

LGA Corporate Peer Challenge

Oldham Metropolitan Borough Council

31st October – 3rd November 2023

Feedback report





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1. Executive summary

Oldham is a growing and changing borough with a population of around 242,000. This population has grown in the last ten years by around 7.6%, with particular growth in Pakistani, Bangladeshi and Black communities.

Whilst the economy of Oldham was historically built around manufacturing and textiles, the fabric of the borough is now very much changing, on the back of the leadership provided by the Council.

The 'Creating a Better Place' programme lays out the plan for this change, which is now taking shape within the town centre. This programme is unlocking nearly £300 million pounds of investment which includes - but is not limited to - creating a neighbourhood of 2,000 homes and a new park, a redeveloped culture quarter, creating an estimated 1,000 new jobs and 100 apprenticeships – significantly reshaping the town centre of Oldham.

'Creating a Better Place' is for Oldham residents, but also creates opportunities for the Council, which this report explores in more detail.

Given the scale of this programme and the learning from other councils who have been through similar programmes, the peer team encourage the Council to commission an external review of the governance and capacity needs of managing the Creating a Better Place programme.

The leadership the Council has brought to this programme has been essential to the progress that continues to be made. More widely - this is a Council that is benefiting from well regarded, credible and visible leadership from the Leader and Chief Executive of the Council, both as individuals and as a partnership. This includes a very positive relationship with the Greater Manchester Combined Authority, which is benefitting both Oldham and Greater Manchester.

The Leader of the Council, who was elected back onto the Council in May, returning to be the Leader for a second time, has a very clear and strong message about taking a 'Resident Focus' which is heard across the Council. This is a message that people recognise including staff, many of whom are from Oldham, identifying that *"the resident focus approach makes me proud"*. At this stage, it does however appear that *"Resident Focus means different things to different people"* so this needs to be clarified and the peer team encourage the Council to further embed this resident focus across everything the Council does – providing a clear narrative for what this means, how it is being implemented and the difference local residents will see.

On the basis of the feedback given to the peer team throughout the week, an area where the Council needs to improve is in getting the basics of the resident / customer experience consistently right. There are examples throughout this report where the Council has engaged with residents to great affect which can add to this, however the difficult experience many residents have when contacting the Council was a consistent theme fed back to the team. The Council should look to address this at pace. The staff the peer team met with were welcoming, open, honest and reflective. They're passionate about getting the best for Oldham and are behind this drive for a 'Resident Focus'. Forming a clear plan which shows how this will happen and monitors the progress of this, will help build further momentum.

This continued shift towards a 'Resident Focus' also requires looking at the role played by members across the Council, which is explored in more detail in this report. Supporting a 'Resident Focus' includes both the role that all members are able to play in their ward – supported by timely responses from services when making enquiries, but also the role that all members play in the running of the Council, in representing local residents.

Both the Leader and Chief Executive shared with the team throughout this process their wish to move the Council more towards being a 'member-led' Council. Taking more steps in developing the role and impact of Overview and Scrutiny will also aid in this regard. All members, whatever their party, should engage fully in the life of the Council and in overview and Scrutiny in particular.

The Council has experienced a change of Leader on three occasions since the time

of the last peer challenge in January 2020. During this period, the Council has also changed Chief Executive and has seen a number of changes within the senior officer cohort. The Council is now transitioning into new arrangements for the Chief Executive role. To support the Council through this transition and ensure the Council benefits the most from this arrangement, the Council are encouraged to clarify how the changes to senior officer leadership will work in practice and then review the effectiveness of this arrangement after 6 months, considering the other options available at this point.

To further support stability and improvement during this period of transition, the Council are also encouraged to refresh the partnership plan, 'The Oldham Plan', as a means of harnessing the collective power of partners towards improving the borough and capitalising on all of the opportunities now being created in Oldham.

Corporate prioritisation is an area that has shown improvement since the last CPC in January 2020, with performance management and the level of corporate oversight and assurance also being seen to have increased. The Council has strengths in analytical and data presentation, improving and bringing more systems together can help the Council to benefit more from this capability. This can help aid improvement and delivery, in a Council which demonstrates an openness to external support and challenge. The use of models such as the 'Getting to Good' board which has had a positive impact in Children's Social Care, being just one example of this. A similar arrangement has been established recently in SEND, following the recent CQC and OFSTED Area SEND Inspection of the Oldham Local Area Partnership.

