

Corporate Peer Challenge

Burnley Borough Council

7-9 September 2016

Feedback Report

Executive Summary

Burnley is a borough on the up. Despite some challenging circumstances the council has seen improving the local economy as the single biggest driver to improving the quality of life for local people. The council has put significant energy into supporting the growth of the local economy. The signs, coming out of the national economic recession, are positive.

The council has made a positive difference to the borough. It has enabled or supported the expansion of local businesses and helped to draw new employers to the borough. The council, working with private sector organisations, has clear plans to further expand the local economy and the signs are good. Many of these plans are being delivered and others are being developed which have the right ingredients to be successful.

It's now timely to reflect on how well local people benefit from the growth. How does the council ensure new local jobs largely go to local people?

The performance of many core council services are good. Staff are committed and loyal despite the workforce experiencing challenging reductions in their number. Senior management capacity is lean and there is a need to ensure sufficient capacity to deliver future change, particularly when managing large-scale contracts, engagement with the Combined Authority and in ensuring effective performance of core council services. Some service areas are feeling the strain as budgets reduce and the council needs to be realistic about what services can do. This includes more clearly communicating with communities in relation to expectations about future reduced service levels.

The council has managed severe reductions in government grant funding over recent years. The council's future funding position is challenging. It has clear plans in place, but the financial sustainability of the council particularly from 2019/20 onwards is based on a number of funding assumptions which must be realised if the council's financial future is to be safeguarded. This includes replacing reducing government grant funding through a combination of a reduced revenue budget, increased business rates and boosting other sources of income. The council has signed up to the Government's four-year agreement in order to gain more certainty on Government funding.

The council is seeking to turn around the fortunes of local people and the place. It acknowledges there is a need to 'close the gap' between those who have benefitted from securing a well-paid job and the benefits of social mobility and individuals who have not yet benefitted. The peer team proposes a number of specific areas in which the gap might be narrowed focused around health, employment, social capital, digital and financial inclusion. Making better progress on this will ensure in the longer-term that everyone has the opportunity to benefit from how Burnley will prosper in the future.

Summary of the peer challenge approach

The peer team

On behalf of the team, I would like to say how much we enjoyed spending time in Burnley to work with you on the recent corporate peer challenge. The team very much appreciated the welcome we received and the positive way with which people engaged in the process and the support provided in the lead up to, and during the course of, the challenge.

It is testimony to the council's desire for constructive external insight that Burnley commissioned the peer challenge. Peer challenges are managed and delivered by experienced elected member and officer peers. The peers who delivered the peer challenge were:

- Laura McGillivray, Chief Executive, Norwich City Council (lead peer)
- Councillor David Green, Labour, Bradford Metropolitan District Council
- Hilary Govier, District Manager, JobCentre Plus
- Nadine Muschamp, Chief Officer (Resources), Lancaster City Council
- Neil Shaw, Principal Adviser, Local Government Association

Scope and focus

You asked the peer team to explore the following three issues:

- Economic prosperity
- A more inclusive borough
- Securing the benefits from a Combined Authority and devolution

The peers used their experience and knowledge to reflect on the evidence presented to them by people they met, things they saw and material that they read. There are a series of guiding questions for all corporate peer challenges which we used to explore the first two areas of focus. These are:

- Does the council understand its local context and has it established a clear set of priorities?
- Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
- Does the council have effective political and managerial leadership and is it a constructive partnership?
- Are effective governance and decision-making arrangements in place to respond to key challenges and manage change and transformation?
- Are organisational capacity and resources focused in the right areas in order to deliver the agreed priorities?

The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement-focussed and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement focus. 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 for the peer challenge by reviewing 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 on-site between 7 and 9 September 2016, during which they:

- Spoke to more than 60 people including council staff together with a number of councillors and external partners/agencies and stakeholders (particularly in relation to the local economy).
- Gathered information and views from meetings, a visit to Towneley Hall and Innovation Drive and additional research and reading.
- Collectively spent more than 120 hours to determine their findings – the equivalent of one person spending more than 3 weeks at the authority.

