

LGA Corporate Peer Challenge

Chorley Council

7-9th May 2025

Feedback report



Corporate Peer Challenge

Contents

1. Introduction.....	3
2. Executive summary	3
3. Recommendations.....	6
4. Summary of peer challenge approach	7
5. Feedback.....	10
6. Next steps.....	26

1. Introduction

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

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

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

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

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

2. Executive summary

Chorley is a council with committed staff, councillors and partners who want to deliver the very best for the residents that they serve. The council consistently demonstrates a focus on and pride in "getting the basics right". Councillors speak highly of their officer team and officers have high regard for the local knowledge and insight provided by elected members.

The priorities of the council appear clear and are well understood by members and officers and partners trust the council to deliver the best for Chorley's communities. This could be further strengthened by using existing communication channels to demonstrate how the council's priorities are improving outcomes for residents. To supplement this work, the council can look to go further in ensuring that the priorities of the council are more deeply reflective of current local need. This includes

developing a deeper understanding of the impact of cost-of-living pressures and adapting local delivery models to reflect this. The council may also wish to consider adding a fifth priority, which focuses on the best way to use resources to deliver against the four ambitions. There are further opportunities to build upon the strong working relationships to include members and external partners in the delivery and promotion of the corporate priorities.

Chorley Council operates a shared services arrangement with South Ribble Council. Shared finance and assurance services have been in place since 2008/9, with further development of the arrangement since 2019/20 to include the chief executive and senior management team. Whilst the peer team appreciate that there are unlikely to be further developments of this model due to Local Government Reorganisation (LGR) they would encourage the council to reflect on the learning from the arrangement and identify where quick wins would support efficiencies and lead to improvement in service delivery.

The council has strong relationships across the wider Lancashire footprint and is seen as a highly effective local place leader. These strong and trusted relationships put the council in a credible position as a champion for Chorley, which the council can look to capitalise on, when proceeding with partners through the forthcoming stages of LGR.

The council has committed to a goal of becoming carbon neutral by 2030. Alongside this, the council has commitments around reducing waste across the borough, increasing levels of reuse and recycling, retaining natural habitats, improving air quality and promoting sustainable transport and infrastructure. Whilst the peer team could see pockets of work in this area, it was felt that the climate agenda would benefit from some refocusing, to help gain greater traction against these commitments.

Overall, the council has demonstrated a track record for how it manages its finances and day-to-day risk management is well embedded into business as usual. The council has a full set of audited approved accounts up to and including 2023/24. This is a testament to the finance team who are well regarded across the organisation and have a positive relationship with the external auditor. The council holds asset risks within its property portfolio and whilst these are currently performing well, there is

4

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work needed in the longer term to mitigate against any market volatility. There have been other small district councils where these risks have caused significant financial issues and learning from such areas is key to mitigating any risk. As such, the peer team recommend that the council reviews its current asset management and company governance procedures against best practice guidance and standards, to support local assurance and the mitigation of any potential risks.

There is a fantastic culture in Chorley, the staff the peer team met with are proud to work for the council and are supported by a wide range of development programmes. There is a clear direction provided by the people strategy and those staff who want to progress see a route for doing so within the council. This is supported by and testament to the inclusive communication style of the chief executive, who uses a range of methodologies including video messaging to ensure that everyone can access and understand important messages, an approach which appears well received by officers the team spoke with.

Presently, scrutiny is only partly fulfilling its role, councillors see the potential in the work carried out, however a wider understanding of the value and purpose of scrutiny needs to be developed, to support scrutiny to become more impactful. Externally provided training which includes all councillors, relevant officers and specific support to the chair would support the function to ensure it provides accountability to residents and is delivering maximum impact.

Chorley punches above its weight in the way it promotes and delivers community events, the brand of 'The best of Lancashire all in one place' has gained traction and works well for the borough. Whilst this work celebrates Chorley as a destination, there remain opportunities to promote the work of the council more broadly. There is an emerging communications strategy and plan which the peer team encourage the council to adopt, implement and evaluate the impact of to ensure that all of Chorley's successes are recognised. This includes for example, celebrating the excellent performance of front-line staff and services (for instance, 99% of litter bins emptied on time and 96% of street cleansing routes completed on time at Q2 2024/25) to highlight the borough as being a great place to both live and work, sitting this alongside the pull of events which attract visitors and locals.