In moving forward, the Council is developing its medium term financial strategy 2024/25 – 2028/29 within a challenging environment. The Council is faced with continuing exceptional inflationary and demand pressures and anticipates a significant budget gap for 2024/25. The Council recognises its reliance on reserves, which has been seen here over a number of years, cannot continue in dealing with this. Wider collective ownership for addressing these financial challenges is needed across the organisation, supported by a clearer line of sight between the expected deliverables of the transformation programme including 'Getting to Good' and the budget. The budget proposals for elected members were still being developed at the time of the peer challenge and this needs to be accelerated.

In supporting the Council to move forward into this new future, it is important to begin to build a new reputation inside and outside the Council, which highlights the exciting changes taking place in Oldham – as well as how the Council is changing too, around a ‘Residents Focus’. This will mean being able to step forward with confidence, sharing more of the positive local stories that are developing. The team have spent a significant amount of time in recent years dealing with challenging stories about Oldham and the Council which has had its toll. The Council has in place some strong communications officers that are well placed to do this and there is clearly here a story to begin to tell more. All members also need to play their part in championing Oldham, which will help secure recruitment and investment benefits for the borough. There is learning, from other councils who have made similar shifts in approach, that the Council could learn from, to move forward in this regard.

1. Key recommendations

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

- 1. Resident focus needs to be embedded across everything the Council does, with clarity about what that means in practice for the experience of residents, including with customer service.** Establish a clear plan for this, which has a focus on the resident experience of the Council at its core.
- 2. Agree and deliver a budget for 24/25 and 25/26 that deals with the budget deficit without relying on the continuing use of reserves.** Ensuring that the plans benefit from wider collective ownership across the organisation.
- 3. Develop a clearer line of sight between the expected deliverables of the transformation programme including the budget and the next iteration of ‘Getting to Good’.**
- 4. Start to build and communicate a new reputation inside and outside the**

Council, sharing positive local stories more.

- 5. Clarify how the changes to senior officer leadership will work in practice and review the effectiveness of this arrangement after 6 months alongside the other options at that point.** In doing this, review now the role and involvement of statutory officers in governance arrangements and ensure clear accountability for all statutory functions is in place to support good decision making throughout this transition.
- 6. Commission an external review of the governance and capacity needs of managing the Creating a Better Place programme, to ensure it delivers everything it can for Oldham and the Council.**
- 7. Refresh the Oldham Plan to harness the collective power of partners to improve the borough.**
- 8. Build on the early progress seen with Overview and Scrutiny with support, training and capacity as detailed throughout this report.**
- 9. Further develop the Council as a member-led organisation using the examples given in this report.**

2. Summary of the peer challenge approach

3.1 The peer team

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

- Lead Peer – **Sarah Norman** (Chief Executive – Barnsley Council).
- Lead Member Peer – **Cllr Emma Hoddinott** (Rotherham MBC).
- **Cllr Mike Ross** (Leader - Hull City Council).

- **Felicity Mercer** (Director for Customer and Commercial Services – Telford and Wrekin Council)
- **Helen Seechurn** (LGA Associate and LGA North West Financial Improvement Adviser)
- Peer Challenge Manager – **Dan Archer** (LGA)
- Shadow – **Katharine Goodger** (LGA)

3.2 Scope and focus

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

1. **Local priorities and outcomes** - Are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities?
2. **Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges?
5. **Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?

In addition to these questions, the council asked the peer team to provide feedback on the Council's approach to 'Resident Focus'.

3.3 The peer challenge process

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

The peer team prepared by reviewing a range of documents and information in order to ensure they were familiar with the council and the challenges it is facing. The team then spent three days *virtually or onsite* at Oldham, during which they:

- Gathered information and views from more than 50 meetings, in addition to further research and reading.
- Spoke to more than 150 people including a range of council staff together with members and external stakeholders.

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

3. Feedback

4.1 Local priorities and outcomes

The Council's last CPC in January 2020 recommended that the Council should focus its different priorities into a clear corporate set. The Council did this by producing a new Corporate Plan (2022- 2027) which states five key priorities:

- Health, safe and well supported residents
- A great start and skills for life

- Better jobs and dynamic businesses
- Quality homes for everyone
- A clean and green future.

However, how these priorities will be delivered with a Resident Focus is not as clear as well as how the Resident Focus relates to the Council's Values & Behaviours framework "Forward". The members and officers the team spoke with are clearly driven by a strong desire and endeavour to be responsive to the needs of local communities. It is clear that the drive for a 'Resident Focus' is a really strong, clear message from the Leader, which is heard and recognised across the Council. As stated by one member *"we all share the same objective – to improve Oldham"*. To move forward with this, further develop the narrative of the 'Resident Focus' to ensure a clear golden thread which cuts across everything the Council does.