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

Detailed feedback

Understanding of the local place and priority setting

1. Burnley is a diverse place. It has a wide range of local communities, from the urban centre of Burnley, to small villages; residents across the household income spectrum; ethnically diverse communities and pockets of significant deprivation. Collectively, elected members understand these different aspects of Burnley, well. Elected members have provided a clear steer on priorities and these are expressed through the council's Strategic Plan. The council works closely with a wide range of other partner agencies who have developed, and who are committed, to the delivery of the Borough's Community Strategy.
2. Burnley is a borough with significant challenges. For example, although crime has decreased in recent years it is still overall higher than many other communities in Lancashire. Educational attainment is getting better but is still below the national average and many local young people suffer from relatively low aspirations. There are significant health inequalities in the borough, with relatively high levels of obesity, smoking, alcohol and substance abuse. Overall, there are pockets of significant deprivation which experience a combination of the social issues outlined. Burnley has two of the most deprived wards in the country. Therefore, although the borough is making progress, it still faces major gaps.
3. Despite having clarity on its current priorities - with economic development as the largest driver of improving life chances for local people - the council is likely to benefit from developing a more nuanced approach to its strategic thinking. This includes how it balances the focus on economic development with enhancing opportunities for specific sections of the local population. Marrying these two complex agendas is likely to bring benefits to the largest number of local residents in the future.

Leadership of place

4. The peer team considered how well the council is achieving priorities for Burnley within the context of the council's Strategic Plan priorities. On its 'Places' priority it is clear that the council is delivering some strong outcomes. In the last twelve months the council has refocused its waste collection and street cleansing services through re-letting its contract. It has engaged a new provider – Urbaser. The performance of many parts of the function is good, particularly as Burnley has a challenging history of fly tipping. It has amongst the highest number of fly tipping incidents of any local authority in the country (with over 700 incidents reported in 2014/15). The refocusing of the contract has also generated a notable revenue budget saving, making a useful contribution to the council's financial position.
5. Now and in the past, the performance of a number of core environmental services has been good. Burnley has a significant number of parks and green spaces and

resident satisfaction with these is high. The council has made a significant investment recently in the public realm such as the £3m scheme, jointly funded with Lancashire County Council, for major improvements in the town centre shopping area. The council has taken a deliberately interventionist approach to the local housing market. It is keen to see the growth of middle and higher value properties. It has made inroads to reduce the number of vacant properties over the last 3-5 years, partly through the Empty Homes Programme. It has brought forward a number of significant sites for privately owned housing developments.

6. However, in terms of this priority theme the council currently recycles only 31% of its waste which is the lowest of any local authority in the North West. A lower level of green waste may be a factor in Burnley. However, boosting the level of recycling will be one of the challenges in the 'Places' theme.
7. On its 'People' priority there is a positive picture of performance. Although education is not a borough council function, the council has been keen to try and support an improvement in educational attainment by working with local schools and Burnley College. Educational attainment in Burnley is below the national average, although it has seen a slight improvement in its results for 2016 (with 45.6% of young people attaining 5 GCSEs A*-C). Burnley is also the site of a University of Central Lancashire (UCLAN) campus where degree attainment is good. The council is proud of its partnership with Primary Engineer to boost attainment and aspirations. Primary Engineer engages with young people through schools to broaden their horizons and better equip them to enter the job market.
8. The council is seeking to engage with residents in a different way. In 2016 it has commenced a large-scale contract with Liberata to provide a range of services, including; revenues and benefits, customer service, environmental health, licensing and IT. It is seeking to use this as an opportunity to re-design services and engage with residents to a greater extent online for a wider range of its services. The contract has only recently commenced, so it is too early to judge the effectiveness of performance and this is something the council will need to monitor and manage keenly going forward. However, the transition to Liberata appears to have been managed effectively with no noticeable significant disruption for residents and service users. The council's performance on processing benefit claims is good. On average it takes six days to process a new claim/change of circumstances.
9. The council's 'Prosperity' priority encompasses a broad range of issues including developing the local economy, planning and Burnley Market. The council has placed significant emphasis on economic development as a significant driver to improve opportunities for local people. This is explored in detail later in this report. The performance of the council's Planning function plays a significant role in growing the local economy. The performance of the Planning service is currently variable. Its performance on processing major planning applications is very good (with 100% of major applications processed within timescales). However, currently only 54% of minor planning applications are processed within timescales.

