



Committee: OVERVIEW AND SCRUTINY COMMITTEE

Date: WEDNESDAY, 22 OCTOBER 2025

Venue: MORECAMBE TOWN HALL

Time: 6.00 P.M.

Councillors are reminded that as Members of Overview and Scrutiny they may not be subjected to the Party Whip, which is prohibited under the Lancaster City Council Constitution.

A G E N D A

1. Apologies for Absence

2. Minutes

To receive as a correct record the Minutes of the Meeting held on 10th September 2025 (previously circulated).

3. Items of Urgent Business authorised by the Chair

4. Declarations of Interest

To receive declarations by Councillors of interests in respect of items on this Agenda.

Councillors are reminded that, in accordance with the Localism Act 2011, they are required to declare any disclosable pecuniary interests which have not already been declared in the Council's Register of Interests. (It is a criminal offence not to declare a disclosable pecuniary interest either in the Register or at the meeting).

Whilst not a legal requirement, in accordance with Council Procedure Rule 9 and in the interests of clarity and transparency, Councillors should declare any disclosable pecuniary interests which they have already declared in the Register, at this point in the meeting.

In accordance with Part B Section 2 of the Code Of Conduct, Councillors are required to declare the existence and nature of any other interests as defined in paragraphs 8(1) or 9(2) of the Code of Conduct.

5. LGA Corporate Peer Challenge Feedback Report (Pages 4 - 40)

Report of the Chief Executive.

Councillor Caroline Jackson, Leader of the Council and portfolio holder for Housing and Homelessness and Councillor Peter Jackson, Cabinet Member for Lancaster Regeneration and Local Economy, have been invited to the meeting for this item.

6. LGR - Update (Pages 41 - 50)

Report of the Chief Executive.

7. Pre-Decision Scrutiny Protocol (Pages 51 - 56)

Report of Senior Manager, Democratic Support and Elections.

Councillor Sally Maddocks, Cabinet Member for Corporate Services, has been invited to attend for this item.

8. Forthcoming Key Decisions

The List of Forthcoming Key Decisions can be viewed [here](#)

9. City Council Commissioned Consultations

City Council Commissioned Consultations can be viewed [here](#)

10. Work Programme (Pages 57 - 64)

Report of Chief Officer – Governance.

11. Decisions the Chair has been consulted on

The Chair to advise.

ADMINISTRATIVE ARRANGEMENTS

(i) Membership

Councillors Martin Gawith (Chair), Chris Hanna (Vice-Chair), Suhir Abuhajar, Maria Deery, Abi Mills, Sue Penney, Joyce Pritchard, Conservative Vacancy and Green Vacancy

(ii) Substitute Membership

Councillors Ross Hunter, Isabella Metcalf-Riener, Catherine Potter, James Sommerville and Jackson Stubbs

(iii) Queries regarding this Agenda

Please contact Jenny Kay, Democratic Support - email jkay@lancaster.gov.uk.

(iv) Changes to Membership, substitutions or apologies

Please contact Democratic Support email democracy@lancaster.gov.uk.

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OVERVIEW AND SCRUTINY COMMITTEE
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LGA Corporate Peer Challenge Review

22nd October 2025

Report of the Chief Executive

PURPOSE OF REPORT
To provide the Overview & Scrutiny Committee with an update on the LGA Corporate Peer Challenge review
This report is public

RECOMMENDATIONS

- (1) **That Members note the CPC Progress report and determine whether a future update on progress against recommendations is required.**

1.0 Introduction

- 1.1 In April 2024, Lancaster City Council participated in a Corporate Peer Challenge (CPC) with the aim of further improving the council's work.
- 1.2 The review is offered to all local authorities by the Local Government Associated (LGA) and included a three-day site visit. The review forms part of the improvement and assurance framework for local government, and all CPC reports are subsequently published on the LGA website.
- 1.3 The review included the gathering of detailed information and views from more than 50 meetings, and the peer team spoke to over 130 colleagues including council staff, councillors and external stakeholders. The overriding view of the review was that over the last two years the council has undergone a period of rapid improvement, is making real improvements for people and place, and is well-placed for the future to deliver on the needs of its communities. The full CPC feedback report was published on 19th July 2024 **and can be found in appendix 1.**
- 1.4 Prior to the publication of the report, an all-Councillor briefing was delivered to summarise the main findings. Following publication, the council issued a press release, and a partner briefing was delivered. The full report is available on both the LGA and the council website.

2.0 Progress review

- 2.1 The CPC feedback report contained recommendations for continued improvement, which formed part of an action plan co-owned and reviewed monthly by the senior leadership team. The first iteration of the action plan was published in September 2025.
- 2.2 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 purpose of the review is to:

- Receive feedback from peers on the early progress made by the council against the CPC recommendations and the council's RAG rated CPC Action Plan
- Consider peer's reflections on any new opportunities or challenges that may have arisen since the peer team were 'on-site' including any further support needs
- Discuss any early impact or learning from the progress made to date

This progress review took place on 23rd January 2025 when four members of the original review team attended on-site and spoke to staff and partners in a series of meetings and focus groups. In advance of this visit, the council shared a position statement document and the latest version of the action plan (inclusive of RAG ratings), detailing progress since the feedback report was published. This has recently been updated and **can be found in appendix 2.**

- 2.3 Following the progress review in January, the CPC team shared the draft progress review report with the council on 20th March 2025. **This report can be found in appendix 3.** The review feedback is broadly themed under the key principles within the Council Plan 24-27, and praised the excellent progress made against the original recommendations as well as highlighting areas and suggestions that the peer review team deemed relevant. In particular, the team highlighted progress made on partnership working, the council's clear vision that prosperity must benefit the whole community, with an ambition to enable a low carbon future, and the importance of the Fit for the Future programme which is aligned to the Medium Term Financial Strategy and the Council Plan.

3.0 Conclusion

- 3.1 The senior leadership team will continue to deliver on outstanding actions to gain maximum value from the CPC process, which has reflected very positively on the council as a whole as well as providing an external benchmark and suggestions for improvement.
- 3.2 Members of the Committee can either choose to receive a further update on progress against recommendations in the future, or they can delegate this to Chief Executive who would then produce written confirmation of sign-off to the Chair of the Committee (including an updated CPC action plan). Either option is considered acceptable.

CONCLUSION OF IMPACT ASSESSMENT (including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing):
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There is no impact. Should actions be proposed as a result of this paper, then impact assessments will be carried out in relation to those specific actions.
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LEGAL IMPLICATIONS

There are no legal implications arising from this report.

FINANCIAL IMPLICATIONS

There are no financial implications arising from this report.

OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces:

None, all recommendations can be addressed within current resources.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no comments.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no comments.

BACKGROUND PAPERS

1. Lancaster CPC feedback report
2. Action Plan
3. Lancaster CPC Progress Review

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LGA Corporate Peer Challenge

Lancaster City Council

16th – 18th April 2024

Feedback report



Corporate Peer Challenge

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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 3 days at Lancaster City 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 principals 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

Located at the far north of Lancashire and the 2nd largest of the County's 12 districts, Lancaster City Council (LCC) has a varied geography, incorporating the university city of Lancaster, the former seaside resort of Morecambe, the historic market town of Carnforth, a rural span of relatively sparsely populated villages, and bordered by two areas of outstanding natural beauty. This distinction between 'city, coast and countryside' brings with it varied challenges, but also opportunities, with the Council committed to making the most of the district's many attributes as a great place to live, work and visit.

Lancaster is an ambitious Council, with a 'let's do it' culture and a clear vision for the district as set out within the Council Plan 2024-27. There is an ambition that

increased prosperity must be for the benefit of the whole community, which runs alongside an aspiration to help and enable a low carbon future, providing the foundations for future sustainability.

The Council's commitment and actions towards reaching net zero aspirations have resulted in it being recognised as the top performing district Council in the country by Climate Emergency UK.

There are a number of ambitious capital projects, including for example the Canal Quarter regeneration programme in Lancaster and the Eden Project Morecambe, for which £50m of Levelling-up Funding has been secured, which bring both significant and important opportunities to transform the area.

The peer team believe however that the vision for the district and particularly the principle for Inclusive Prosperity is not currently set within the context of a clear economic strategy for the district. The peer team recommend that the Council develops a clear and pragmatic narrative for growth and an economic strategy that all parties can sign up to and which facilitates the development of quality housing, unlocks skills and jobs, contributes to tackling climate change, enables community wealth building, and promotes pride in the place. It should also identify mechanisms to address the forecasted loss of business rate income arising from the future decommissioning of Heysham nuclear power plant located in the district. The strategy should be complemented by a prioritisation framework that helps to bring focus and target resources where they will have greatest impact.

To help ensure that the developing Local Plan is fully utilised as an opportunity to shape and deliver the Council's priorities, including those emerging from the developing Local Area Energy Plan and Economic Strategy, the Council should incorporate a "call for sites" earlier than the Local Plan process would otherwise allow. This provides a pragmatic mechanism to control development and ensure that the emerging Local Plan is fully utilised as an opportunity to shape and deliver the Council's priorities.

Lancaster City Council has well respected political and managerial leadership. The coalition arrangements (Labour, Green and Liberal Democrat) put in place after the last election in May 2023 have had a year to become established. There is evidence of a stronger, trustful set of relationships between the political groups. A coalition

agreement is in place which helps to ensure issues are resolved. The Group leaders are to be commended for this cross-party approach and members are encouraged to continue to work together pragmatically to continue to capitalise on opportunities for the three years leading up to the next set of elections in 2027.

The Council is held in high regard by a wide range of key stakeholders, with its convening power being utilised to renew the Lancaster District Strategic Partnership. The peer team recommend that the Council's strong reputation as a collaborative and proactive place leader is used to bring to fruition the aspiration (shared with partners) to deliver shared outcomes. This should include further energy and capacity being invested to work with partners where traditionally the relationship has not been as productive.

There is strong, visible direction from the Chief Executive and a new Chief Officer structure that it is viewed as accessible and welcoming. Peers heard and saw that the Council is a supportive, professional and friendly place to work, with a strong emphasis on staff wellbeing and development. The peer team were informed that work is underway to support the development of the new chief officer team, including a series of leadership development sessions with an external training provider. Peers recommend that this continues to evolve, enabling Chief Officers to collectively 'step-up' into the strategic partnership space, take accountability for and own organisational improvements and in turn maximise the reach and convening influence of the Council.

Staff and Councillors that the peer team spoke to are proud to work for and represent Lancaster City Council, and officers and members work well together. Feedback from members that the peer team spoke to illustrate that Democratic Services is viewed as helpful and supportive. There is, however, a need to strengthen member development, with a particular requirement to enhance the induction package for newly elected members. The peer team also believe that members could be more ambitious in how they hold the Executive to account through constructive scrutiny. There is an opportunity for Councillors and officers to build a better understanding of the role and function of overview and scrutiny, its purpose and effectiveness.

Lancaster City Council's finances are in a relatively reasonable but tightening position with a balanced budget of £25m set for 2024/25. The Council has a plan to

address its budget deficit with the 'Fit for the Future' savings and transformation programme, including for example a rationalisation and review of assets and use of 'flexible capital receipts' regulations to enable investment in transformation to deliver savings. Completion of the asset review and delivery of the asset management programme should be prioritised to reduce costs, maximise income and reduce the need for future borrowing. There is also a need to further develop the Fit for the Future programme with a focus on the creation of a Digital and ICT strategy, along with consideration of alternative models of service delivery.

The peer team note that LCC should ensure that the Fit for the Future (and wider budget planning) process is driven by the Council Plan and that Council ambitions are reduced to fit resource availability. In addition, whilst the Council has made good progress at reviewing and reducing its capital programme, the implementation of a prioritisation framework (as noted above) would help ensure that resources are targeted where they will have greatest impact and mitigate any financial risks.