5

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3. Recommendations

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

- 3.1 Shared services** - evaluate the successes and lessons learnt from the shared services arrangement. Doing so can support organisational learning and help ensure that the opportunities and benefits for both councils are fully maximised.
- 3.2 Financial management** - the council's budget includes variable sources of income (business rates and asset income) some of which are subject to market forces that are outside of the council's control. It is recommended that the council review the best way to mitigate the impact of this through a full assessment of how both the revenue and capital budget are funded.
- 3.3 Company governance** - complete a review of the governance arrangements surrounding the two companies owned by the council to help ensure the operation of the companies fully complies with, and benefits from current best practice from across the sector.
- 3.4 Property and planning** – retain oversight of the improvements being targeted in the property and planning directorate specifically on resourcing, long term strategy planning and financial management, to ensure they realise their intent and thus help mitigate against potential reputational and financial risks.
- 3.5 Strategic communications** - the emerging communications strategy and plan should be adopted, implemented and its impact evaluated so that it is fully embraced across the council.
- 3.6 Corporate priorities** – review the current priorities to see how they can more deeply reflect local need with the potential to include an additional inward focused priority around efficiency and releasing capacity.

- 3.7 Delivery of priorities** – consider how best to include members and external partners to coordinate the delivery and promotion of the corporate priorities.
- 3.8 Climate change** – consider approaches used by regional exemplar authorities to refocus the council's work on climate action. Doing so can help the council to more fully meet its ambitions in this regard, whilst realising both environmental and economic benefits.
- 3.9 Overview and scrutiny** – further develop the role and impact of overview and scrutiny. Provide external training for members and officers on the role of scrutiny to ensure active engagement with the function and forward plan. This will support local assurance by providing sufficient, transparent and public challenge of key decisions and policy changes.

4. Summary of peer challenge approach

4.1 The peer team

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

- Lead Peer: **Rob Barlow**, Joint Chief Executive - South & East Lincolnshire Councils Partnership (Boston Borough Council, East Lindsey District Council and South Holland District Council)
- Lead Member Peer: **Councillor Gavin Callaghan**, Leader of Basildon Council
- Conservative Peer: **Councillor Beccy Hopfensperger**, Group Leader West Suffolk District Council
- Communities/customer focus Peer: **Aysha Rahman**, Assistant Director for Customer and Communities – Melton Borough Council
- Finance Peer: **Claire Morris**, Executive Head of Service (Resources) (Section 151 officer) – Mole Valley District Council

- Governance Peer: **Drew Powell**, Director of Strategy and Governance - South Hams and West Devon Councils
- Peer Challenge Manager – **Cath Buckley**, Senior Regional Advisor

4.2 Scope and focus

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

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

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

In addition to these themes, the council asked the peer team to provide feedback on the shared services arrangement and external communications to Chorley's communities.

4.3 The peer challenge process

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

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

The peer team then spent three days onsite at Chorley Town Hall, during which they:

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

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

5. Feedback

5.1 Local priorities and outcomes

Chorley is situated in the centre of Lancashire and serves a population of 119,352 residents in 50,132 households. Most residents live in the main town or in the Clayton-le-woods area, but there are also several more rural parts of the borough. Population projections suggest that Chorley will grow by 17.7% between 2018 and 2043 which is the highest projection across Lancashire. In the latest figures for the Index of Multiple Deprivation (IMD), Chorley ranked slightly less deprived than the

average local authority in England, however three wards were in the bottom 10% most deprived nationally. The council undertake a residents' survey biennially which supports their understanding of need across their communities. The most recent analysis from January 2024, highlighted that 82% of residents are satisfied with their local area as a place to live.

Chorley has a thriving and bustling town centre, which shows a strong level of footfall and a low business vacancy rate (8.55%). The town centre provides a focal point for residents to come together and is home to two active markets as well as a wide range of community events and activities taking place throughout the year. The town centre has benefited from recent economic regeneration (including a new nighttime entertainment offer) with further development also in the pipeline, following the securement of £20 million from the Levelling Up Fund which is being used to develop a new civic square alongside new residential and commercial units.