Leadership and governance

10. The council is ambitious for Burnley and wants to see it as a place of choice to live and grow a business. This is a council with a 'can do' attitude which punches above its weight as a small borough in attracting inward investment and growth. These are achievements of which the council and its partner agencies should be rightly proud. The Leader has a clear set of political priorities which appear to be shared across all the majority party. The priorities are owned and supported by the council's managerial leadership and staff. There is a broad consensus across the political Groups on the priorities.
11. The Leader sits on the Local Enterprise Partnership and the Shadow Combined Authority and has a high profile demonstrating clear advocacy for Burnley. There is a strong and supportive relationship between the senior management team and the Cabinet and senior managers and political leadership more generally. The Chief Executive is very positively regarded by the council's commercial partners and other partner agencies such as local schools, the College and JobCentre Plus.
12. In any small local authority management capacity will often be a challenge. Senior management capacity has reduced over recent years and is lean. There is a need to ensure sufficient senior management capacity to deliver future change such as effective management of large-scale contracts, engagement with the Combined Authority and ensuring effective performance of core council services. The new Liberata contract in particular has very high expectations of savings, service re-engineering and digital redesign built in. It is vital the council is able to play a full part in achieving those savings. As the regional/Combined Authority agenda and local economic growth agenda gathers pace there may be a need to broaden the involvement of the portfolio holders in representing the council as currently much of this is undertaken by the Leader who could find himself overstretched in the future.
13. One of the leadership challenges moving forward will be to ensure the council's overriding priority on growing the local economy is balanced with ensuring the council enables local people to make the most out of those opportunities and the gap is closed between local people who are thriving through the growth of the economy and those who have not yet reaped the benefits.

Financial planning and viability

14. The council has a revenue budget of £15.2m in 2016/17. The council have managed the past years' reduction in the revenue budget as the Government's revenue support grant has reduced significantly. The council has been notably affected by the reduction in government grant funding. Three years ago it was in receipt of Efficiency Support Grant funding for two years to help it manage the transition to a lower overall level of grant funding. The council has been financially well managed to deliver the reductions in revenue budget in recent years.
15. The council currently has a general reserve of £1.4m. Other funds are held in earmarked reserves, including a transformation reserve of £2.7m. The council recently adopted an approach to create a sustainable future over the next four

financial years. Part of the council's financial planning up to 2019/20 will see significant use of its Growth Reserve. In summary, the council has a clear understanding of the financial challenges facing it and has managed its resource reductions well in the past. The council has a clear medium term financial strategy and plans to meet those financial requirements over the next couple of years.

16. Future reductions in revenue support grant are projected to be significant. The council's medium term financial plan sets out the council's financial strategy up to 2019/20. This projects a total reduction in grant funding over the next three financial years in the region of £2.1m. This is a significant financial challenge for an organisation with the size of its current revenue budget. New Homes Bonus is relatively low. Burnley is in the lowest 5% of council's nationally for receipt of New Homes Bonus. It appears no increases in New Homes Bonus has been factored into future revenue projections which is prudent given the current uncertainty over future government policy in this area. At this time, reserves are adequate to meet known risks and to support transformation and change in the medium term. The councils' external auditors believe that the council has robust arrangements for financial management and the delivery of major projects including the transfer of services to Liberata. Developing the medium term financial strategy around the linkages between capital investment and revenue expenditure may reinforce the recently agreed medium term approach to being financially sustainable. Currently the medium term financial strategy appears very focused on revenue and a more holistic capital/revenue approach may help the council's medium term investment/budget decisions.
17. Significant external funding has been attracted and deployed for major projects in the borough. The street cleansing and Liberata contract and the establishment of a new leisure trust are delivering major savings for the council's own budget. The strategic partnership with Liberata creates the opportunity for a major step change in the operation of council services with regard to channel shift, service redesign and customer insight. All of which should yield further savings. The council is also aware of the impact of digital exclusion and this forms part of the change programme with Liberata.
18. As part of the future financial approach the council may want to think further about a more ambitious commercial approach to further boost income generation. There may be scope for raising additional revenue through property investment, asset rationalisation of council buildings and growing the local homes and business base. Some of this is underway, but there may be options to increase the scale of the work. The council should also examine in detail where it can reduce its spending in relation to other district councils. Compared to other district councils nationally the council proportionately spends more highly than average in the following areas: street cleansing (which is being addressed through the new Urbaser contract), sports/recreation and open spaces. The council saved over £350,000 in establishing Burnley Leisure and is currently financially supporting the services provided by Burnley Leisure. However the council and Burnley Leisure have agreed to the council reducing its net contribution to Burnley Leisure by approximately 20%