The Council currently has 4 years of unaudited accounts due to an objection to the accounts that has taken time to resolve. This presents a risk to the Council as there is no assurance over its opening balance sheet position for the current financial year. As the situation is likely to require additional audit procedures on the 2023/24 and possibly future years accounts, the Council should assume that this will have a significant resource impact on the Council's stretched finance service. The Council should consider whether it temporarily needs to invest in additional capacity in the finance team to meet the audit requirements whilst continuing to support the delivery of the Council plan.

The peer team were impressed to see that the Council has been on a rapid two-year improvement journey, making significant changes to the operation of the Council and its governance and assurance processes. The peer team believe that there is a need however to enhance the internal management of the organisation by the implementation of a whole Council strategic approach to the use of data, performance management and financial monitoring. This should be complemented by improvements in the approach to project management, including the implementation of internal boards to increase oversight and accountability.

There is commitment to reduce inequalities and deliver services that are inclusive

and accessible to a diverse community, including examples of best practice, such as the development of a Fair Work Charter that aims to reduce inequalities in the local labour market by promoting equal and fair employment practices. However, it is recognised that there is a need to refresh the equality policy and associated objectives to ensure that inclusive opportunities are delivered internally and externally.

The peer team believe that the Council should use the findings from the corporate peer challenge to reflect on the significant improvement journey that has been made over the last two years; acknowledge and celebrate this progress; take the opportunity to use the CPC to reinvigorate the organisation and then move forward.

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 **Develop a clear narrative for growth and an economic strategy** that facilitates the development of quality housing, unlocks skills and jobs, contributes to tackling climate change, enables community wealth building and promotes pride in the place.
- 3.2 **Incorporate a “call for sites” earlier than the Local Plan process would otherwise allow.** This provides a pragmatic mechanism to control development and ensure that the emerging Local Plan is fully utilised as an opportunity to shape and deliver the Council's priorities.
- 3.3 **Use the Council's strong reputation as a collaborative and proactive place leader to further develop partnerships.** This should include additional energy and capacity being invested to work with partners where traditionally the relationship has not been as productive.
- 3.4 **Continue to invest in the learning and development of the new chief officer team.** This should involve senior officers operating in the strategic partnership space, taking accountability for, and owning organisational improvements. Further senior officer capacity in this space will maximise the

reach and convening influence of the Council.

3.5 Take steps to strengthen and further develop the Fit for the Future savings and transformation programme by:

- a) Strengthening the alignment of budget planning and Fit for the Future process to the Council Plan and service planning.
- b) Implementing a prioritisation framework to inform the delivery of the Capital Programme, ensuring resources are targeted where they will have the most impact.
- c) Accelerating the completion of the asset review and delivery of the asset management programme to reduce costs, maximise income and reduce the need for future borrowing.
- d) Focusing on the creation and implementation of a Digital and ICT strategy.

3.6 Implement a whole Council strategic approach to the use of data, performance management and financial monitoring. This will help to better inform the decision-making process, support the effective management of Council business and ensure a focus on the delivery of priorities is maintained.

3.7 Build on recent improvements in the approach to project and programme management ensuring greater consistency, oversight and accountability.

3.8 Invest further in member development to support Councillors (particularly new members) in their Council and community leadership roles.

3.9 Engage with Councillors and officers in work to enhance and embed a culture of effective overview and scrutiny across the Council.

3.10 Accelerate the production of a refreshed equality policy that incorporates clearly defined objectives – this will help to ensure that inclusive approaches are developed internally and externally.

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:

- Michelle Sacks - Chief Executive, Huntingdonshire District Council
- Cllr Martin Fodor - Bristol City Council
- Alan Waters - Previously Leader at Norwich City Council
- Phil Mason - Strategic Director: Economic Growth and Development, Cornwall Council
- Claire Morris - Executive Head of Service: Finance and Strategy and S151 Officer, Mole Valley District Council
- Joseph Lewis – Improvement Officer, Welsh LGA
- Rachel Robinson - Peer Challenge Manager, LGA

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.

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 Lancaster City Council 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 3 days onsite at Lancaster City Council, during which they:

- Gathered evidence, information, and views from more than 50 meetings, in addition to further research and reading.
- Spoke to more than 130 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

Lancaster is an ambitious Council, with a clear vision for the district as set out in the Council Plan 2024-27. The plan recognises what the Council can directly deliver, but also sets out an ambitious view of how the Council will use its community leadership role to align the Council's priorities with those of other organisations and communities to deliver key outcomes.

The plan sets out four principles which are the cornerstones of all that the Council does: A Sustainable District; An Inclusive and Prosperous Local Economy; Healthy and Happy Communities; and, A Co-operative, Kind and Responsible Council. These are underpinned by the outcomes that the Council is seeking to deliver, along with a set of 24 clearly defined ambitions, that have been prioritised by the coalition administration.

LCC is committed to working "in partnership with our communities, creating a district where people can flourish". The Council plan was developed in collaboration with partners. It drew on a rich evidence base developed in collaboration with Imagination Lancaster, a design-led research lab at Lancaster University, which included a Life Survey undertaken with local residents.

There is a clear vision that increased prosperity must be for the benefit of the whole community, that runs alongside an aspiration to help and enable a low carbon future, providing the foundations for future sustainability. There are a number of ambitious capital projects, including for example the Canal Quarter regeneration programme in Lancaster and the Eden Project Morecambe, for which £50m of Levelling-up Funding has been secured, which bring both significant and important opportunities to transform the area.

Members of the peer team witnessed how the Council is making improvements for people and place, with practical examples shared including:

- the introduction of new tenancy health checks for all new Council housing tenants;
- enabling £2.3m of investment in the arts by arts organisations supported by the Council (£10 is secured for every £1 invested by the Council);
- and, facilitating 4,000 children to access free activity sessions in partnership

with the School Sports Network at Salt Ayre Leisure Centre.

Feedback from staff supported the view that the Council is empowering and trusting staff to be creative when meeting the needs of individuals and identifying new ways to deliver services, embracing a 'let's do it' culture.

The Council's commitment and actions towards reaching net zero aspirations has resulted in it being recognised as the top performing district Council in the country by Climate Emergency UK and has enabled successful external funding generation. For example, the Council has secured almost £10m funding in the last 3 years (including £1.9m from the government's Public Sector Decarbonisation Scheme) to decarbonise Council-owned buildings. Peers were impressed at how the approach to climate policy is being embedded across the Council. For example, from the success at reducing the overall energy usage at the Salt Ayre Leisure Centre site from 4.3GWh (gas and electricity) to 2.7GWh of green electricity, to working nationally to lobby for the setting of energy efficiency standards for new housing and seeking to construct a solar farm within the district at Burrow Beck.

However, despite these successes the peer team believe that there are some potential barriers to the successful delivery of the Council Plan. The vision for the district and particularly the principle for Inclusive Prosperity, is not currently set within the context of a clear narrative and economic strategy for the district. This leads to key opportunities and projects being developed without the background of a clear strategy for the wider ambition. This was a point made by a wide range of partners and officers that the peer team spoke to and is perhaps borne out through the reliance on many disparate capital projects to deliver the vision, which brings inherent risks particularly with continuing financial pressures.

The peer team noted that in recent years the Council has made good progress at reviewing and reducing its capital programme. However, the implementation of a prioritisation framework and clear articulation of priorities (which may involve compromise) in the Capital Strategy could mitigate these risks. Peers were pleased to note however, that work is underway to develop an Economic Strategy, new Local Plan and Local Area Energy Plan for the district, which are critical tools to facilitate and enable the development of Lancaster in line with local ambitions.

As key enablers to the successful delivery of the Council Plan, it was felt by peers

that there is a need for the Council to move forward with the review of the asset management programme to help reduce costs, maximise income and reduce the future need for borrowing by generating capital receipts. Peers also noted a need to accelerate work on an ICT / Digital strategy that defines, coordinates and supports transformation, channel shift and more efficient ways of working.

The Council has a good understanding of its financial position and an aspiration to align budget and resource to deliver the ambitions detailed in the Council plan. LCC has recognised the need to address the budget deficit with the 'Fit for the Future' savings and transformation programme, which incorporates an Outcome Based Resourcing (OBR) process. However, the peer team would question if the OBR process is being used to its full potential in driving the alignment of resources to deliver priorities and organisational savings. Peers believe that the Council could benefit from setting out an annual business plan that articulates the specific outcomes it will deliver for the forthcoming 12-month period in line with the delivery of the Council plan. The annual plan could then be used for budget (revenue and capital) and service planning purposes to ensure that budgets, resources, service objectives and performance metrics are fully aligned to the delivery of the Council's ambitions and should lead to priorities which cannot be resourced being de-prioritised for a period of time.

An annual plan may also assist with ensuring that all staff have clarity as to the vision and priorities of the Council and their role in achieving this; something that the peer team identified was not always consistently understood.

LCC has been on a significant improvement journey over the last two years and there is a need for the organisation to recognise, celebrate and communicate its successes, both internally to acknowledge the achievements of staff and externally to demonstrate to residents the impact that the organisation is making to local communities. In this regard, the peer team suggest that the recommendations from the recent LGA Communications Health Check undertaken in Lancaster are implemented at pace.

5.1.1 Performance

The peer team considered Lancaster City Council's latest [LG Inform Headline Report](#), along with the [LG Inform OFLOG Report](#), which outline key performance

data and how this compares to the Council's Chartered Institute of Public Finance and Accountancy (CIPFA) nearest neighbours.

It shows how the Council performs strongly across a suite of metrics that assess the skills levels of the local area (60% of the working age population are qualified to level 3+ and the rate of further education and skills achievements is better than average). This can be attributed in part to the Council's commitment to collaborative working with Lancaster and Morecambe College (for example, the peer team heard how the Council has utilised the UK Shared Prosperity Fund allocation to work in partnership with the college to tackle skills gaps, training 400 people in green skills and retrofitting).

The Council's performance across the collection of waste service and planning metrics are generally in line with or better than the CIPFA average, suggesting steady service delivery and reflecting the findings of Lancaster's recent LGA Planning Advisory Service peer challenge.

Of note is the Council's performance in relation to the proportion of Council tax that is collected, which at 94.5% is below the CIPFA average (96.9%) and therefore impacting the revenue accrued by the authority. It is understood that investment is planned into software that will free-up officer capacity and enable it to be redirected into Council tax recovery. It was also noted that business rate collection at 98.9% is better than average.

The peer team identified that there is an evolving approach to performance management, which needs to be further developed and aligned fully to the Council Plan.

Corporate performance reports highlighting progress against strategic projects and providing an overview of the position against 25 key performance indicators, are reported quarterly to Cabinet and the Budget and Performance Panel. However, accountability, responsibility and ownership of performance, finance and Fit for the Future delivery does not appear to be well-established across all services and pockets of good practice are not shared. Plans are in place to make improvements over the next 12-18 months that will begin to address this, including the introduction of benchmarking data and an enhanced approach to service-level performance management; enabling indicators to be reported centrally to the management team.

In addition, there is recognition of the need to strengthen the 'golden thread' from the Council plan through to the continued development of service plans and setting of individual staff objectives (via annual conversations). A uniform approach to the production of service plans is currently being implemented across the Council, setting out how the aims of the corporate plan will be met in the short, medium and long term, along with associated performance metrics.

The peer team believe that whilst improvements have recently been made to the project management approach, including the introduction of project initiation documentation that is used as a baseline for progress reporting, there is a need to address the inconsistency in project and programme management. This should include a continuation of the implementation of recommendations from a recent internal audit of project management. This is particularly important across all major capital and Fit for the Future projects. Peers suggest that this could also incorporate the use of internal project/programme boards that include representation from key enabler services such as legal, finance, IT and procurement and can act as a mechanism to enhance oversight and accountability.

Members of the peer team identified that there does not appear to be a consistent or co-ordinated approach to the use of data to inform decision making and would encourage the Council to build on the good practice highlighted in services such as Housing, Environment and Revenues and Benefits. There is also an opportunity to develop a more joined up approach that utilises intelligence more effectively to improve service level performance, drive transformation activity and enhance community outcomes.

5.2 Organisational and place leadership

LCC has well respected political and managerial leadership. There is strong, visible direction from the Chief Executive who is universally valued and recognised for his contribution both internally and externally amongst partners.