It was clear to the peer team that Chorley is a place shaping council that understands what the residents and businesses of Chorley want and need. There is a strong network of intelligence in the borough, much of which is not written down – but is known and understood by councillors, officers and partners. Whilst this network of local insight helps shape and lead local action, there could be benefit from formalising this to ensure information is captured for future reference and wider benefit.

Chorley has outlined its vision as 'Enabling strong communities, a resilient economy, excellent services, a greener future and successful people' with four priorities.

1. Housing where residents can live well
2. A green and sustainable borough
3. An enterprising economy with vibrant local centres in urban and rural areas
4. Healthy, safe and engaged communities.

Within the council there is a widespread understanding of the above priorities. Officers can clearly articulate how they have worked towards delivering on these priorities and can see how their work aligns with the underpinning place shaping narrative that the council has worked hard to establish. External partners also understood the vision for Chorley and spoke highly of the support that they receive

from teams across the council.

Housing is a corporate priority in Chorley and the council have committed to delivering affordable and energy efficient housing, supporting the most vulnerable residents, to work with partners to prevent homelessness and to work to ensure that everyone has access to good quality housing. Work has taken place to deliver these commitments, including the recently developed extra care housing sites. However, during the time on site, the peer team heard mixed messages in terms of the future direction of housing provision and how the council planned to deliver against this priority in the longer term. It was clear that whilst overall partner arrangements are strong, there was more that could be done to develop the relationships with housing developers, registered social landlords and private landlords. This was recognised by the council who understand that they cannot deliver against this commitment in isolation. There are also opportunities to learn from neighbouring boroughs such as West Lancashire who hold a larger proportion of housing stock. Building this insight would put Chorley in a strong position to deliver against its key housing priority whilst also retaining the strong and clear sense of place for the borough.

During conversations with councillors, the peer team heard that the community infrastructure levy (CIL) distribution is heavily weighted to urban areas, but that most new housing in the borough is being built in rural areas and is not always affordable for local people. This causes some frustrations and mixed levels of understanding in relation to distribution of the monies and decisions in relation to what infrastructure supports the local area best. The executive may wish to consider developing messaging to support members understanding of equity of distribution and the delivery of their political priorities.

Chorley have a climate change strategy which is due to be reviewed. Whilst work has taken place across the borough to improve parks and open spaces, with planting (trees and wildflower areas) the team observed how the council was making more limited progress against the key priorities it had set out in this document. It was felt that the climate agenda would benefit from some refocusing, to help gain greater traction against these commitments. The team heard from neighbouring authorities of examples of cost effective climate interventions that also have positive health and economic impacts for the wider community that could bring a refreshed focus in this area for Chorley. The examples provided to the peer team have the potential to

achieve significant benefits both in terms of climate change and biodiversity through business as usual activity including local policies, fleet conversion and effective asset management. A narrative could be created around this work to support the delivery of corporate priorities.

The priorities of the council are clearly well understood. Building from this, further work can be done to ensure that they fully reflect deeper insights around the effects of local need. One example of this, was in relation to cost of living pressures which the team heard as a consistent issue in conversations with staff and external partners. It is felt that this is an area which may benefit from added focus considering the current pressures being felt in communities.

For the council to be assured of delivery against the priorities, annual delivery plans would assist in providing further focus and supporting momentum. As referenced, partners understand the priorities and are likely to be supportive of working with the council to deliver the priorities in a more targeted way. The annual delivery plans could be supplemented by member led delivery boards with representation from external partners to oversee each corporate priority.

There is a standard equality diversity and inclusion (EDI) strategy and action plan in place in Chorley, although this does not at present fully reflect the positive work the council has led and delivered. Officers demonstrate a far deeper understanding of the EDI agenda than is shown in this strategy document and action plan including the connections between EDI, prevention and community cohesion, as well as the need to support groups beyond the nine protected characteristics. Those officers the team spoke with clearly go above and beyond in this area and the peer team felt that this should be better articulated through the existing reporting mechanisms so that the strategic direction fully reflects the breadth of work, knowledge and insight in place locally against this vital agenda.

