engagement events, new middle managers group and a 'Rising Stars' development programme for aspiring senior officers in 2021. An example of staff engagement relates to the review of the flexible working policy; staff told the team that they felt

their views were heard. An outcome of this is the introduction of a new approach which will see a greater proportion of staff working from the Business Centre, whilst affording them some degree of flexibility to work from site or home (Covid-19 guidance permitting).

The results from four staff surveys undertaken between 2020 and 2021 were shared with the peer team. These will be repeated periodically to ensure feedback is acted upon. Whilst these have been undertaken in the context of a challenging year (due to COVID-19), they do highlight potential areas for further improvement; in particular just under 50% of respondents agreed that the way they had been managed had improved in the last twelve months.

Staff turn-over for 2021/22 appears higher than previous years at 16.67% to the end of September 2021/22. The Council have recognised this within their corporate risk register and continue to monitor this. The most recent quarter 2 update states that the main reason for officers leaving the authority is career progression and salaries. Challenges have also related to the national shortage of HGV drivers. The peer team heard how the Council have reviewed and stress tested their business continuity plan in relation to the national HGV driver shortage and fuel shortage.

A partnership arrangement, with a neighbouring authority, for the management of communications came to an end in March 2020. The Council are now working with an external company in support of their communications functions. Given the scale of ambition for Rossendale, there are opportunities to strengthen the approach to communications through the development of a communications plan, including how the Council can make best use of social media channels to engage audiences and promote the work of the Council. This should be aligned to work with partners to develop and agree a clearer, shared narrative about Rossendale as a place and future ambitions.

As outlined above over the past year, the Council has further strengthened its approach to the management of projects and programmes. This includes strengthening the role of the Council's programme board to ensure greater consistency in managing major projects and service performance. The programme board meets quarterly to monitor performance relating to eleven agreed corporate projects. Officer leads are required to follow robust project management

methodology including risk management. The Council's latest quarter 2 performance management report (ending September 2021) shows how accredited project management training has been completed by all project managers responsible for corporate projects. The peer team met with project leads who described the programme board as both challenging and constructive.

Building on this, the team met with both officers and members who are committed to ongoing improvement in relation to the customer experience. This includes the management of customer enquiries, performance, compliments and complaints in a consistent, timely way. The Council monitors a range of performance indicators including the target turnaround times for dealing with customer complaints (current average response time is 16.1 days against a target of 10 days). The peer team heard how an action plan is in place to improve performance against this target and that progress will be closely monitored.

As part of the commitment to on-going improvement in relation to the customer experience, the Council developed a Digital Strategy (July 2021). This strategy recognises that many of the digital improvements to date have been internally focussed (e.g. Microsoft Office 365, introduction of remote working systems). The strategy sets out a longer-term vision that puts Rossendale residents and businesses at the heart of digital transformation including a commitment to tackle digital exclusion. As part of the strategy, a digital roadmap has been agreed which sets out the key projects to support delivery. The Council should continue to ensure capacity and resources are in place to support the implementation of the strategy. The key projects outlined within the strategy can assist the Council in strengthening its corporate capacity to deliver priorities through simpler, faster and more cost-effective services.

3.6 Climate Change

The Council declared a 'Climate Emergency' in September 2019 and agreed a ten-year climate change strategy and action plan, agreed in July 2020. This includes a 'priority action plan' covering the first year of the strategy.

The strategy aims to make the Council's activities net zero by 2030 and for the Council to work in partnership to reduce carbon emissions for the whole of Rossendale. Proposed actions over the next 10 years are focussed on efficient

energy consumption, sustainable transport (e.g., promoting walking and cycling), waste collection and the wider environment as well as working together in partnership.

Priority actions agreed for 2021 have been implemented including the commissioning of an assessment of the Council's carbon footprint. The Council have committed to repeating this audit annually to monitor progress on carbon reduction and to account for solar energy production and offset activity. The Council should ensure the audit is used to agree clearly defined carbon reduction targets. The peer team heard how a further full energy audit is underway for all Council buildings.

The peer team found that there is strong support across the Council, driven by both the senior political leadership and Corporate Management Team, for the climate change agenda. A climate change member champion has been appointed who works alongside the relevant portfolio holder. The member champion is well regarded and is using her passion, interest and knowledge to support climate change action. A working group has been established to help oversee delivery of the strategy, supported by a larger corporate group of officers. A Climate Emergency Network involving local residents, schools and local farmers has been developed. The Council is also engaging with local business leaders. The Council is harnessing strong links with local voluntary groups like Rossendale Civic Pride, Bacup Pride and Whitworth In Bloom who work hard to create beautiful public open spaces. A dedicated Climate Change Programme Officer has been appointed to be responsible for the development and delivery of the Climate Change Action Plan and support the development of climate-positive projects and behaviours

A number of initiatives have been implemented which provide a good foundation upon which to build. These initiatives include the provision of electric vehicle charging points across several different locations in the borough. They also include moving most of the council's Operations vehicles onto hydrotreated vegetable oil to reduce vehicle emissions. Work has commenced on a major tree planting scheme with a commitment to plant a minimum of 16,000 new trees across Rossendale, during the life of the strategy. The peer team would encourage the Council to continue to engage local communities to agree sites in advance of tree planting activity.

In February 2021 the Council allocated £1m, over four years, to a Carbon Reduction Capital Fund. The intention is to use this fund to support carbon reduction projects including work within the Council, work with community groups and work with small businesses. A climate change Fund Panel, involving members and officers, will govern allocation of the funding. The peer team would encourage the Council to use the outcome of their carbon audit to set clearly defined targets for carbon reduction and to use these to inform relevant decisions on the allocation of the Carbon Fund.