A new Chief Officer structure has been implemented over the last 12 months, with feedback from staff that it is accessible and welcoming. Peers heard that the Council is a supportive, professional and friendly place to work, with a strong emphasis on staff wellbeing and development.

LCC is made up of 27 wards with 61 Councillors who are elected every 4 years (with the last elections taking place in 2023). At the time of the corporate peer challenge the political make-up of the Council included the following breakdown - Labour 23, Greens 21, Liberal Democrats 7, Conservatives 5, Independents 4 and 1 vacancy. The coalition arrangements (Labour, Green and Liberal Democrat) put in place after the last election in May 2023 have had a year to become established. There is evidence of a stronger, trustful set of relationships between the political groups. A coalition agreement is in place which helps to ensure issues are resolved. The Group leaders are to be commended for this cross-party approach and members are encouraged to continue to work together pragmatically to capitalise on opportunities. The administration is bound together by the Council Plan, for which each of the political groups have had their own priorities included as part of the overall package. However, the team felt that the Council should do more to communicate how well they work together as a joint administration for the benefit of residents in the district by developing a 'one Council' ethos.

The Council is using its convening power to renew the Lancaster District Strategic Partnership and amplify collaboration for collective outcomes, with an initial focus on the delivery of the climate action plan. Peers were impressed to hear that an MOU has been signed by partners, including commitment to project delivery and the allocation of resources.

It is clear that the Council is held in high regard by a wide range of key stakeholders, including for example, Lancaster University, Lancaster and Morecambe College, Lancashire and South Cumbria Integrated Care Board and Lancaster District CVS, who spoke positively about the Council's open and inclusive approach, including a willingness to engage, listen and innovate. For example, as a mechanism to tackle longer-term inequality, the Council supported CAB to secure household support funds, some of which has been used to offer grants for replacement household appliances such as cookers and fridges to low-income households. Health partners spoke of the key role that the Council plays in place leadership and the proactive approach that it is taking in relation to tackling inequality.

Many partners praised the Council's unwavering response to the Supa Skips fire¹ in

¹ A fire that started during December 2023 at a former waste storage site (Supa Skips), which was dealt with by the Council.

December 2023 as an example of their proactive approach and community leadership role, which incurred in excess of £1.4m costs² despite there being no specific duty on the authority to respond to the emergency.

Whilst the ambition, focus and leadership to get things done has been recognised by partners, there is a need to manage expectations and set out pragmatic timescales for delivery. In this context there is also an opportunity here to continue to develop the new Chief Officer Team to operate across the strategic partnership and maximise the reach and influence of the Council.

LCC utilises a range of active mechanisms to consult and engage with residents, including traditional approaches, such as the Keep Connected site which is a public facing consultation and engagement platform that enables people to engage with consultations, share ideas and stay connected with the Council. More innovative approaches are also embraced, such as the Council's work with Shared Futures CIC that incorporated deep engagement and community research on climate change.

The Council has a strong focus on place leadership, with an approach that is active, and ambitious in economic development, skills, town centre regeneration, cultural venues, community wealth building and housing development. As noted above, there is a clear vision that increased prosperity must be for the benefit of the whole community, with an ambition to help and enable a low carbon future. The ambition for inclusive prosperity is based on a number of ambitious capital projects, which have the potential to be transformational. However, the peer team believe that an economic strategy that all parties can sign up to is needed. This will help to ensure joint focus on the development of quality housing, skills and jobs, tackling climate change, community wealth building and promoting pride in the place. It should also identify mechanisms to address the forecasted loss of business rate income arising from the future decommissioning of Heysham nuclear power plant located in the district.

The peer team view Lancaster as having all the pieces of the jigsaw – there are major anchor businesses with well paid jobs across the wider Bay area (although not all within the district) including Siemens, EDF, BAE systems and Rolls Royce, which

² An exceptional grant of £764,916 was received by LCC from the Department for Levelling Up Housing and Communities to meet costs incurred by the Council to demolish buildings and remove waste as part of the firefighting efforts.

are accessible by local residents. There is a significant programme of apprenticeships led by the University of Cumbria, and Lancaster and Morecambe College, along with Lancaster University that will be feeding qualified students into sectors at the forefront of a carbon neutral UK. Continued engagement with the sector and clarity of direction is needed to ensure that schools, further education and Universities align, where possible, their courses to the skills needed by the future workforce. Quality housing and access to good employers will also encourage students to stay once qualified.

Peers believe that the developing Local Plan provides a key opportunity to set the spatial framework that enables the Council to deliver its current priorities, along with those that emerge from the Local Area Energy Plan and Economic Strategy. For example, renewable energy is creating further opportunities for decarbonisation across the district, so the next local plan could be used to set the spatial framework to further meet this priority.

Peers note that the Council has an ambition for quality housing that is quite rightly very high and acknowledge that creating new homes alongside other community infrastructure can enhance carbon neutral ambitions if the Council has control of the development agenda.

The Economic Strategy, Local Area Energy Plan and Local Plan are critical tools to facilitate and enable the private sector to develop Lancaster in line with the ambitions of the Council and to generate additional business rates. Peers suggest that the Council may therefore wish to consider using a pragmatic 'Call for Sites' to unlock new locations earlier than the Local Plan process would otherwise allow as a mechanism to control development.

The Eden Project Morecambe also has the potential to be a transformational moment for Morecambe, Lancaster and North Lancashire. A formal partnership has been established with representation from the Council, Eden, the University of Lancaster and Lancashire County Council to ensure that wider benefits are secured. Peers echoed the need for this partnership to collectively create the capacity that is needed to maximise the benefits of Eden for the wider community.

5.3 Governance and culture

Staff and Councillors that the peer team spoke to are proud to work for and represent LCC, and it is clear that officers and members work well together. The Chief Executive sets a positive tone for the whole organisation, including a proactive approach and strong working relationship with both the Leader and Deputy Leader.

Peers note that there is political maturity and pragmatism, along with improving working relationships within the coalition administration. There is evolving practice to accommodate multi-party working and a partnership agreement incorporating two key facets. Firstly, there is an understanding that all partners in the administration vote unanimously for the Council Plan and the Budget, which requires a lot of work to reach a consensus. Secondly, in relation to communications, all publicity / announcements go through the Council's communications team and it is the relevant portfolio holder who is quoted. In addition, each group can put out their own party-political press release should they wish.

Politicians need to continue to work together in this way to capitalise on opportunities. For example, as noted above there is a need for the Council to benefit from capital receipts and the disposal of assets that can then be reinvested in community infrastructure and housing, supporting community wealth building ambitions, contributing to the net zero agenda and helping deliver the Council's transformation programme. This will require consensus and compromise from all to optimise the achievement of ambitions.

Feedback from Councillors that the peer team spoke to illustrated that Democratic Services is viewed as helpful and supportive to members. There is, however, a need to strengthen member development and tailor it to the requirements of individuals, with a particular need to enhance the induction package for newly elected Councillors. The Council may wish to explore the range of external training opportunities offered for members by the LGA.

The peer team believe that members could be more ambitious in how they hold the Executive to account through constructive scrutiny. There is an opportunity to work with members and officers across the Council to build a better understanding of the role and function of overview and scrutiny, with clarity on its purpose and effectiveness, including the part it can play in shaping policies alongside Cabinet.

The Council's internal audit service, which is well regarded and operates in line with

best practice, has been provided by Mersey Internal Audit Agency (MIAA) for the last 2 years. It is evident that the Council has been on a journey of improvement during this time to provide a greater degree of assurance, following a limited assurance assessment during 2021/22, primarily due to issues with risk management.

Since this time the Council has made significant improvements in its approach towards risk management, which has been led by senior officers. Dedicated officer capacity has been directed to risk management and a management system has been implemented to capture risks from projects and operational services through to the strategic risk register. All strategic risks (including financial risks) have been mapped to the Council Plan and are reviewed quarterly by the Leadership Team before being reported into the Audit Committee, Budget and Performance Panel, and Cabinet. In 2022/23 the Council received a moderate level of assurance by MIAA, with identified improvements in governance and risk management.

The strategic risk register is instrumental in informing the internal audit work programme, which is reviewed annually, with regular reports and outcomes shared with the Audit Committee. Internal Audit confirm moderate assurance over the operation of key financial controls.

The Audit Committee itself is well served with reports on all key areas within its remit, including an appropriate focus on audit, risk and fraud. The relationship between key officers, such as the S151 officer, and the committee is positive and effective. There is regular attendance by external audit and an engaged Chair who meets regularly and independently with Internal Audit. Consideration could perhaps be given to having independent members on the committee to improve the breadth of knowledge and skills.

The Council's three statutory officers meet on a weekly basis to address governance risks and issues, and in line with previous LGA recommendations the Section 151 Officer now sits on the Senior Leadership Team, alongside the Monitoring Officer.

The peer team were pleased to note that the Council recognises the need to commission additional advice and expertise when required relating to large capital projects, with the solutions arm to MIAA commissioned to undertake specialised governance work in relation to the Eden Project and Mainway housing development.

There is commitment to reduce inequalities and deliver services that are inclusive

and accessible to a diverse community, including examples of best practice, such as the development of a Fair Work Charter that aims to reduce inequalities in the local labour market by promoting equal and fair employment practices. However, it is recognised that work is needed to enhance the current approach, including a review, that is currently underway, of the existing Equality and Diversity Policy, which has not been updated since 2013 and creation of an associated action plan.

5.4 Financial planning and management

Lancaster City Council's finances are in a relatively reasonable, but tightening position with a balanced budget of £25m set for 2024/25. The Council has a relatively moderate level of unallocated reserves (£8.6m) which are above the minimum level assessed by the Section 151 Officer as being required for operating purposes. When added to further earmarked reserves (£10.5m), the estimated combined level of reserves totals £19.1m. The overall level of reserves as a percentage of expenditure is around average when compared to Lancaster's CIPFA nearest neighbour group.

When looking at the capital metrics and indicators identified by OFLOG, there are no specific areas of concern, although levels of debt as a percentage of core spending power (548%) are slightly above the average for the CIPFA nearest neighbour group (328%).

The Council faces a tightening financial situation, due to a range of factors such as national local government funding and cost of living pressures. However, there are also local factors, such as the impact of increasing capital programme borrowing costs (MRP and interest) on the revenue budget, which are rising significantly more than the amount by which the Council can raise Council tax income by. Over recent years the Council has made revenue and capital expenditure reductions, although there has been a mixed track record of delivering savings. As at the end of Quarter 3 2023/24 an overspend of £0.677m was projected. The Council need to take action to reduce this overspend.

The peer team were pleased to see that there is a good understanding among officers, Councillors and partners of the financial situation and the need to make savings and generate income. The Council has a comprehensive Medium Term Financial Strategy which includes scenario planning around key assumptions. This

demonstrates a projected deficit of £1.4m in 2025/26, with an estimated total shortfall of £4.6m up to 2028/29, which if not addressed will impact on the Council's overall reserve position (unallocated reserves will run out by 2027/28 without mitigations) making them more vulnerable in the future.

The Council has a plan to address its budget deficit with the 'Fit for the Future' programme incorporating an Outcome Based Resourcing (OBR) process, including for example a rationalisation and review of assets and use of 'flexible capital receipts' regulations to enable investment in transformation to deliver savings. The framework has been put in place to address the medium-term deficit and it is anticipated that it will take another 12 to 24 months to fully achieve its aims. An accompanying governance structure has been created incorporating member and senior officer involvement to oversee progress.

The peer team believe that there is a need however to ensure that the Fit for the Future (and wider budget planning) process is driven by the Council Plan and that Council ambitions are reduced to fit resource availability.

Members of the peer team identified that the Council has made limited progress to date on raising capital receipts through the disposal of assets. Completion of the asset review and delivery of the asset management programme needs to be prioritised to reduce costs, maximise income and reduce future borrowing.