5.1.1 Performance

[LG Inform](#) is the local area benchmarking tool from the Local Government Association – performance information from this report shows how Chorley performs well across a number of measures when compared to the average for district councils and nearest neighbours. For example, in quarter 2 of 24/25 the time taken to

process housing benefit claims was 5 days against a nearest neighbour average of 7 days and in quarter 3 24/25 100% of major, minor and other planning applications were processed and decided on time.

The council's own local performance reporting arrangements show that for Q3 2024/25, 93% of corporate strategy indicators were at or above target. The residents survey highlighted that 81% of Chorley's residents are satisfied with waste and recycling collection and 75% satisfaction with parks and open spaces.

The peer team found that the council's performance management framework is robust with oversight provided across a range of forums, including but not limited to:

- Performance monitoring reports (quarterly to overview and scrutiny and cabinet member monthly meetings)
- A corporate health dashboard (monthly to the senior officer team)

Cabinet members have a strong grip on the performance of their service areas. Whilst scrutiny have oversight of performance reports, there are opportunities for this data to be better utilised to inform their forward plan to ensure effective and transparent pre-decision scrutiny and task and finish work.

The Key Performance Indicators (KPIs) used by the council appear to be clear on measures of local outcomes and outputs achieved but largely absent on inputs. A further understanding and measurement of the resource investment into services would strengthen the council's performance framework.

Chorley operate a shared data and intelligence platform which supports better use of data between partners, and the new partnership destination management plan for Chorley 'The best of Lancashire in one place' (2025-2030) has a number of key performance indicators which will support the council in understanding where it needs to further develop this brand.

As the council has been in a shared service arrangement since 2019 with South Ribble Council, the team felt that it would be timely to reflect more broadly on this arrangement and conduct a benchmarking exercise against other councils who operate similar arrangements. This would help to reflect on where current strengths exist and highlight any areas of wider learning.

5.2 Organisational and place leadership

Everyone the peer team met demonstrated a real pride in the borough they represent. The leader and chief executive are well regarded in particular for holding and modelling this pride of the place - both within the council, more widely with partners and through their work at a county level. The leader and chief executive chair and lead a number of cross county arrangements and are well respected and regarded in these roles. Feedback given to the team showed how both were seen as collaborative and keen to ensure all voices were heard. Given the current environment of LGR across Lancashire, this inclusive approach is important.

Within the council, councillors and senior officers set a high bar in terms of their standards of conduct and own performance whilst at the same time being viewed by staff as visible and approachable. Performance is managed consistently across the organisation and staff development features highly during 1-1s and regular network forums. The number of staff who have developed within Chorley through internal promotion opportunities are reflective of these embedded values. Senior officers commented that local intelligence from members is useful, and they have a solid understanding of what councillor's priorities for Chorley are and work hard to ensure that they are delivered.

The peer team heard that there are times when the case work management system for councillors does not work efficiently, with confusion over the process for raising queries. Some non-executive members told the team that there were times when queries from executive members are prioritised ahead of their own. A clear process which is communicated to and understood by all would assist in managing such instances.

Communications in Chorley have tended to focus on the wide range of community events taking place, and this is something that is done particularly well and is an approach which other councils could learn from. A recent focus has been on the visitor economy and destination management plan, with branding of 'The best of Lancashire all in one place' which the peer team felt was well crafted and understood. There are opportunities to further develop the approach to strategic communications, to promote the high performing business as usual services that are being delivered to residents, highlighting the work that takes place and positive community impacts of such work.

5.3 Governance and culture

During their time on site the peer team were made to feel welcome and found that those they spoke with were happy and positive about their experiences working at or with the council. Relationships between councillors and officers are strong and there is a sense of mutual respect and an understanding of one another's unique roles. Councillors value the technical expertise that officers bring, and officers see the value that councillors add by strengthening their ways of working based on community insight and understanding of what local people want and need. Bringing these two perspectives together is a huge positive and something which Chorley should take great pride in.

Relationships between elected members are strong, this was noted whilst on site and the team heard that this is carried through in debate with a spirit of collaboration and openness.