The peer team heard how a Climate Change Conference in November 2021 has helped to raise awareness about the fund and local climate change action. The day was split with a breakfast event for businesses in the morning and a session for individuals and community groups in the afternoon.

Building on this, the Council is keen to accelerate the work on climate change. Actions have been progressed, but it is important that the council maintains momentum.

The Council's action plan outlines a range of future initiatives and ongoing commitments including the procurement of green energy contracts, the development of a climate change officer champions network, commitments to work with housing associations, private sector landlords and developers to increase home insulation and other energy efficiency initiatives and the development of sustainable transport solutions. Waste and the wider environment are a particular area of focus including targets to increase the borough's recycling rates and become a single use plastic free Council and community by 2025. It is important that the Council continues to use the action plan to agree clear, smart targets for the prioritisation and delivery of these initiatives. The 2020 – 2030 action plan shared with the peer team has some dates that still need populating.

To further maintain momentum, there are opportunities to harness the strong partnerships developed during the pandemic to support work on climate change. Opportunities to co-design and co-create climate change action and solutions led by local communities should be explored. This should include the development of local climate change community networks.

There are also opportunities to strengthen climate change leadership at all levels of the organisation. The aim should be to ensure climate action is seen as everyone's

responsibility. More work should be undertaken with staff to build confidence in integrating climate action into their roles and service areas. This could include carbon literacy/carbon awareness training for both staff, members and community groups.

Consideration should also be given to using staff engagement groups to embed climate change thinking across middle managers, team leaders and front-line officers. Given their frontline role with residents, businesses and communities, they can help identify emerging opportunities as well as support the implementation of practical change on the ground. The peer team found both staff and front-line members are keen to share their ideas to support climate change action.

A quick win would be to include a climate change 'check' on Council report templates. Alongside the legal, risk, finance and policy/equalities implications, this would encourage officers and members to consider the climate change impact when taking decisions and encourage thinking on climate action at the design stage of projects.

Opportunities to strengthen collaboration and lobbying with other councils across the county should also be explored. This could build on work to develop a wider borough-wide assessment of carbon emissions, in partnership with Lancashire County Council, which is already planned.

The LGA has a [Climate Change Hub](#) which highlights a wide range of support and case studies to support councils address climate change including:

- Greenhouse Gas Accounting Tool – facilitating the benchmarking of emissions with other councils
- Bio-diversity e learning (for officers and members)
- Pass the Planet – the LGA campaign to promote good practice and shared learning moving on from COP 26
- Podcast series on engaging local communities on climate change

3.7 Becoming a more commercial council

There is a strong commitment from the Leadership, Chief Executive and Corporate

Management Team to grow future income opportunities. The Council's self-assessment shows the Council is self-aware of the challenges faced including the identification of viable sites (flooding challenges etc), a relatively high number of properties in council tax band A (50.7%) and, as a small council, the corporate capacity to deliver schemes.

Over the past few years, a number of initiatives have been implemented which provide the foundations upon which to build. These initiatives include income generating assets, a commercial property rent review, wilding (to reduce grounds maintenance costs), success in some external funding opportunities, introduction of pre-application planning advice fees and trade waste services. In 2013 the Council jointly set up Rossendale Together Barnfield (RTB) to deliver a number of regeneration projects. In delivering these initiatives and projects, the Council have recognised the need to ensure robust project governance processes are in place, including a willingness to source external legal and finance expertise when required.

To build on the work to date, it will be important for the Council to be clearer about what developing a commercial approach means to them and what they are trying to achieve in the short, medium and longer term. The Council should consider pulling this detail together in a document and need to be mindful of the recent CIPFA consultation in this area and the revised CIPFA Prudential Code and Treasury Management Code (released on 20 December 2021).

The LGA's [Enterprising Councils](#) guide is a resource that can support councils in doing this. It highlights a number of key strategic and operational questions that should be considered when developing a commercial focus including the extent of political drive to be commercial, key drivers, risk appetite, organisational culture and capability.

Building a commercial ethos across the workforce through staff development and staff engagement will be key. There are already examples of staff groups being engaged in the identification of potential efficiencies and savings. The Council should continue to ensure the development of commercial/income generating skills and thinking is embedded in both officer and member development programmes. Consideration could also be given to establishing a new 'income generation' email inbox to help facilitate the sharing of ideas from all employees and raise awareness.

The peer team heard how the Council is in year one of a strategic property asset review. The aim is to review assets across four Council wards each year. The Council should consider building further capacity to accelerate this review and deliver it at a faster pace and in a shorter time scale. It is the view of the peer team that this work will bring tangible benefits to the Council by increasing understanding of their assets and how these can best be used to maximise income and savings.

The Council should explore opportunities to benchmark its fees and charges against those of statistical neighbours. This will help to determine whether the Council's existing fees and charges are proportionate when benchmarked against others. It also has the potential to highlight areas for the introduction of new fees and charges.

There are also opportunities to consider best practice and learning elsewhere. The LGA's [commercialisation web pages](#) bring together guidance and case studies for councils on income generation, including how to become involved in the work of the Advanced Commercialisation Group – a forum for councils already advanced in their thinking on approaches to commercialisation.

4. 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 meeting. This will be a short, facilitated session which creates space for the Council's senior leadership to update peers on its progress against the action plan and discuss next steps.

In the meantime, Claire Hogan, Principal Adviser for the North West region, is the main contact between your authority and the Local Government Association. Claire is available to discuss any further support the Council requires at claire.hogan@local.gov.uk