In addition, the peer team believe that increased collaboration is needed between the finance and economic development teams to identify inward investment opportunities and therefore emerging National Non-Domestic Rates (NNDR) revenue that can be incorporated into the Medium Term Financial Strategy.

The Council has adopted the requirements of His Majesty's Treasury Green Book in its capital project business case development and appraisal, requiring all capital projects to be aligned to the strategic objectives of the Council set out in the Council Plan and a full and viable business case to be presented to committee before capital expenditure is approved. Nevertheless, the reliance on capital projects to deliver ambitions brings inherent risks particularly in a climate of continuing financial pressures. The peer team believe that a clear articulation of priorities (which may involve compromise) in the Capital Strategy and associated plan for disposals could mitigate these risks.

The peer team also felt that there is an unclear explanation of the financial risks of the Capital Programme and the associated mitigations. The narrative in the performance reporting and risk commentary is not clear when in reality the mitigations are understood, extensive and sound. As an example, peers were informed that Eden (an educational charity and social enterprise) is going to take responsibility for any capital overspend on the Eden Project Morecambe, an important mitigation for an inherently risky capital build – yet this is not clear in the performance reporting commentary.

The Council produces quarterly financial reporting, including performance data, which is reported through Chief Officers to Cabinet and the Budget and Performance Panel, although the timeliness of these reports could be improved. In addition, whilst there is monthly monitoring of 'hot areas' to the Strategic Leadership Team, financial governance could be enhanced by reporting against all service areas on a monthly basis.

The Council currently has 4 years of unaudited accounts, due to an objection to the accounts. This has taken time to resolve, as the Council has had to gain assurance from an external funding body that there will not be a requirement for the repayment of grant funding from Homes England. Whilst it is anticipated that accounts for 2019/20 and 2020/21 will be provided with an audit opinion soon, it is highly likely that the accounts for 2021/22 and 2022/23 will be subject to a disclaimed audit opinion to meet the 'backstop' date of 30th September 2024 for completion of outstanding audits. Whilst the Council is not alone in this position, it does present a financial risk to the Council as there is no assurance over its opening balance sheet position for 2023/24. As the situation is likely to require additional audit procedures on the 2023/24 and future accounts it would be prudent for the Council to assume that servicing the 2023/24 audit will have a significant resource impact on the Council's finance team and that further capacity in the finance team will most likely be required to support the audit and continue to support the delivery of the Council plan.

5.5 Capacity for improvement

The peer team were impressed to see that the Council has been on a rapid two-year improvement journey, making significant changes to the operation of the Council and

its governance and assurance processes, from the introduction of a new risk management framework and implementation of a revised complaints system to the reconfigured senior management team structure and establishment of the Lancashire District Strategic Partnership. This progress has been driven with strong, visible leadership and support from the Cabinet and Senior Leadership Team.

This openness to innovation and improvement was highlighted in discussions with the range of stakeholders that the peer team spoke to, such as Lancaster and Morecambe College and Lancaster District CVS. For instance, Imagination Lancaster (a design-led research lab at Lancaster University) highlighted the research partnership with Lancaster University that is exploring the impact of place-making for young people.

Staff too are empowered to try out new things, with evidence of a 'let's do it' attitude that is permeating the organisation, supported by the new and more dynamic leadership team. For example, frontline staff that the peer team spoke to highlighted how they are supported to be creative in meeting the needs of individuals, whilst back-office employees noted that there is a progressive approach that enables them to try out new ideas.

There is a clear focus on employee development and wellbeing. The Council has recently introduced a new 3-year People Plan, which has incorporated a range of new initiatives including the introduction of a leadership development programme, launch of a learning and development strategy, a refresh of the Council's values, implementation of a wellbeing strategy and establishment of an engagement strategy.

Peers heard that internal communications, such as the weekly staff newsletter and in-person Chief Officer briefings are well received and valued by staff, although there is a need to ensure that frontline staff who may not have access to ICT are able to see communications, along with wider Council policy documentation, etc. Expansion of the 'We're Listening' front line staff engagement group could present an opportunity to enhance this approach.

The peer team also heard a number of examples of digital transformation delivering improved outcomes and efficiencies. A new customer relationship management (CRM) system has recently been implemented within Customer Services enabling

channel shift for transactional work to an online offer. Since the launch there has been a 40% (33,000) reduction in telephone calls and email transactions, which has enabled resources to be redirected to provide increased opening times in the district's town halls in Lancaster and Morecambe, so that face to face support can be provided to residents as required.

It is apparent however that the transformation programme is not sufficiently developed and there is recognition of the need to accelerate the creation of an ICT / digital strategy to support channel shift and implement more efficient ways of working.

The peer team believe that the lack of capacity in the finance team to effectively support the organisation is a risk. There are a number of vacancies and there is limited scope beyond business-as-usual work and delivering draft and audited accounts by statutory deadlines to support the Council to deliver its Council plan and major capital projects. The anticipated additional external audit procedures likely to be needed (noted above), present a further challenge to capacity. Whilst recruitment in this area is underway, the use of interim resources to supplement capacity on a temporary basis should be considered.

In common with Councils across the country, recruitment to professional roles presents challenges to service delivery. There is therefore a need to effectively market the place and the Council to potential applicants.

In considering capacity and as indicated in previous sections of this report, peers believe that there is a need for further prioritisation of the Council's capital programme, so that timescales are more staged, which will help to prioritise the investment of staff time and resources, and release staff capacity to invest time in broader priorities, helping to meet the needs of the whole community.

Members of the peer team were keen to highlight and give encouragement to the Council's recognition of the role that partners can play in supporting joint delivery. The strong, collaborative relationships and shared priorities that have been developed with local organisations, including the voluntary and community sector, present many opportunities, with stakeholders ready and willing to deliver.

The peer team believe that the Council should use the findings from the corporate peer challenge to reflect on the significant improvement journey that has been made

over the last two years; acknowledge and celebrate this progress; take the opportunity to use the CPC to reinvigorate the organisation and then move forward.

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. 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 date for the progress review at Lancaster City Council has been scheduled for 23rd January 2025.

In the meantime, Claire Hogan, Principal Adviser for the North West, is the main contact between your authority and the Local Government Association. As outlined above, Claire is available to discuss any further support the council requires and can be contacted via Claire.Hogan@local.gov.uk.

Recommendation	Action	By When	Actioned by	Chief Officer	Key updates	RAG rating
1. Develop a clear narrative for growth and an economic strategy that facilitates the development of quality housing, unlocks skills and jobs, contributes to tackling climate change, enables community wealth building and promotes pride in the place.	<ul style="list-style-type: none">•Prepare a new draft District Economic Strategy•Work with stakeholders to draft Economic Strategy•Undertake consultation on draft Economic Strategy•Adopt new Economic Strategy	February 2025	Jonathan Noad	Jonathan Noad	Work has progressed over the summer with a number of stakeholder workshops and meetings with Cabinet to baseline, scope, vision and develop priorities and objectives for an Economic Strategy. This work has now translated in to a Prosperity Plan and will be shared with the Local Strategic Partnership in late October with a view to completing a draft for public consultation in late 2025 and early 2026. The Strategy is behind schedule but this is to allow further development, ownership by the LSP and to reflect what is in the recently published Lancashire Growth Plan.	Orange
2. Incorporate a “call for sites” earlier than the Local Plan process would otherwise allow. This provides a pragmatic mechanism to control development and ensure that the emerging Local Plan is fully utilised as an opportunity to shape and deliver the Council's priorities.	<ul style="list-style-type: none">•Task officers with evaluating the feasibility of a stand-alone Call for Sites process;•Then compare to the current Call for Sites procedures to determine the most appropriate way forward.	End November 2024	Mark Cassidy	Mark Cassidy	See CPC - Call for Sites Feasibility document. Since then the Local Plan Timetable has been approved by Cabinet (April 2025)and this sets out the process for preparing a new Local Plan, with new land allocations for housing sites.	GREEN
3. Use the Council's strong reputation as a collaborative and proactive place leader to further develop partnerships. This should include additional energy and capacity being invested to work with partners where traditionally the relationship has not been as productive.	<ul style="list-style-type: none">•The Lancaster District Strategic Partnership (LDSP) was formally established on 19th August 2024 following the signing of an MOU.•Work is underway to strengthen the existing MOU with Lancaster University with a focus on utilising data, academia and research capacity and linking to policy design via a Policy Hub.•A tangible and strategic approach to working with partners is underway to strengthen collaborative work with stakeholders initially focusing on Health and Communities.•Ad hoc events to be held, e.g. Morecambe Summit in October, shared LT meetings with Westmorland and Furness Council.•Strategic Policy – Management and Oversight group established which in-part will ensure partnership working is integral to strategy development and delivery.	Annual review March 2025	Dan Clarke	Mark Davies / Alex Kinch	1) The LDSP is now meeting on a quarterly basis. A Climate and Nature Strategy is the first area of strategic development with partner input. 2) Regular meetings in place with Lancaster University colleagues to explore areas of strategic collaboration for mutual benefit. A joined up Economic Strategy is the first area of focus. 3) Strengthening partnership work with Health colleagues is progressing. A Preventions and determinants of health strategy meeting to be scheduled in early 2025. 4) The Morecambe Summit in October has established a platform for continued local government partnership work. Future projects and collaborations to be identified. 5) Strategic oversight policy informally in place. Senior leadership meetings will ensure that all emerging strategy aligns to corporate values and explores partnerships.	GREEN
4. Continue to invest in the learning and development of the new chief officer team. This should involve senior officers operating in the strategic partnership space, taking accountability for, and owning organisational improvements. Further senior officer capacity in this space will maximise the reach and convening influence of the Council.	<ul style="list-style-type: none">•A continuation of leadership development programme with training provider, next sessions are in early 2025•Individual Chief Officer objectives set and development needs identified at annual conversations in April to be implemented in 24/25•Weekly leadership team format to be amended to include quarterly extended in-person meeting to discuss strategic issues.	April 2025	Alex Kinch	Alex Kinch	Actions complete. Other evidence inc: Chief Officers delivered training for DCN for new MPs, led LGA skills shortage programme.	GREEN
5. Take steps to strengthen and further develop the Fit for the Future savings and transformation programme by: Aligning the budget planning and Fit for the Future process to the Council Plan and service planning.	<ul style="list-style-type: none">•The 15 projects within the first phase of the Fit for the Future Programme aim to feed as much information as is available into the budget setting process from the end of October 2024.•Service Plans drafted for all directorates, linked to council plan and part of performance management framework.•Change management toolkit and masterclass sessions in development	October 2024 – March 2025	Claire Dubelbeis / Dawn Bradley	Alex Kinch / Paul Thompson	Shared LT session held, Budget setting process about to commence. All service plans complete	GREEN
Implementing a prioritisation framework to inform the delivery of the Capital Programme, ensuring resources are targeted where they will have the most impact.	<ul style="list-style-type: none">•All perspective capital bids to be linked to Council Plan and scrutinised by LT / Capital Assurance Group•10 year Capital Programme to be produced Council approve programme as part of budget process	September 2024 – March 2025	Andrew Kipling / Shona Lee / Rebecca Lord	Paul Thompson	All capital Strategic Outline Cases link to Council Plan. SLT/ Cabinet/ CAG review and scrutiny commenced 10 Year capital programme established as part of 2023/24 budget cycle	
Accelerating the completion of the asset review and delivery of the asset management programme to reduce costs, maximise income and reduce the need for future borrowing.	<ul style="list-style-type: none">•Externally commissioned Condition Survey programme to be completed.•Review of Condition Survey data to be undertaken, analysed and presented for consideration within OBR Assets Group / Cabinet.•10 year Capital / Revenue programme to be produced.•Property Strategy to be developed and adopted providing holistic approach to asset / estate / FM management.	September 2024	Dan Wood	Jo Wilkinson	Complete	
		September 2024 - December 2024	Dan Wood		This has started and will be ongoing throughout Q3	COMPLETE
		November 2024 – February 2025	Dan Wood		This has started and will be ongoing throughout Q3 and into Q4	COMPLETE
		April 2025 – September 2025	Dan Wood / Stephen Morris / Russ Daley		To commence from April 2025	Delays with this commencing seen - however remains as a priority action within the Housing and Property Service Improvement Plan.
Focusing on the creation and implementation of a Digital and ICT strategy.	<ul style="list-style-type: none">•A clear action plan is in place to review the council's ICT infrastructure and application of digital for service delivery. This will enable a concise strategy to be developed that prioritises objectives based on capacity and resource. The strategy objectives will enable a delivery plan to be developed that aligns with the Fit For Future and transformation programme.	January 2025	Dan Clarke / Stephen Hargreaves	Alex Kinch / Paul Thompson	Digital and ICT Strategy complete and passed to service for delivery	GREEN
6. Implement a whole Council strategic approach to the use of data, performance management and financial monitoring. This will help to better inform the decision-making process, support the effective management of Council business and ensure a focus on the delivery of priorities is maintained.	<ul style="list-style-type: none">•Refresh the council's Key Performance Indicators (KPIs) and implement a Power Apps (or similar solution) in which to store and query performance data to support decision making.	March 2026	Claire Dubelbeis	Alex Kinch / Paul Thompson	Within service planning	AMBER
7. Build on recent improvements in the approach to project and programme management ensuring greater consistency, oversight and accountability.	<ul style="list-style-type: none">•Implement a project management system, with real time reporting to provide greater consistency.•Ensure each of the council's strategic projects has a suitable governance structure in place, including forming programme and project boards where necessary.	March 2025	Claire Dubelbeis	Alex Kinch	A PM system will be implemented in 2025	GREEN
8. Invest further in member development to support Councillors (particularly new members) in their Council and community leadership roles.	<ul style="list-style-type: none">•The Council has recognised that to succeed in delivering high quality, cost-effective services to residents, it needs well-motivated and skilled councillors, with the expertise to drive forward the Council's agenda.•Members need to be properly trained to feel confident in their role and contribute fully.•The Member Satisfaction survey undertaken in early 2024 identified the following areas for additional training: Community Leadership, Questioning, Negotiating and Chairing skills as well as IT•We will endeavour to ensure that these topics are addressed.•Councillors will be offered opportunities to acquire the knowledge, skills and expertise they need to perform their roles effectively;•Councillors will be encouraged to take responsibility for, and actively seek opportunities for, their own learning and development;•Training and development applies to all councillors, even those who have been councillors for some time and may feel that there is nothing new to learn.	Ongoing	Debbie Chambers / Liz Bateson	Luke Gorst	Ongoing search for training in these areas. O&S training carried out by CIGS earlier this year. A place has been part-funded for a non-cabinet member to attend the LGA annual conference in Harrogate as a result of them making a request for that (as well as funding the Deputy Leader's attendance). Also, Councillors have been offered Media Training and Social Media Training from NWE (up to ten places on each course) and several have taken that up. Funding agreed to attend climate / Planning course in Glasgow for p'llo holder.	
9. Engage with Councillors and officers in work to enhance and embed a culture of effective overview and scrutiny across the Council.	<ul style="list-style-type: none">•Implement a pre-scrutiny protocol to assist both Cabinet and Scrutiny to work together more effectively for the good of the district.•Enable scrutiny training for members by CIGS	October 2024	Debbie Chambers / Stephen Metcalfe	Luke Gorst	Cabinet Member for Corporate Services to attend OSC meeting to discuss the requests OSC made regarding the protocol. Delayed due to ill health of member.	
10. Accelerate the production of a refreshed equality policy that incorporates clearly defined objectives – this will help to ensure that inclusive approaches are developed internally and externally.	<ul style="list-style-type: none">•Progress to-date to be reviewed and action plan to progress to be developed.	September 2025	Dawn Bradley / Dan Clarke	Alex Kinch	Engagement plan currently being finalised to include linked workstreams, e.g. HR EDI policy and work on EDI to review current practices and areas for improvement.	AMBER