Council decision making processes are clear and understood by staff and members and the overall governance framework is effective. Staff were able to articulate processes in place and were comfortable in navigating decision making, however there were times when the shared services arrangement complicated this. An example of this was that there were different processes in place for each council in some areas which at times impacted on staff productivity. The peer team were pleased to hear that a review of the constitution is underway and that this review will support the council to interact more efficiently with the shared services arrangement with South Ribble Council so that officers have one clear set of processes and procedures to follow. In addition to this, it was felt that the review of the constitution could also explore the option of delegating operational decisions below the senior management team. This would allow the senior management team more time and capacity to focus on strategic issues.

Scrutiny

As a statutory function of council's operating a leader and cabinet model of governance, overview and scrutiny provides for members of the council to scrutinise decisions and policies of the executive and is essential to ensuring that the councils operate in a transparent way. It is a positive that scrutiny is chaired by a member of the opposition and that those members who sit on the scrutiny committee see value

in this approach. The peer team recognised that the culture in Chorley is one of collaboration and see many positives from this inclusive way of working. As referenced previously, relationships between councillors are strong and their views are sought in a range of forums. An example being informal cabinet meetings which are used to engage a wider group of councillors who can ask questions and contribute to discussions. Whilst such forums have a natural relationship to scrutiny there is a risk that they diminish the formal and statutory role of scrutiny and it will be important to take steps to ensure that scrutiny is empowered to conduct its role in an open and transparent manner – evidencing impact and public accountability. The peer team felt that commissioning an external provider to train officers and members in relation to the role and purpose of scrutiny would be beneficial and support the council to evidence sufficient, transparent and public challenge of key decisions and policy changes.

Risk and Audit

Risk management appears to be well embedded at the council. There is an effective risk management strategy and system for capturing and monitoring risks at all levels of the organisation. Strategic risks are reported to and monitored by the corporate governance board. There are also annual reports to governance committee.

The council has a shared internal audit service, including chief internal auditor with South Ribble. There are good relationships between the internal audit service and the governance committee; with the chair reporting to feel very well supported by the chief internal auditor. Reporting to the governance committee is open and transparent and all internal audit reports are reported in full to the committee. If there are any limited assurance audit reports, the director for the service area will attend the committee to provide further information about the audit and the actions being taken in response to its findings. Audit actions are robustly tracked and progress against the actions are regularly reported to the corporate governance group and the governance committee.

The council received a positive report from its external auditors, with no significant weaknesses or recommendations identified. All statutory accounts have been produced and audits completed up to and including 2023/24 – the Council has not been subject to the backstop arrangements, a good achievement given the widely

reported issues in the sector. Both the finance team and the external auditor have performed well to achieve that position and report having a good relationship with one another. The external auditors regularly attend the governance committee to keep the committee up to date with their work and answer any questions.

The council has undertaken a member skills audit and developed a training plan for members of its governance committee to ensure that it has the skills and experience required for its role. Various training sessions have been provided to the committee.

Governance of Commercial companies/investments

The council has two subsidiary companies: a leisure company and a property investment company (which holds one large asset). The activities of both are reasonably straight forward and uncomplex however, there is still risk in their operational activities that could impact on the financial sustainability of the companies and the council as sole shareholder. The role of the governance committee in relation to the oversight of council's governance of the two companies has not been established and it is not clear that the council has a shareholder committee which exercises the decision making of the council as shareholder, which would be good practice. It is noted that a number of statutory officers sit on the board of directors of the leisure company and that the director of property and planning is the sole director of the property company. The team heard that a self-assessment of the 'local authority company review guidance' ([a toolkit from Local Partnerships](#)) has been undertaken in relation to its leisure company but not the property company. It is recommended that the council's internal audit team undertake a further review of the council's governance of its two companies using the toolkit guidance from Local Partnerships. As part of the review, internal audit should consider how the council exercises its function as shareholder, how the governance and scrutiny committees can exercise oversight of the companies and whether the council's appointments to the boards of directors of the companies, is in line with the Local Partnerships guidance and guidance set out by SOLACE / CIPFA and LLG [Code-of-Practice-on-Good-Governance-for-Statutory-Officers-June-2024.pdf](#).