over the next 3 years and this must be delivered as part of ensuring the council's financial strategy is sustainable.

Capacity to deliver

19. The council is a much smaller organisation than it was five years ago. It has reduced from around 613 employees down to around 235. Staff morale is positive overall although fragile in places due to some staff uncertainty about future workforce reductions. Staff sickness absence is relatively low (around 6.5 days per employee). The council has also recently launched a new set of organisational values to shape officer behaviours in a positive way.
20. The council is seeking to free up capacity by increasing 'digitisation' of services. Much of this is to be delivered by Liberata through the new contract. The council is making progress on 'digitisation' and has a clear agenda to enable many more residents to access more services online. Work on this is on-going with further proposals to expand the digital approach spearheaded by the work Liberata are undertaking. The council is seeking to lever additional capacity by using local community groups to a greater extent. This position should be monitored to avoid the danger of community burn out of 'Friends' and other voluntary groups.
21. Burnley has a well-established approach to performance management, using performance scorecards. It has a clear process for tracking the performance of services and this is systematically reported to members and officers. The council has limited capacity for contract management. It is aware of this challenge and must ensure, with now three large external contracts that it has sufficient capacity and capability to ensure contractors are delivering the outcomes the council have specified. Some service areas are feeling the strain and the council needs to be realistic about what services can do. This includes more clearly communicating with communities (and elected members) in relation to future reduced service levels.

Economic prosperity

22. The council has a very strong focus on growing the local economy. The council has sought to play a role in advising, supporting and enabling existing businesses to grow and new businesses to set up in the borough. The level of business advice and support is one which other districts/boroughs might envy. The council has a Business Support & Advice team and a Regeneration Team which provide a focal point for the council's economic development activity. The borough has been successful in drawing in £800m of inward investment of business and transport infrastructure. There has been a significant growth through private sector businesses moving to Burnley (and existing businesses expanding). In 2014/15 the council estimate this to be valued at £93m.

23. The council's own position statement prepared ahead of the peer challenge outlined a large number of specific achievements in the relation to economic prosperity. There is no added value in the peer challenge team repeating all of these individual achievements, of which there are many. However, it is useful to highlight that the council have played a significant role in supporting and enabling a number of headline large projects, including;
- A new rail link between Burnley and Manchester which opened in 2015, which has significantly reduced the commuting time to Manchester
 - On The Banks regeneration scheme in the town centre
 - Innovation Drive - a large-scale redevelopment of a previous industrial site
 - Burnley Bridge business park
 - Development of the new Burnley College/UCLAN campus
24. All of the achievements combined have seen a growth particularly in manufacturing and logistics jobs in particular. It has also improved the borough's connectivity within the North West region. The council has clear plans for the further growth of the local economy and has identified the specific barriers to development on individual projects. The growth of the FE/HE sector in the borough through Burnley College and the proposed new UCLAN campus should play a pivotal role in further boosting skills levels in Burnley. The council has clear plans on this project, working alongside partner agencies. As outlined earlier in the report, the council has also taken action to engage young people early to explore routes into employment. This is combined with the work of other agencies like Burnley FC In The Community's business mentors programme, JobCentre Plus and work through other individual voluntary groups. Collectively, there is a wealth of pre-employment support and skills development.
25. The borough also has an interesting Burnley Bondholders Scheme. This is being used as a network for local businesses. They contribute financially or in-kind to promote Burnley and the Scheme acts as a focal point for discussions on growing the local economy. It helps give Burnley profile.
26. The council has placed significant emphasis on the role the local housing market plays in supporting a prosperous local economy. The council has a substantial proportion of Council Tax Band A properties. It is working hard to alter the mix of properties and improve the overall town centre 'offer' for residents to make the borough attractive to existing residents and people who may look to move to there. The council is in active discussion with a series of housing developers on major sites. It is also working hard to bring empty homes back into the market. The key question is whether housing developers can deliver on the council's housing ambition. The developers the peer team engaged with questioned this given the current market, but the council is midway through the procurement of a housing joint venture partner who will work with the council to develop high quality aspirational executive housing as well as bringing forward more challenging housing sites in the Borough. It will be important to continue to monitor the viability