Progress Review: Lancaster City Council

Feedback: 23 January 2025

1. Introduction



The council undertook an LGA Corporate Peer Challenge (CPC) during 16th to 18th April 2024 and promptly published the full report with an action plan.

The Progress Review is an integral part of the Corporate Peer Challenge process. Taking place approximately ten months after the CPC, it is designed to provide space for the council's senior leadership to:

- Receive feedback from peers on the early progress made by the council against the CPC recommendations and the council's RAG rated CPC Action Plan.
- Consider peer's reflections on any new opportunities or challenges that may have arisen since the peer team were 'on-site' including any further support needs
- Discuss any early impact or learning from the progress made to date

The LGA would like to thank Lancaster City Council for their commitment to sector led improvement. This Progress Review was the next step in an ongoing, open and close relationship that the council has with LGA sector support.

2. Summary of the approach



The Progress Review at Lancaster City Council took place (onsite) on the 23rd January 2025.

The Progress Review focussed on each of the recommendations from the Corporate Peer Challenge, under the following theme headings (a full breakdown of the recommendations can be seen at Appendix A):

- Theme 1 - Healthy and Happy Communities
- Theme 2 - Inclusive & Prosperous Economy & Sustainable District
- Theme 3 - Kind, Caring & Responsible Council

For this Progress Review, the following members of the original CPC team were involved:

- Michelle Sacks - chief executive , Huntingdonshire District Council
- Cllr Martin Fodor - Bristol City Council
- Alan Waters - Previously leader at Norwich City Council
- Rachel Robinson, Peer Challenge Manager, Local Government Association

3. Progress Review - Feedback



The Corporate Peer Challenge (CPC) report was published by Lancaster City Council via their website on 19th July 2024 with the accompanying action plan following in September 2024.

Since the CPC was undertaken, Lancaster City Council has experienced a change of control, with the coalition arrangement (Labour, Green and Liberal Democrats) that was in place at the time of the original CPC, being replaced in November 2024 with a new administration (Green, Liberal Democrats and Morecambe Bay Independents) and leader.

In advance of the Progress Review, the council shared a short position statement and RAG rated Action Plan (Red, Amber, Green) to update peers on the progress made to date. The council provided a self-assessment against each of the 13 recommendations within the plan, with 85 per cent identified as 'green' (on track and progressing well) and 15 per cent as 'amber' (progress made, but slightly behind planned trajectory). None were rated as 'red' (not being progressed).

It was clear to the peer team that the council has taken on board the feedback from the Corporate Peer Challenge, noting that progress has been made across the suite of recommendations. Whilst, quite naturally, some themes have developed further than others, the peer team believe that overall, the council has made more progress than it has given itself credit for and should take further steps to celebrate and communicate these successes.

Peers believe that at this stage, having in place an overarching narrative that clearly describes the ambitions for the district and the story of progress to date against these ambitions, would be worth further consideration. This can play a useful role in supporting a shared understanding amongst partners, residents and wider stakeholders of the vision for Lancaster, as the council goes through the processes identified in the recently published English Devolution White Paper.

In light of the recent changes to the political leadership of the council, the peer team believe that there is a need for the cabinet and corporate management team to invest quality time in further building relationships, trust and confidence as this new team now develops. This includes having more space for strategic thinking and horizon scanning. Central to this, as recognised by the council, is a need to 'prioritise the priorities' within the existing council Plan and ensure resources are aligned accordingly.

This report will now consider each of the recommendations from the CPC in more detail (as outlined in Appendix A) and grouped under the following thematic headings.

Theme 1 – Healthy and Happy Communities

During the CPC, the peer team identified that the council is held in high regard by a wide range of key stakeholders, with its convening power being utilised to renew the Lancaster District Strategic Partnership (LDSP). It was therefore recommended that the council uses its strong reputation as a collaborative and proactive place leader to further develop partnerships and bring to fruition the aspiration to deliver shared outcomes. It was further noted that this should include additional energy and capacity being invested to work with partners where the relationship had not been as productive previously.

Peers were pleased to see the considerable progress that has been made in response to this recommendation, evidenced through the further development and implementation of strategic place-based partnerships. The Lancaster district strategic Partnership (LDSP) was formally established in August 2024 with the signing of a Memorandum of Understanding by a breadth of partners including the two universities, local college, NHS partners, third sector organisations, the Chamber of Commerce and Arts Council. Partners meet on a quarterly basis, with a Climate and Nature Strategy identified as the first area of strategic development. The partnership also provides an engagement forum for wider strategic matters, such as devolution.

The council has continued to strengthen the existing memorandum of understanding with Lancaster University, with a focus on utilising data, academia and research capacity and linking this to policy design. The development of a joined-up Economic Strategy is the first area of focus. In addition, strengthening partnership work with the health sector has been identified as an area for improvement, with forums such as the health and wellbeing partnership now in development.

Partnership working with town councils has picked up pace. For example, a Morecambe Summit between Lancaster City Council and Morecambe Town Council took place in October 2024 to explore the opportunities for aligning priorities, leading to the drafting of a memorandum of understanding and a similar arrangement will be offered to Carnforth Town Council.

At an operational level, peers were impressed to hear the work that has been undertaken with the community and voluntary sector through the Food Justice Network. Based on an asset-based community development model, the approach includes food clubs that support 13,000 households a week, freeing up food bank capacity to those who are most in need. The next steps building on this include a commitment to identifying and responding to the underlying causes of food poverty.

Theme 2 - Inclusive & Prosperous Economy & Sustainable District

The CPC recognised that Lancaster has a clear vision that increased prosperity must be for the benefit of the whole community, with an ambition to help and enable a low carbon future. The ambition for inclusive prosperity is supported by a number of ambitious capital projects, which have the potential to be transformational (including for example, the Eden Project Morecambe). However, during the CPC the peer team recommended that an economic strategy that all parties can sign up to is created to support the achievement of this vision. This will help to ensure joint focus on the development of quality housing, skills and jobs, tackling climate change, community wealth building and promoting pride in the place.

Since the CPC, initial scoping work has been undertaken with key anchor institutions, including Lancaster and Morecambe College, Lancaster University and the Chamber of

Commerce. As a result of this engagement, it was agreed to link the creation of the economic strategy to the 'Before Eden' research currently being undertaken by Lancaster University on behalf of the eden project Morecambe partnership. This research seeks to provide a baseline of key statistics about life in the district and will therefore provide a rich evidence-base to inform the direction of the economic strategy. This has led to a slight delay in progress against the original timeframes. However, the peer team were informed that a provider has now been commissioned to facilitate the production of the draft strategy, with the intention to commence consultation activity in March 2025.

It was recognised by the council that the economic strategy will be important in the context of devolution and local government reorganisation, setting out and positioning what is important to the locality and communities within the district, including for example the expansion of the green growth agenda. Thus illustrating that the council's responsiveness and adaptability to the changing policy context.

The CPC highlighted that, to ensure that the developing local plan is fully utilised in delivering the council's priorities, including those in the developing Local Area Energy Plan and Economic Strategy, the council should incorporate a 'call for sites' earlier than the Local Plan process would normally cater for. Peers believed that this would provide a pragmatic mechanism to control development and ensure that the emerging Local Plan is fully utilised as an opportunity to shape and deliver the council's priorities.

In response to this recommendation, the feasibility of a separate 'call for sites' process has been evaluated. In response, the council has held an earlier-than-usual 'call for sites' process, which was twin-tracked with increased promotion of the pre-application councillor engagement forum. This forum (comprised of a single Member from each of the political groups represented on the planning regulatory committee) is popular with major developers/housebuilders, as it enables appropriate, emerging residential developments to advance to planning application stage with the comfort of in-principle support from Planning Regulatory Committee Members. Peers heard that this collaborative approach is the most appropriate to ensuring that development proposals reflect and respond to local circumstances and characteristics. It sits well alongside a wider call for sites process and, critically, does not have to wait for the Local Plan to emerge.

Peers saw great pride amongst staff in the work undertaken to date with the Local Plan, particularly the innovative climate emergency review of the local plan that has recently concluded and focused on how new developments can be made better for nature while also making sure that homes and residents are better protected from flooding, have lower water bills, lower fuel bills, and better access to sustainable travel.