5.4 Financial planning and management

Finances have been well managed overall in Chorley. The council has a net budget of £16.989m with the current three-year Medium Term Financial Strategy forecasting a balanced budget in 2025/26, a deficit of £2.175m in 2026/27 and a deficit of £2.813m in 2027/28. The council demonstrates a relatively healthy level of reserves, compared to its most similar councils which provides the council with a level of resilience for delivering against its priorities. The expected balance of reserves at the start of 2025/26 includes £4.06 million in general funds and £4.915 million in earmarked reserves, totalling £8.975 million.

Revenue and capital budget monitoring is formally reported on a quarterly basis to cabinet. Regular budget monitoring is undertaken monthly between the finance team and budget managers, with variances escalated if necessary to the section 151 officer and director level as required. Whilst this approach is well understood within the council, these arrangements would be further bolstered by having a formalised regular monthly monitoring report to the senior management team.

The council is projecting a budget gap over the medium-term financial plan of £2.2m in 2026/27 rising to £2.8m in 2027/28. In recent years, the council has relied on income generation from some of its major projects, property developments and business rate pooling to support its revenue budget. The council has developed a 'fit for the future' transformation strategy to deliver savings to meet the financial challenge of bridging the budget gap for 2026/27 and the medium term. At the time of the peer challenge, the 'fit for the future' programme was being scoped and so the savings expected to be delivered from each individual project within the programme had not been established meaning that it is currently uncertain as to whether programme will deliver the savings required to meet the budget gap. To help develop the programme, the council could develop a range of budget scenarios, utilising information it has access to from its advisors, to inform a range of possible budget gaps. The budget scenarios could then inform a range of savings required to be achieved from the programme to ensure that it is set up at the start to be scaled up or down as more clarity is gained about the budget position for future years. Once developed, the 'fit for the future' programme needs to be fully embedded into the council's budget and performance planning and monitoring processes to ensure that the benefits of the programme are delivered.

Officers and councillors the team spoke with on this issue, did not communicate a significant level of concern about the projected £2.2m budget gap for 2026/27 with staff also reporting that there is not a 'culture of savings' at the council. Officers communicated not feeling under significant pressure from either the senior management team or the executive to drive efficiencies or generate savings, viewing the requirement to balance the budget as a matter for the chief finance officer and finance team to resolve. It is important, that through its transformation programme, ownership and responsibility for generating savings and efficiencies is embedded at all levels of the organisation. A focus on this area would be beneficial to the council and will require strong leadership.

Staff in the finance team spoke highly of the training and development they receive at the council, feeling well equipped to conduct their roles. Budget managers feel very well supported by their finance business partners, telling the team that the information they receive is timely and accurate and enables them to manage their budget and understand their role in this. However, despite this, the finance system is described as out of date, which causes frustrations. In light of this, the peer team were pleased to hear that the council is in the middle of replacing the current system to improve financial processes and procedures and further improve reporting for budget managers. The existing strong and trusted relationships and buy in, technical expertise and enthusiasm of the finance team and budget managers to utilise this new system should benefit the implementation and user acceptance testing in due course.

The council is working on the current planning basis that income from business rate pooling will reduce as part of the business rates reset and the implementation of local government funding reform. The council could consider re-engineering its budget to ensure that its core business as usual activity is aligned to its core funding streams of council tax and government grants and that time limited funding streams such as business rates pooling income is utilised to fund one-off revenue projects.

Over recent years, the council has invested in several regeneration schemes such as Market Walk, Strawberry Fields digital office park, Strawberry Meadows light industrial units and extra care housing sites. These have been developed to help meet the borough's wider employment, economic development and housing needs. The council has acquired one investment property which is held in a subsidiary

company (as detailed in the governance section). A number of the assets have been retained from the development schemes which generate significant net rental income once borrowing costs are taken into account which supports the Council's revenue budget. The council's current capital programme also includes further property investment projects such as Woodlands (a new strategic development site for residential, employment and education usage) which is to be part-funded by prudential borrowing. There are inherent risks around income from property which arise from lease events, the financial strength of tenants and market forces. Finance staff reported issues in obtaining information in relation to property leases, renewals and other lease events to help inform both budget planning and monitoring of property income but also in being able to provide evidence to the council's valuers and auditors in relation to the council's statutory accounts.