of future schemes. The council has developed an excellent relationship with the Homes and Communities Agency and Calico (the largest registered social landlord in the borough), which has seen significant amounts of grant funding being secured to bring forward a range of affordable housing developments as well as specialist supported housing schemes. The council does also have opportunities to invest in housing stock itself using prudential borrowing, if it believes there is a strong business case. The council has already used prudential borrowing for developing St Peter's Leisure Centre, the Vision Park town centre pedestrianised area scheme and retail development schemes. If it wished, it could use this approach to explore the business case for using this approach to invest in additional housing stock.

27. In the context of all the achievements in growing the local economy (and clear future plans) the one pause for reflection might be understanding who is benefitting from the growth. It will be important to ensure that local people are geared up to embrace the opportunity presented by local jobs growth. They should continue to explore how it can ensure all local people can take advantage of the growth.

A more inclusive borough

28. The council acknowledges there is a need to 'close the gap' between more successful individuals in the borough and those individuals who are currently not (or not able) to embrace the opportunities presented by a growing local economy and a town which is increasing in prosperity. Trends in a number of areas continue to improve across the borough as a whole. For example, educational attainment has improved in recent years (although it is still below the county and national average). Claims for out of work benefits has reduced - with 13.8% of Burnley residents claiming out of work benefits, down from 18.2% in 2011. Although this is still greater than the national average of 9.7%. Crime levels across the borough have also been reducing over the last few years.
29. There are a number of national and local initiatives which aim to address inequalities within the borough. This includes (but is not limited to):
- the Healthy Lifestyles programme
 - promoting the Living Wage with local employers
 - the use of fuel switching schemes
 - the Primary Engineer programme
 - Building Bridges inter-faith network
 - family learning projects
 - support for vulnerable residents in the new Liberata contract
 - the use of disabled facilities grants
 - work between Calico Housing and JobCentre Plus in the Trinity ward