Theme 3 – Kind, Caring and Responsible Council

The CPC highlighted a need for the council to continue to invest in the learning and development of the new corporate management team (CMT). In response, a tailored leadership and development programme for chief officers delivered by an external training provider continues to be rolled out, supported by annual conversations (the council's appraisal system). Chief officers have also been encouraged to take part in wider sector-led improvement opportunities, such as peer reviews.

In a similar vein, the CPC recommended that further investment should be made in member development to support councillors (particularly new members) in their council and community leadership roles. Whilst some initial steps have been taken, such as the delivery of overview and scrutiny training by the Centre for Governance and Scrutiny, it is the view of

the peer team that member development still needs to be strengthened. Activity could incorporate (for example) an offer of formal mentoring arrangements. Likewise, the introduction of performance development reviews which inform the creation of personal training plans for all councillors. It is further suggested that a cross-party member development working group is created to inform and oversee progress and provide dedicated leadership attention in this area. The LGA offers a range of training and development opportunities tailored to councillors at different stages of their journey, which could be used to support elements of the council's member development programme.

Through the CPC it was identified that members at overview and scrutiny could have a greater impact in how they hold the executive to account through effective and constructive scrutiny, including a need to work with members and officers across the council to enhance and embed a culture of effective overview and scrutiny. Progress against this recommendation has been limited to date, albeit with some early, positive examples of policy development work from overview and scrutiny, such as the launch of task and finish groups focusing on the topics such as obesity. Peers were also pleased to hear about the rich engagement undertaken via the dedicated Tenants Scrutiny Panel, which has led to improvement recommendations for the repairs service. A pre-scrutiny protocol to assist both cabinet and scrutiny to work together more effectively is currently being developed.

During the CPC, the peer team recommended that the council should build on the recent improvements to project and programme management and that a whole council strategic approach to the use of data, performance management and financial monitoring should be implemented to inform decision making and management of council business. The peer team were informed that since the CPC, the software tool Power BI has been launched to enable service plans to be more easily and effectively monitored. In addition, the presentation of quarterly performance reports has been reformatted to ensure they are user friendly, strengthening the ability of cabinet and CMT to effectively monitor progress against the delivery of the council's priorities. A full refresh of key performance metrics is planned, along with the implementation of a new project management system.

The CPC illustrated that Lancaster City Council is committed to reducing inequalities and delivering services that are inclusive and accessible to a diverse community. This includes examples of best practice, such as the development of a Fair Work Charter that aims to reduce inequalities in the local labour market by promoting equal and fair employment practices. However, the CPC recommended that the equality policy should now be refreshed with clearly defined objectives included. In response to this recommendation, an external organisation has undertaken a review of the council's current approach to equality, diversity and inclusion. An engagement plan (incorporating internal and external stakeholders) has also been prepared to inform a refresh of the strategy, so that associated connections can be made with relevant partners. Running alongside this, there are a range of internal and externally facing initiatives and projects underway that have grown organically. These include research with Lancashire County Council to develop a more detailed understanding of the drivers behind the community unrest and disturbances seen in many parts of the country during the Summer of 2024; continued expansion of the Fair Work Charter and real living wage; a targeted role out of the community connectors team within priority wards; launch of an internal inclusion policy; and, implementation of wellbeing action plans within every council service. Peers were impressed with the breadth of this work (including the commitment to be data-led) but would recommend that an action plan is produced to capture, showcase and demonstrate the impact of the range of initiatives that are underway.

Lancaster's financial position was a key focus during the CPC. This highlighted that the council's finances are in a relatively reasonable but tightening position and in response a 'Fit for the Future' savings and transformation programme has been developed, which includes

work to review and rationalise assets and the use of a 'flexible capital receipts' policy to enable investment in transformation to deliver savings. Through the CPC it was recommended that the approach could be further enhanced by:

- Strengthening the alignment of budget planning and Fit for the Future process to the Council Plan and service planning.
- Implementing a prioritisation framework to inform the delivery of the Capital Programme, ensuring resources are targeted where they will have the most impact.
- Accelerating the completion of the asset review and delivery of the asset management programme to reduce costs, maximise income and reduce the need for future borrowing.
- Focusing on the creation and implementation of a Digital and ICT strategy.

The peer team were impressed with the overarching approach to the Fit for the Future programme that has been implemented since the CPC, with the governance structure incorporating 13 task and finish groups, including a strong focus on representation from and engagement with Cabinet members. The focus of the strategy is on the medium to long-term and as recommended by the peer team, a concentrated focus has been given to ensuring the close strategic alignment between the Medium-Term Financial Strategy, 25/26 budget proposals and the Council Plan.

Peers were also pleased to hear about the progress with the development of a 10-year capital programme, which formed the starting point for the budget, ensuring that any impact on the revenue budget is understood and capacity/resources are aligned. Associated business cases have been developed on a proportionate basis and tested by both Cabinet and officers.

Similarly, peers were impressed with progress on the development of the asset management programme, particularly the implementation of a cross-party working group to oversee progress and inform the prioritisation of assets, including disposal considerations. This activity has been informed by the completion of a condition survey for all properties held within the general fund and complemented by an estate management improvement plan that will focus on maximising income / reducing costs.

The commitment to green growth through this work is to be commended, particularly for enabling the skilling-up of private sector builders and housing associations in the area to undertake retrofitting of existing buildings / properties.

The council has undertaken significant co-design work with Cabinet members, staff and partners (including Lancaster University and Lancashire County Council) to develop a skeleton strategy for Digital and ICT that identifies the digital priorities for the council and residents (in line with Fit for the Future and council priorities), and also for place-based collaborations. The initial strategic focus will be to ensure the council maximises its existing digital systems, processes and platforms.

Moving forward, it is recognised by Lancaster City Council that there is a need to maintain a resilient Medium Term Financial Strategy in the context of local government reorganisation and the wider potential implications from the English Devolution White Paper.

4. Final thoughts and next steps



The LGA would like to thank Lancaster City Council for undertaking an LGA CPC Progress Review.

We appreciate that senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation wishes to take things forward.

Under the umbrella of LGA sector-led improvement, there is an on-going offer of support to councils. The LGA is well placed to provide additional support, advice and guidance on a number of the areas identified for development and improvement and we would be happy to discuss this.

Claire Hogan (Principal Adviser) is the main point of contact between the authority and the Local Government Association (LGA) and their e-mail address is Claire.Hogan@local.gov.uk.

Overview and Scrutiny Committee

Briefing note- Local Government Reorganisation update

On 16 December 2024, the Government published its English Devolution White Paper, which stated "We will expect all two tier areas and smaller or failing unitaries to develop proposals for reorganisation." In two tier areas, it is clear that reorganisation means the creation of unitary local government to replace the two-tier system.

On 5 February 2025 a letter was sent to all local authorities in Lancashire setting out the government's approach to the development of reorganisation proposals across the county. The letter set out key milestones including the deadline for full and detailed proposals by 28th November 2025. The letter also provided detail on the criteria against which proposals would be assessed.

These criteria are included in **appendix A**

It is Government's expectation that local leaders work proactively and collaboratively to develop proposals which are in the best interests of the area, and not unnecessarily expend resources on producing competing proposals. However, the government also recognised that it might not be possible for all authorities in Lancashire to reach agreement on a single proposal, and that there may be alternatives put forward. The government stated that this would not be a barrier to progress, and that it would consider any suitable proposals that are submitted.

Lancaster City Council agreed the formation of cross party working group to oversee our approach to LGR. This group meets on a regular basis.

Joint Evidence Base

Specialist theme groups have been established across Lancashire's fifteen councils to collaboratively develop a single unified evidence base. This joint approach is designed to support the business cases for each of the emerging unitary options.

The work has been underpinned by independent consultants, ensuring a robust and impartial economic, financial and service baseline. This suite of documents that make up the joint evidence base has been agreed by all Lancashire Chief Executives and is being actively used within each of the options working groups to develop their respective business cases.

LGR Options

Five different options for the unitarisation of Lancashire are being developed into detailed cases for change. These include models proposing 2, 3, 4 (with two variations) and 5 unitary authorities.

Independent consultants, are supporting four out of the five cases for change , each supported by a dedicated working group and a nominated expert consultant. This structure ensures confidentiality and maintains the agreed "ethical walls" between the councils.

The fifth business case (led by Blackpool) is being developed internally, using the same jointly agreed evidence base and consultation findings as the other cases for change.

All business cases are being progressed in line with the submission deadline of 28th November, with variances in the extent of current drafting.

Lancaster City Council has not formally expressed its preferred model for unitarisation. The cross party working group have, however, directed the Chief Executive to work with five other Chief Executives to bring forward a case for change for a 4 unitary model based on existing District footprints.

This would create-

- North Lancashire Unitary of Lancaster, Ribble Valley, Preston
- Pennine Lancashire Unitary of Blackburn, Rossendale, Hyndburn, Burnley, Pendle
- Fylde coast Unitary of Blackpool, Wyre, Fylde
- South Lancashire Unitary of Chorley, South Ribble, West Lancs

A map showing all cases for change in development is shown in **Appendix B**

Consultation

The pan Lancashire resident and stakeholder consultation closed on 28th September.

The findings from this survey have been presented to Lancashire Chief Executives and the detailed reports are now being used within each of the case for change working groups to inform the development of their proposals.

In addition to this Lancaster City Council conducted it's own survey to allow our residents and stakeholders to provide a District specific perspective. Analysis of the responses is taking place.

Lancaster City Council formal position

Lancaster City Council's preference will be agreed by Cabinet on 26th November (executive function by default pursuant to Section 9D (2) LGA 2000) at the rise of an extraordinary Full Council. This will allow all Members the opportunity to hear the conclusions of the cross party working group and debate the matter, ahead of the Cabinet meeting that immediately follows.

Submission of LGR Options

In accordance with Government Guidance, it is the intention that all proposals for local government reorganisation in Lancashire, will be submitted by 28th November, with a single, joint covering letter signed by all fifteen Leaders, which will:

1. Clearly indicate which of the five Business Cases each Council has formally agreed to support and submit.
2. Reinforce the collaborative approach taken to the development of a single, joint evidence base
3. Demonstrate the collective leadership and ownership of the process and the commitment to achieving the best outcomes for the people of Lancashire.

Decision

It is important to note that whilst individual Councils may express their preference the decision rests firmly with Government (particularly MHCLG and the Treasury).

Government will consult on the cases for change, that meet the criteria during at some point after Nov 28th. It is expected that Government will announce their decision ahead of the summer recess.

APPENDIX A

Guidance from the Secretary of State for proposals for unitary local government.

Criteria for unitary local government

1. A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.

- a) Proposals should be for sensible economic areas, with an appropriate tax base which does not create an undue advantage or disadvantage for one part of the area.
- b) Proposals should be for a sensible geography which will help to increase housing supply and meet local needs.
- c) Proposals should be supported by robust evidence and analysis and include an explanation of the outcomes it is expected to achieve, including evidence of estimated costs/benefits and local engagement.
- d) Proposals should describe clearly the single tier local government structures it is putting forward for the whole of the area, and explain how, if implemented, these are expected to achieve the outcomes described.

2. Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.

- a) As a guiding principle, new councils should aim for a population of 500,000 or more.
- b) There may be certain scenarios in which this 500,000 figure does not make sense for an area, including on devolution, and this rationale should be set out in a proposal.
- c) Efficiencies should be identified to help improve councils' finances and make sure that council taxpayers are getting the best possible value for their money.
- d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.
- e) For areas covering councils that are in Best Value intervention and/or in receipt of Exceptional Financial Support, proposals must additionally demonstrate how reorganisation may contribute to putting local government in the area as a whole on a firmer footing and what area-specific arrangements may be necessary to make new structures viable.
- f) In general, as with previous restructures, there is no proposal for council debt to be addressed centrally or written off as part of reorganisation. For areas where there are exceptional circumstances where there has been failure linked to capital practices,

proposals should reflect the extent to which the implications of this can be managed locally, including as part of efficiencies possible through reorganisation.

3. Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.