Staff across both finance and property noted that historically, record keeping in the property service had not been acceptable, making the asset management of the property portfolio difficult. The peer team found that property and planning services appear under resourced to meet their current challenges and were assured that investments were being made in this area. This included additional capacity in the team and a new property management system to improve the management of the property portfolio for the future. Whilst positive steps are being taken, it will be important for the council to retain oversight of the improvements being targeted to ensure that they realise their intent and thus help mitigate against risks. The council may also consider ringfencing income from recent increases in planning fees to build capacity for specialist resources such as planning enforcement, masterplanning and conservation.

In addition to this, the council would benefit from developing a long-term budget projection for its property portfolio which would map the projected income from each lease and costs of any landlord liabilities at future lease events to gain a greater understanding of its future financial health and the benefits and risks of holding the property portfolio across the executive and senior leadership team. This long-term property budget forecast will be useful to any successor authority created from LGR in Lancashire to also enable it to understand the benefits and risk of holding the property portfolio.

A priority for Chorley should be to develop a property investment strategy, an asset

20

management framework and a costed asset management plan. The property investment strategy should sit alongside existing capital and treasury management strategies and cover key metrics for all income generating property assets such as:

- details of shares held in subsidiary companies for commercial and service investment purposes
- total investment exposure - split between treasury management, property investments and shares in subsidiary companies
- total investments funded by borrowing - split as above
- rate of return on property investments and from subsidiary companies
- loan to value ratio for property investments and investment in subsidiary companies which have been partially or fully funded by borrowing
- details of all property assets held for income generation purposes – including purchase/development cost, current value, rental income and yield and details of unexpired lease terms
- for the purposes of any new investments or developments - the key criteria that the business case should meet to justify the investment by the council.

The council needs to develop its asset management framework and asset management plan to develop a deeper understanding of the cost of ownership of all its property assets, such as major repairs and maintenance liabilities. This knowledge can then be used to inform the council's capital programme and level of earmarked reserves held for the purposes of risk management in relation to property assets. The asset management framework will help inform considerations as to whether retaining the ownership of each individual asset remains in line with the council's corporate priorities.

There is a property investment dashboard which is reported to the Development and Assets Working Group. In addition, net income from property investments is monitored as part of revenue budget monitoring reports. However, it would be good practice to implement reporting of the financial performance of the council's property portfolio to its governance committee alongside its treasury management mid-year and annual reports.

5.5 Capacity for improvement

Chorley Council operates a shared services arrangement with South Ribble Council. Shared finance and assurance services have been in place since 2008/9, with further development of the arrangement since 2019/20 to include the chief executive and senior management team. The services that are currently shared across the councils are:

- finance
- people, policy and partnerships
- governance services (excluding elections and civic services)
- communications and visitor economy
- procurement
- legal
- customer services
- digital services
- property and development
- building control
- pest control
- shared management team for streetscene and waste services

Most services operate on a 50/50 basis with exceptions reflecting the specific needs of either authority. It should be noted that this review report is for Chorley Council with the shared services arrangement with South Ribble referenced where necessary to support the improvement of both councils. The peer team felt that the senior management team should reflect on the learning from this arrangement, to understand what has worked well and where improvements could otherwise be made – particularly around relevant processes and structures. This level of insight could provide rich insight to the councils (and councils more widely), which could be of use in navigating the future stages of Local Government Reorganisation.

Chorley Council is keen to go ‘above and beyond’ and this is exemplified in their innovative social prescribing model. The council highlighted how, by pushing the

boundaries of what district councils would more typically deliver, the council can help to further improve outcomes for their residents, whilst saving money to the public purse overall. The council has been able to capitalise on its strong reputation and existing networks to provide comprehensive locally based support. Partner organisations are well-informed about the Social Prescribing and PIVOT (Partnership, Integration, Vulnerability, Outcomes, Transforming) services and consistently make every contact count by referring individuals to appropriate support. For example, accessing the foodbank can serve as a gateway to broader conversations about reducing long term dependency, with trusted agencies guiding service users through various forms of support available. The effectiveness of these interventions is evaluated using social value tools that measure the return on investment for every pound spent. The model is a real asset to the council, the teams who work in this area have a deep understanding of the approaches needed to realise sustained outcomes for individuals. This holistic approach sets the council up as a leader in the prevention agenda, delivering better outcomes for Chorley's communities and hardest to reach groups but also saving money both within the council and wider public purse.