30. The council has worked positively with a wide range of other organisations and agencies to reduce inequality. Good examples of the council using its influencing role include work with:
- Burnley Leisure (reaching out to specific groups through sports development)
 - Burnley FC In The Community (delivering programmes for example, on health improvement, business mentors and cancer screening)
 - Lancashire County Council's Supporting People programme (although this support is now being significantly reduced)
 - Citizens Advice Bureau (providing advice and support, although the council's grant to CAB has been reduced)
31. However, the council can have a stronger or accelerated impact on reducing exclusion if it chooses to make this a greater priority. This can be achieved through a combination of its own in-house service delivery, initiatives delivered in partnership and initiatives that it can influence (delivered through other agencies). In the absence of any local framework to specifically address exclusion, the peer team explored the issue in the context of the following themes where it believes the council and other agencies are likely to have the strongest impact: health, employment, social capital, digital and financial inclusion.
32. In terms of health, the borough's main health inequalities hinge on entrenched social behaviours around drinking, smoking and unhealthy eating. This is coupled with relatively late presentation of serious illness resulting in more complex health issues, poorer outcomes and higher treatment costs. The council, East Lancashire CCG and Burnley Hospital work through existing programmes like Healthy Lifestyles (and other programmes) to boost education, health promotion and screening.
33. The borough is scattered with a wide range of health improvement projects, run by the CCG, Lancashire County Council, community organisations (like Burnley FC In The Community and Calico Housing), partner agencies (like Burnley Leisure) and local voluntary groups. The CCG, Lancashire County Council and external funders commission these programmes separately and as a result there is virtually no co-ordination of these programmes, resulting in duplication and overlap. Better co-ordination and focus of these programmes in a more joined up way is likely to result in a stronger impact. The council can play a strong influencing and co-ordinating role to better focus the overall work across agencies on health improvement. There may also be benefit in examining the models of care for the most vulnerable and lessons can be learned from projects like Open Door in Grimsby (which is a social enterprise approach providing a medical centre, language classes and alternative therapies on one site for vulnerable individuals) and the Quays Clinic in Hull (providing GP services alongside multi-disciplinary complex treatment teams).
34. In terms of employment, 79.3% of the local population at March 2016 were economically active, which is above the North West and national level. Of this 5.5%

(2,500) are unemployed which is 0.2% above North West and 0.4% above national levels. The council have identified Employment Support Allowance (ESA) claimants as an area of concern and this is much higher than regional and national levels. 5,600 people are classified as long-term sick. These two groups may have very similar barriers due to the nature of movement between benefits. The council are doing a lot to raise the aspiration of young people and encourage higher value job creation in the aerospace, manufacturing, professional/financial services and digital (linked to engineering) sectors. Around entry level jobs there has been a growth in the logistics sector but partner agencies the peer team engaged with believe there to be a disconnect between communities and these entry level jobs. There is likely to be value in commissioning research to understand this disconnect and the dynamics of the unemployed and long-term sick and employment in deprived areas and their barriers to entering the job market. What journey do those furthest from the labour market need to make? UCLAN may be engaged to help with this research. Additionally local DWP may be able to shed light on the make-up and concentration and location of ESA claimants.

35. There are many organisations in and around Burnley working with the groups that make up the unemployed and ESA claimants and the council could consider how it brings these agencies together (maybe in conjunction with DWP) to both understand barriers and jointly design solutions. It may be worth considering ward level plans that involve councillors and partner agencies if the analysis of data shows claimants predominantly in certain wards. Lessons might be learned from work like the Hammersmith and Fulham Poverty and Worklessness Commission. There may also be opportunities for the council to use local employer's corporate social responsibility as leverage to engage with employers to provide more opportunities for disadvantaged residents. Some of this exists already, but could be built on in the form of mentoring, innovative hiring practices etc to support those hardest to help.
36. The council has worked with Primary Engineer to work towards a future generation of workers who will be able to obtain a wide range of local jobs. There may be opportunities to focus to a greater extent on getting people in middle years back to work with additional skills training or through using the leverage the council have when giving business rates incentives i.e. to insist on a proportion of apprenticeships and jobs targeted locally.
37. In terms of social capital, it seems likely that the council has an incomplete picture of the range of organisations and initiatives which could help reduce exclusion overall. Although some organisations are very visible and prominent there are a range of community and voluntary groups who could make a significant contribution to this agenda. Gaining a better picture of the totality of this would be a useful first step. Beyond this, the council could use its influencing role to work with organisations like the Citizens Advice Bureau (CAB) to better co-ordinate existing activity. In times of reducing budgets the council is taking tough decisions on grant funding. This has included a reduction in its grant to the CAB and Council for

Voluntary Service. However, organisations like the CAB can play a significant role in tackling exclusion and the council will need to consider the relative value of small-scale grants to organisations like the CAB and others and the value this can deliver which is likely to be disproportionate to the size of the grant funding.