- a) Proposals should show how new structures will improve local government and service delivery, and should avoid unnecessary fragmentation of services.
- b) Opportunities to deliver public service reform should be identified, including where they will lead to better value for money.
- c) Consideration should be given to the impacts for crucial services such as social care, children's services, SEND and homelessness, and for wider public services including for public safety.

4. Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views.

- a) It is for councils to decide how best to engage locally in a meaningful and constructive way and this engagement activity should be evidenced in your proposal.
- b) Proposals should consider issues of local identity and cultural and historic importance.
- c) Proposals should include evidence of local engagement, an explanation of the views that have been put forward and how concerns will be addressed.

5. New unitary structures must support devolution arrangements.

- a) Proposals will need to consider and set out for areas where there is already a Combined Authority (CA) or a Combined County Authority (CCA) established or a decision has been taken by Government to work with the area to establish one, how that institution and its governance arrangements will need to change to continue to function effectively; and set out clearly (where applicable) whether this proposal is supported by the CA/CCA /Mayor.
- b) Where no CA or CCA is already established or agreed then the proposal should set out how it will help unlock devolution.
- c) Proposals should ensure there are sensible population size ratios between local authorities and any strategic authority, with timelines that work for both priorities.

6. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.

- a) Proposals will need to explain plans to make sure that communities are engaged.

b) Where there are already arrangements in place it should be explained how these will enable strong community engagement.

Developing proposals for unitary local government

The following matters should be taken into account in formulating a proposal:

Boundary Changes

a) Existing district areas should be considered the building blocks for your proposals, but where there is a strong justification more complex boundary changes will be considered.

b) There will need to be a strong public services and financial sustainability related justification for any proposals that involve boundary changes, or that affect wider public services, such as fire and rescue authorities, due to the likely additional costs and complexities of implementation.

Engagement and consultation on reorganisation

a) We expect local leaders to work collaboratively and proactively, including by sharing information, to develop robust and sustainable unitary proposals that are in the best interests of the whole area to which this invitation is issued, rather than developing competing proposals.

b) For those areas where Commissioners have been appointed by the Secretary of State as part of the Best Value Intervention, their input will be important in the development of robust unitary proposals.

c) We also expect local leaders to engage their Members of Parliament, and to ensure there is wide engagement with local partners and stakeholders, residents, workforce and their representatives, and businesses on a proposal.

d) The engagement that is undertaken should both inform the development of robust proposals and should also build a shared understanding of the improvements you expect to deliver through reorganisation.

e) The views of other public sector providers will be crucial to understanding the best way to structure local government in your area. This will include the relevant Mayor (if you already have one), Integrated Care Board, Police (Fire) and Crime Commissioner, Fire and Rescue Authority, local Higher Education and Further Education providers, National Park Authorities, and the voluntary and third sector.

f) Once a proposal has been submitted it will be for the government to decide on taking a proposal forward and to consult as required by statute. This will be a completely separate process to any consultation undertaken on mayoral devolution in an area, which will be undertaken in some areas early this year, in parallel with this invitation.

Maps

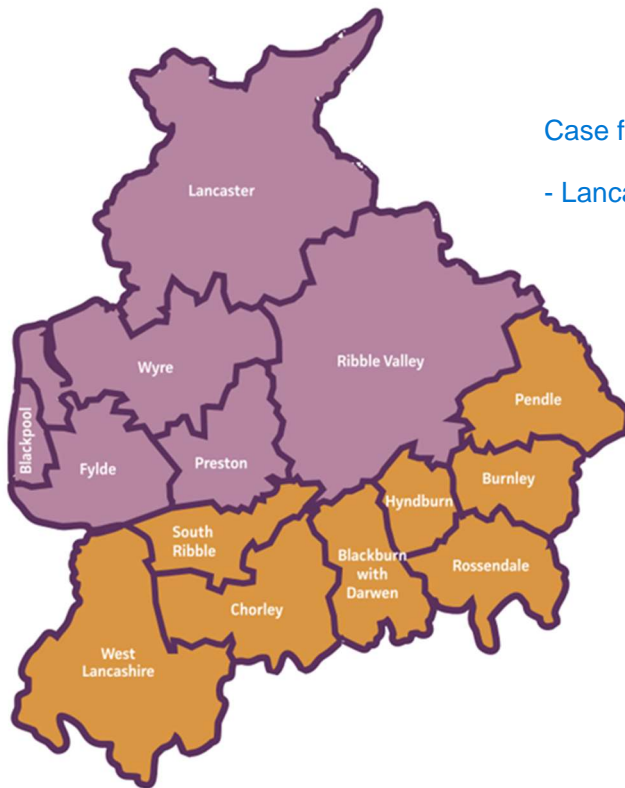
Existing Lancashire footprint with all authorities on, plus proposed options showing the boundaries of the new councils with areas labelled.

Existing structure:

Areas in black denote 12 x district councils also covered by Lancashire County Council.
Areas in grey denote unitary councils.



A possible two unitary model



Case for change being developed by
- Lancashire County Council

A possible three unitary model



3way Case for change being developed by
- Wyre
- Fylde
- Hyndburn
- Rossendale
- Blackburn

A possible four unitary model



4 way case for change (as per map) being developed by

- Lancaster
- Ribble Valley
- Preston
- Chorley
- S Ribble
- W Lancs

NOTE-

An alternative 4 way case for change is being developed by

- Blackpool

We havent seen the map yet but broadly its

1. Lancaster + Garstang part of Wyre + N Ribble Valley
2. Blackpool + Fylde + Rest of Wyre+ Preston
3. S Ribble+ Chorley+ West Lancs
4. East Lancs + the other half of Ribble Valley

A possible five unitary model



5 way Case for change being developed by-

- Pendle
- Burnley

OVERVIEW AND SCRUTINY COMMITTEE**Pre-Decision Scrutiny Protocol****22 October 2025****Report of Senior Manager, Democratic Support and Elections****PURPOSE OF REPORT**

To consider a report on the introduction of a Pre-Decision Scrutiny Protocol.

This report is public.

RECOMMENDATIONS

- (1) **The Committee is requested to consider and comment on the content of this report and the draft Pre-Decision Scrutiny Protocol attached with a view to recommending it to Cabinet for adoption.**

1. INTRODUCTION

- 1.1 The Committee asked to consider the introduction of a Cabinet – Scrutiny Protocol. Such arrangements are in place in other authorities with the aim of assisting both Cabinet and Scrutiny to work together more effectively for the good of the district.
- 1.2 At its meeting, held on 6 September 2023, the Committee was provided with a report and a copy of the Statutory Guidance on Overview and Scrutiny in Local and Combined Authorities, previously reported to the Committee on 14 June 2023.

After considering the report it was agreed:

- (1) That the Pre-Scrutiny Champion meets informally with Democratic Support Officers to consider the Forthcoming Key Decisions on a regular basis.
- (2) That the Committee consider a draft Protocol in the new Municipal Year.
- 1.3 Due to a change in Cabinet Member, this has taken a little longer than anticipated, however the current Cabinet Member with particular responsibility for Corporate Services, Councillor Maddocks, attended the last meeting of this Committee on 8 January 2025 to provide an update and receive comments from Committee members regarding elements they would wish to see in the protocol, as set out below.

2. DRAFT PROTOCOL

2.1 At the January meeting, the Committee put forward the following requests to the Cabinet Member:

- That Cabinet papers are circulated to the Overview and Scrutiny Committee at the same time as for Cabinet before Cabinet briefings. If the Committee wish to receive a briefing on any of the Cabinet items, this would be requested and arranged before the Cabinet meeting the following week to allow any comments or concerns to be shared with Cabinet. This replaced the request for briefings for every Cabinet meeting for the Committee in order to save officer time and resources. This involves the building in of safeguards to mitigate risks around the sharing of sensitive information with Scrutiny members.
- That a list of key initiatives for the forthcoming 12 months be shared with both Cabinet and the Overview and Scrutiny Committee (as opposed to a list of forthcoming Key Decisions for the next 12 months).
- That, as part of the consultation process, the Overview and Scrutiny Committee be consulted on all major projects as a matter of course to enable pre-decision scrutiny.

2.2 A draft protocol is now attached for the Committee to consider which addresses the issues in the first bullet point above.

2.3 The second and third bullet points above are not covered in the protocol. Regarding the list of key initiatives for the forthcoming twelve months, Cabinet met recently to discuss priorities and work initiatives and this can be fed back to the Committee by Councillor Maddocks at the meeting. Regarding Overview and Scrutiny being consulted on all major projects, project boards are set up for all major projects where Scrutiny members sit. The Committee may wish to consider adding a standing item on its agendas for Overview and Scrutiny Councillors who sit on major project boards to report back to the Committee.

3 CONCLUSION

3.1 The Committee is asked to consider the attached draft protocol with a view to recommending this to Cabinet for adoption. Member may also wish to consider adding a standing item to future agendas for Members on project boards to update the Committee on progress with major projects.

RELATIONSHIP TO POLICY FRAMEWORK

There are no direct implications as a result of this report.

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

There are no direct implications as a result of this report.

LEGAL IMPLICATIONS

The Overview and Scrutiny Committee has overall responsibility for the performance of all Overview and Scrutiny functions (under the Local Government Act 2000) on behalf of the Council and ensuring its effectiveness.

There is no legal requirement for the Council to have a Protocol although it is considered best practice in the 'Overview and Scrutiny: Statutory Guidance for Councils and Combined Authorities (MHCLG)' document published in May 2019.

FINANCIAL IMPLICATIONS

There are no financial implications as a direct result of this report.

OTHER RESOURCE IMPLICATIONS, such as Human Resources; Information Services; Property; Open Spaces:

None.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no further comments.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

DLUHC Overview and Scrutiny: statutory guidance for councils, combined authorities and combined county authorities – 22.04.24.
To view please click [here](#)

Contact Officer: Debbie Chambers
Telephone: 01524 582057
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APPENDIX

Overview & Scrutiny Protocol – Pre-decision Scrutiny

WHAT IS PRE-DECISION SCRUTINY?

Cabinet and Overview and Scrutiny recognise that in order for effective scrutiny to happen they need to work together for the benefit of the Council and to improve decision-making.

Decisions may be brought to scrutiny as drafts of the final cabinet report for consideration.

The range of possible outcomes may include support for a decision, a different view on the way forward, the flagging up of concerns (e.g. in relation to the consultation process), or a recommendation that the decision should be deferred pending further work etc. It does not mean that decisions will necessarily be changed or withdrawn, however it gives an opportunity for those decisions to be more informed. Pre-decision scrutiny can be viewed as non-Cabinet Members performing a 'critical friend' role in relation to the Cabinet.

Overall, pre-decision scrutiny can help the decision-making process by:

- Providing an impartial perspective – scrutiny can gather its own evidence to contribute towards the decision-making process, and consult those directly affected by the decision impartially and independently.
- Challenging assumptions and making evidence-gathering more robust –scrutiny can look at projections relating to the impact of the decision – financial, social, economic, environmental – and consider whether those projections and assumptions are justified.
- Developing realistic plans and targets – scrutiny can help to develop challenging but realistic targets that will be impartial and focused on outcomes rather than outputs.
- Securing ownership and buy-in to the final decision – engaging with scrutiny will help the executive to understand the expectations of the wider group of elected councillors and, by extension, the public.

WHAT PRE-DECISION SCRUTINY IS NOT

Pre-decision scrutiny does not replace decision-making. It is not intended to blur the lines of accountability, which will always rest with the Cabinet.

Pre-decision scrutiny is not the same as general service or policy development/formulation. Separate to pre-decision scrutiny there are occasions where scrutiny is already involved at an earlier point in the development of policy or service proposals.

WHY IS A PROTOCOL NEEDED?

The aim of this protocol is to set out an agreed way of working with the Cabinet, in line with the Council's Constitution, to facilitate the proper role of Overview and Scrutiny in respect of pre-decision scrutiny.