The chief executive was consistently commended for his communication style during the peer team's time on site. This was across staff teams, who felt the use of video messaging (for example) provided an accessible way to hear key information. Staff welcomed the inclusive manner which messages were explained, for example one officer told the peer team "(the chief executive) is great at explaining things in ways that we all understand." Whilst staff recognise the uncertain future with LGR, they told the peer team that this was not something that concerned them and that they trusted the chief executive to pass on relevant details as and when they arose. Given the uncertainties in Lancashire in relation to potential new geographies, the peer team were heartened to hear that officers in Chorley largely view LGR as an opportunity not a threat.

The officers the peer team spoke with felt valued and appreciated. The team heard officers speak with enthusiasm about a wide range of people development programmes including (but not limited to):

- The manager network – a forum for managers to build relationships and share information

- A passport to people management programme - an online resource to support new managers
- The 'flair programme' - a talent development programme for staff
- An early careers network – for staff starting out their careers in local government
- A recent 'it's all about us' event - to celebrate employee successes.

This range of programmes has clearly bolstered staff wellbeing and the peer team believe that they will also support recruitment and retention in the longer term. Staff told the team “the best thing is the culture – teams work well together and everyone is passionate about their roles”. Due to this sense of satisfaction with their employer, there is openness and willingness to change and improve in Chorley. There are several relatively new senior officers at the council who have experience of working at larger unitary authorities and whose knowledge and technical expertise will be beneficial in relation to changes to come with LGR. Whilst staff have skills and an openness to change, the team also noted that senior leaders are stretched and hold a large concentration of the officer decision making (as alluded to in the governance section). The council may wish to consider how best to utilise the opportunity presented by having a keen and engaged officer cohort to allow senior managers to concentrate on more strategic issues and have more operational work delegated.

Partnership working is a strength in Chorley, partners told the peer team how they value the relationship they hold with the council and trust their judgement and understanding in relation to driving improvements to service delivery. The Chorley and South Ribble partnership was established in 2021 and has served the council well to date, however the peer team found that these arrangements could be enhanced to ensure a more consistent strategic approach. As an example, the strategic partnership includes members who could also be part of the community safety partnership. Additionally, it functions as a health and wellbeing partnership and reports to the Lancashire place partnership on health and wellbeing - however, lacks upward reporting from the integrated neighbourhood teams. A rethink of the current partnership arrangements, utilising for example a mapping exercise would help to identify cross-partnership themes and make meetings more focused, helping to potentially leverage the strong partnership alliances to deliver improved outcomes

24

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Chair: Councillor Louise Gittins

Chief Executive: Joanna Killian

President: Baroness Grey-Thompson

across Chorley. Due to the strong relationships which exist between partners they act as important building blocks from which to conduct a review of the structures – which should offer any review of partnership arrangements the best chance of success.

The council has dedicated real effort into supporting its staff and being a reliable and supportive partner. In turn, staff are enthusiastic and ready to change and adapt and partners are ready and willing to support delivery of the council's priorities and trust their sound judgement. Looking to the future, the council will need to maintain its effort in being supportive but also look towards empowering and enabling those with the appetite to do more, to do so – and thus potentially further enhancing the council's ability to deliver for its residents.

6. Next steps

It is recognised that senior political and managerial leadership will want to consider, discuss and reflect on these findings. The LGA will continue to provide on-going support to the council. Following publication of CPC report you need to produce and publish an Action Plan within 5 months of the time on site. As part of the CPC, the council are also required to have a progress review and publish the findings from this within twelve months of the CPC. The LGA will also publish the progress review report on their website.

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

The progress review for Chorley Council will take place in February 2026 (exact date to be confirmed at time of writing).

In the meantime, Dan Archer (LGA Senior Regional Adviser - Daniel.archer@local.gov.uk) is the regional lead for the North West and is the main contact between your authority and the Local Government Association. As outlined above, Dan is available to discuss any further support the council requires.

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