38. In terms of digital, as explored earlier in this report, work is underway with the council's services to expand the use of online services. Libraries are already using data to identify and better support vulnerable people. Other agencies, like Lancashire Police and Lancashire Fire & Rescue Service already hold their own data on vulnerable individuals (including collating information from housing associations and health organisations). Better joined up use of this data can help to target inclusion initiatives to a finer level of detail.
39. In terms of financial inclusion, further headway can be made through debt advice, help with budgeting and low cost small-scale lending. Some of this work is already being undertaken through a range of organisations including credit unions. Burnley may wish to explore the viability of more innovative approaches to reduce financial exclusion. This might include establishing a local retailer's small-scale saving scheme similar to that operated by larger retailers like Asda, Tesco and the Co-Op. A Burnley Saving Scheme backed by local retailers might be the kind of high profile initiative the council and its partner agencies might explore the feasibility of. There is also potential in expanding the advice existing voluntary organisations provide. The council might want to explore opportunities to partner with a local financial institutions like the Marsden Building Society (or similar institution) to train volunteers in providing financial advice.
40. How public agencies engage with local people to understand their needs plays an important role in reducing exclusion. The peer team were not able in the time available to explore the issue of community engagement in depth. However, there is likely to be value in the council reflecting on how it listens to and communicates with the residents of the town above and beyond using the Citizens Panel. How effective are these mechanisms and how does the council assure itself it understands the specific needs of some vulnerable individuals?

Securing the benefits from a Combined Authority and devolution

41. Fourteen authorities in Lancashire are undergoing a process to develop a Combined Authority. This is a work in progress. The authorities commissioned a governance review in 2015. In July 2016 the authorities appointed a Combined Authority Chair and this has signalled a greater step forward. There is a generally a good spirit of co-operation across the Lancashire authorities and a desire to see the Combined Authority work. Burnley appears to be a keen participant of the developing Combined Authority arrangements. The East Lancashire district councils also have a history of seeking to work more collectively as they feel they have a number of issues in common. They have recently agreed a joint Growth and Prosperity Plan around increasing prosperity, housing growth and further contributing to the economic prosperity of Lancashire. However, the East

Lancashire districts have, to this point, not collectively been able to agree to collaborate more consistently on sharing service delivery. Although there are isolated examples of joint working or shared services across some of these authorities this is small scale.

42. The biggest single challenge for Burnley, like all of the Lancashire authorities, will be to determine precisely what it sees as the specific opportunities from working in a Combined Authority or a larger district footprint. In practical terms, the council needs to identify a small number of specific projects Burnley would like to see progressed through devolution of central government powers (or funding) and making these projects ready for a 'green light'. At some point in the coming months, if the 'devo deal' is agreed there is likely to be a prioritisation of projects to be agreed across the county. Burnley must ensure it has progressed the business cases for its top project(s) in the LEP Strategic Economic Plan or elsewhere are ready to progress if a deal can be struck.
43. Burnley is likely to benefit from some of the larger parts of the proposed devolution 'ask' from Lancashire. It is leading on the skills agenda and the borough is likely to benefit from, for example, anticipated improvements on the skills agenda and a wider housing offer. It is less clear to what extent Burnley might benefit from any infrastructure developments specifically as a result of the 'devo deal'. Some parts of any devolution settlement will naturally benefit other parts of the county and the council must concentrate on what will make an impact for Burnley residents. Some of the projects which will be progressed under any settlement may well have peripheral benefits for Burnley residents who work outside the borough, for example, in terms of transport infrastructure.
44. There are opportunities for stronger strategic alliances with the other East Lancashire local authorities. There is a need to build on on-going discussion around investment opportunities and convert these into actions. The collective reduction in public sector budgets across East Lancashire might be a driver for further greater collaboration but there is now a need to move beyond discussion to identify specific projects the councils can work together on.

Finally, we would like to thank colleagues and members at Burnley for their support in the lead up to the peer challenge and during the challenge itself.

Further on-going support is available through the Local Government Association's Principal Advisers, Neil Shaw (email: neil.shaw@local.gov.uk, tel: 07876 688987) and Gill Taylor (email: gill.taylor@local.gov.uk, tel: 0778 9512173). Neil will liaise with the authority in the coming months to explore specific issues the council may wish to be supported on.

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