Protocol for pre-decision scrutiny of Cabinet items

1. Any draft cabinet reports when available are sent to members of Cabinet and Overview & Scrutiny for consideration before the decision making Cabinet.
2. Cabinet will have a briefing on the available draft reports normally 2 weeks prior to the scheduled Cabinet meeting.
3. Overview & Scrutiny may request a similar briefing on any of the available draft reports. The briefing will be no later than 2 days following any Cabinet briefing. Any request to be sent by the Chair or Vice-Chair to the Chief Executive. Late requests will not be accepted.
4. The relevant Cabinet Member, Chief Officer and/or appropriate officer(s) may attend any Overview and Scrutiny briefing to present the draft report and help answer any questions posed by members of the Committee.
5. Overview and Scrutiny will consider the draft report and identify any points it would like addressed in the final report to be presented before Cabinet, this could include any alternative recommendations which the Committee consider necessary.
6. The Chair or Vice-chair of Overview & Scrutiny will submit any feedback to the relevant Chief Officer and relevant portfolio holder either at the briefing or no later than 5pm the following day.
7. The relevant portfolio holder, in consultation with the Chief Officer, will consider any feedback/suggestions and decide whether to include comments/actions from Overview & Scrutiny in the report before publication.
8. Pre-decision scrutiny of the subject does not prevent the opportunity for call-in once the decision is made by the Cabinet.

Sensitive Information

Prior to publication of reports any information therein is to be treated as confidential and not to be disclosed.

Existing Pre- scrutiny arrangements

There is already a pre-scrutiny elected member (pre-scrutiny champion) who is responsible for monitoring the key decisions and requesting further information as necessary. This is intended to continue.

OVERVIEW AND SCRUTINY COMMITTEE

Work Programme Report

22 October 2025

Report of Chief Officer - Governance

PURPOSE OF REPORT

The Committee is requested to consider its Work Programme report.

This report is public.

RECOMMENDATIONS

(1) That Members consider the updated Work Programme.

1. Introduction

1.1 The Committee is responsible for setting its own annual Work Programme within its terms of reference, set out in the Council's Constitution. Members are requested to consider the report.

2. Work Programme

2.1 Rule 9 of the Constitution advises of the process to be undertaken to consider and prioritise scrutiny Work Programmes. This has now been undertaken, and a report was submitted for consideration at the last meeting of the Committee.

3. Updates

3.2 LANPAC Presentation

A request has been received from Lancashire Partnership Against Crime (LANPAC) to provide a presentation to give an overview of LANPAC's work, details of the funding application process, and examples of some of the projects LANPAC has supported. If members wish to receive this, it will be provided at the November Crime and Disorder Committee meeting.

The Committee has also previously requested the following items to be considered.

3.3 Tenant Satisfaction Measures (TSM)

This item has been timetabled for the meeting on 4th March 2026.

3.4 Flooding in Lancaster - Lancaster City Surface Water Management Plan.

Letters have been sent by email to Lancashire County Council on 18th July 2025 and 12th September 2025. A response from the County Council Cabinet Member is appended to this report.

3.5 Care Quality Commission (CQC) Assessment

A letter has been sent by email to the Executive Director of Adult Services on 12th September 2025. A response is awaited.

3.6 Update on Fit for the Future

Information requested by this Committee (Min 20 refers), BPP and scrutiny Chairs to be provided at a Workshop for members of scrutiny, with other members invited to attend.

3.7 Waste Collection Policy Implementation Group - Update

This item has been timetabled for the meeting on 7th January 2026.

3.8 Attached at Appendix 1 is the Committee's Work Programme.

4. Conclusion

4.1 The Committee is asked to consider the updates.

RELATIONSHIP TO POLICY FRAMEWORK

There are no direct implications as a result of this report.

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

There are no direct implications as a result of this report.

LEGAL IMPLICATIONS

There are no legal implications as a direct result of this report.

FINANCIAL IMPLICATIONS

There are no financial implications as a direct result of this report.

OTHER RESOURCE IMPLICATIONS, such as Human Resources; Information Services; Property; Open Spaces:

None.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no further comments.

MONITORING OFFICER'S COMMENTS	
The Monitoring Officer has been consulted and has no further comments.	
BACKGROUND PAPERS	Contact Officer: Stephen Metcalfe Telephone: 01524 582073 E-mail: sjmetcalfe@lancaster.gov.uk
None.	

<u>Matter for Consideration</u>	<u>Detail</u>	<u>Expected Date of Meeting</u>	<u>Outcomes</u>
Scrutiny Protocol.	<p>That the Cabinet Member with Responsibility for Corporate Services prepares a draft Scrutiny Protocol to be considered by the Committee.</p> <p>That officers consider the use of Service Business Plans to produce a 12-month plan of forthcoming projects. Min 57, 09.04.25.</p>	22 nd October 2025.	
LGA Corporate Peer Challenge Feedback Report (reported to Cabinet on 9 July 2024).	<p>Request the Chief Executive to provide and report on the Action Plan, with particular focus on Scrutiny.</p> <p>With regard to the LGA Peer Challenge Review, it was agreed to invite the Leader of the Council and relevant Cabinet Member to the meeting. It was also suggested that, when the Review is considered, that ways to develop and improve scrutiny be discussed including looking at other councils seen as providing best practice, with possible site visits to those councils and also ways to embed scrutiny into the Council's culture. Min 59, 09.04.25.</p> <p>Note: The Leader to be invited to attend.</p>	22 nd October 2025.	
Community Safety.	<p>Regular updates to be provided to the Committee prior to the meeting in November 2025. Min 35, 20.11.24.</p> <p>Annual meeting required – please see Constitution, O&S Procedure Rules.</p> <p>That Anti-Social Behaviour in Lancaster City Centre be considered at the annual Community Safety meeting in November 2025. Agreed 2nd July 2025. Min 14, resolution (2).</p> <p>Note: The Cabinet Member with the relevant Portfolio to be invited to attend.</p>	19 th November 2025.	
CCTV.	<p>That the Committee request a report on the City Council's CCTV provision and strategy in Lancaster City Centre, to also to include CCTV provision on the cycle track.</p> <p>Min 14, 02.07.25, resolution (4).</p>	19 th November 2025.	
Government Waste Strategy Delivery.	<p>That Overview and Scrutiny considers the implications of the implementation of the Government's waste strategy in their work programme and awaits feedback from the Waste Collection Policy Implementation Group and report back to the Overview and Scrutiny</p>	7 th January 2026.	

	<p>Committee. prior to making appropriate policy recommendations to Cabinet. Min 6, 28.05.25.</p> <p>Min 20, 10.09.25, resolution (4).</p>		
Health and Safety – violence and aggressive behaviour against staff and Councillors.	<p>Safety of staff and Cllrs.</p> <p>Report on stats and how the Council supports people/information from the LGA. An overarching view and not operational. Report to be kept within the Council's Executive functions.</p>	7 th January 2026.	
Derelict Properties in the West End of Morecambe.	<p>Focus on West End of Morecambe. Request Chief Officer – Sustainable Growth to report at a future meeting on his area of responsibility.</p> <p>Min 14, 02.07.25, resolution (5).</p>	4 th February 2026.	
Arndale Centre in Morecambe.	<p>Concerns about the current state of the Arndale Centre in Morecambe and whether the Council is aware of any plans or discussions regarding its future.</p> <p>Update on Morecambe Master Plan from Chief Officer – Sustainable Growth – consider at the same meeting as West End Regeneration item.</p> <p>Min 14, 02.07.25, resolution (5).</p>	4 th February 2026.	
Housing Needs.	<p>Is the City Council's Housing Strategy delivering the housing needs of the district?</p> <p>Min 12, 01.08.24.</p>	4 th March 2026.	
Tenants Satisfaction Measures (TSM).	<p>That the action plan for addressing the improvements required and the Complaint Annual Report be considered by the Committee at a future meeting. Min 41, 08.01.25.</p>	4 th March 2026.	
Social Housing Policy and practice.	<p>How sustainable is our current housing policy.</p> <p>Home strategy 2020-2025 – request an update.</p>	4 th March 2026.	
Council Commercial services.	<p>The cafes etc run in house or externally franchised. A comparison of income from similar projects.</p> <p>Understand scale of this and then look at outcomes. Invite Chief Officer – Environment and Place to discuss commercial activities and the policy approach, particularly cafes.</p>	4 th March 2026.	
Remote monitoring of litter bins and route optimisation.	<p>That the Litter Bin monitoring Dashboard be considered by the Committee at a future meeting. Min 44, 08.01.25.</p>	1 st April 2026.	
Update on Fit for the Future.	<p>Update on Fit for Future – Report to a O&SC meeting and invite B&PP. On a 6 month or quarterly basis.</p>	TBC. Information requested by	

	Min 14, 02.07.25, resolution (5). Min 20, 10.09.25.	this Committee, BPP and scrutiny Chairs to be provided at a Workshop for members of scrutiny, with other members invited to attend.	
Property Asset Working Group - request for information.	That on behalf of the Property Asset Working Group, the Committee request officers to provide the likely market value of buildings, cost to repair buildings and the current usage of buildings in relation to the Stock Condition Survey to the Working Group. Min 59, 09.04.25. Also Min 14, 02.07.25, resolution (5).	Presentation and information provided on the Stock Condition Survey by the Chief Officer – Housing and Property at the meeting of Budget and Performance Panel on 4 th June 2025.	
A review of the role the City Council has in promoting and supporting economic development, both large and small businesses, within the district and its impact. Include Business Support.	The Economic Development Strategy to be considered by the Committee when it was available before it is considered by Cabinet. February 2025. The Committee was advised that the Economic Development Strategy, which was included in the Committee's Work Programme, was currently being drafted. The draft Strategy would be considered by the Committee once it was complete. Min 51, 05.02.25.	TBC.	
Flooding in Lancaster - Lancaster City Surface Water Management Plan.	Request an update from County Council. An update from Lancashire County Council is awaited. Min 54, 07.02.24 and Min 25, 10.09.25.	Letters sent on 18 th July 2025 and 12 th September 2025. Response from Lancashire CC dated 10 th October 2025 is attached.	
Care Commission Quality Assessment (CQC)	Agreed that this would be added to the Committee's Work Programme with representatives from Lancashire County Council invited to report to a future, or additional meeting of the Committee. This would be to inform of the findings of the CQC Assessment and the	TBC. Letter sent to the Executive Director of Adult Services	

	<p>progress already being made, with all other members of Council invited to attend to allow them all to be briefed.</p> <p>Min 25, 10.09.25.</p>	<p>sent on 12th September 2025.</p> <p>Awaiting a response from Lancashire CC.</p>	
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Mr Stephen Metcalfe
Sent via email:
sjmetcalfe@lancaster.gov.uk

Phone: 01772 535348
Email: joshua.roberts@lancashire.gov.uk
Your ref
Our ref CCJR/88358
Date: 10 October 2025

Dear Mr Metcalfe

Lancaster City Surface Water Management Plan

Thank you for your letter dated 12 September 2025, on behalf of the Lancaster City Councils Overview and Scrutiny Committee. The members have asked us to provide an update on both the flooding in Lancaster, and the Lancaster City Surface Water Management Plan. I understand that they plan to discuss the matters at a future meeting of the above committee.

We have shared the Surface Water Management Plan previously with Lancaster City Council. This remains the best advice available on how to manage the risks of surface water flooding in the city centre. We also provided the findings of our report to representatives of the flood risk management authorities. I understand that to date, we have yet to receive comments in respect of the report's recommendations.

Finally, I am grateful for the kind invite for us to attend a future town council meeting to discuss the above matters. We would only accommodate attending if this would help our understanding of an issue, or if we had further topics, which would benefit from discussion.

Our Flood Risk Management team will arrange a meeting with all our technical partners, where we will present our findings to those representatives who are considered to have strategic roles. We will assist them to identify potential medium-to-long term projects that may reduce or prevent future incidents of flooding in Lancaster.

As such we do not consider our attendance at a town council meeting necessary at this time.

I hope this information is helpful.

Yours sincerely



County Councillor Joshua Roberts
Cabinet Member for Rural Affairs, Environment and Communities.