There are great examples where the Council can demonstrate taking a 'Resident Focus' – including the approach to resident engagement developed during the COVID-19 pandemic which has provided a way to reconnect with residents and the Don't Trash Oldham Programme. There are also a number of examples where a resident focus is very much at the heart of service delivery and strategy development. This includes the development of policy in Adult Social Care and the work of the local Youth Council who regularly bring motions to Full Council for debate and decision, driving through significant policy changes such as free prescriptions for care leavers.

Whilst these examples are helping to improve the relationship that the Council has with local communities, a relentless, consistent focus on improving the resident experience of the Council across all services is required. This means for example, improving the experience that residents have when contacting the Council for support and the experience that ward members have when contacting the Council on behalf of residents. Given the widespread support for a 'Resident Focus', the Council should develop a consistent, coherent vision, with a clear delivery plan which cuts across all service areas.

There are also opportunities from existing strong work, that the Council can develop further with this 'Resident Focus' at its heart. For example, the door-to-door engagement model which was seen by many as helping to "*reach the otherwise suffering in silence cohort*" can be further developed to enable communities to do things for themselves and galvanise volunteer action. The Council should consider how this model can be safeguarded in this current financial climate, and further developed, with the use of local volunteers.

It is clear that this is a Council that knows local communities well and has business intelligence teams at the Council that are clearly an asset.

The approach to Performance Management has improved and is now more embedded and focused than was the case at the last CPC in January 2020. The Council's Corporate Plan (2022 - 2027) incorporated the views of around 300 local young people in its development. All services have a service plan and are supported to identify key indicators that provide oversight and assurance of performance and delivery. A quarterly corporate performance report supports the monitoring of key corporate indicators based on the Corporate Plan, as well as actions and the risks associated. Continuing to build on this will include further developing the approach to target setting which helps create earlier warning signs of issues and successes, increasing the window for remedial action when required, whilst also highlighting successes that the Council can communicate. A 'Resident Focused' approach to target setting is an opportunity to test whether the targets set by services, meet with the expectations of local residents, including practical things like call waiting times. Helping to meet the Leader's ambition of '*...looking at all of our services through the eyes of local people rather than service providers and doing our best to help and support people in the best way we can*'.

The [most recent published, LGInform performance data at the time of the CPC](#) shows that the Council is lower spending on Children's services, when compared to the most similar CIPFA neighbouring councils, spending £1,090.80 per 0 – 17 year old, compared to an average of £1,291.23 elsewhere (2022/23). The latest published data on the number of Children Looked After in Oldham in 2021/22 was 87 per 10,000 compared to 95 per 10,000 in the CIPFA nearest neighbour group. Only 1% of the principal road network is deemed in need of maintenance, compared to 3%

elsewhere, with the non-principal road network similar to other areas at 4% (2021/22). All planning timeliness measures are either performing equal to or better than the CIPFA group nearest neighbour average (Q1 2023/24). Whilst the borough has lower levels of smoking, alcohol related hospital admissions and childhood obesity than the most similar areas, adult overweight or obese rates as well as the under 18 and under 16 conception rates are higher. The percentage of people taking up an NHS health check in Oldham in 2022/23 was the lowest in the CIPFA neighbour group, at around 21.7% of those offered one. The borough has had a higher rate of infant mortality than the national and regional average for over a decade and the local Health and Wellbeing Strategy has a particular focus on this, including a targeted action plan to reduce infant mortality across the borough. The Director of Public Health has taken a lead on this issue sub-regionally.

The number of people living in temporary accommodation in Oldham has almost doubled since 2021. The Council have a DLUHC 'deep-dive' review into the procurement and management of temporary accommodation and have agreed to host a summit on housing in the coming weeks to explore options to address some of the tough challenges in this area.

4.2 Organisational and place leadership

The Council has a strong Leader and Chief Executive in place who work well in partnership, are visible, open, energetic and focused. This leadership has helped to bring a focus towards service delivery and a 'Resident Focus'.

The Council has strong engagement in Greater Manchester – providing leadership on the Green/Environment Portfolio via the Chief Executive and Equality, Diversity and Inclusion assurance via the Leader. Further-to-this, the Council benefits from wider collaborations with Greater Manchester including examples such as occupational health, employee assistance and procurement.

Cabinet members more recently have seen a refresh of the role they play within the Council, which includes new expectations, which they very much welcome. This includes new briefing arrangements for their portfolio, a regular update slot for each

Portfolio Holder at each Full Council meeting with questions from all members, and clear expectations about engaging with Overview and Scrutiny. There is a range of external support available to Cabinet members via the LGA which can help Cabinet Members to further develop in their roles.

The Leader and Chief Executive are keen to further develop the Council as a member-led organisation and the steps being taken with the Cabinet are just one part of this. This can also be supported by helping all elected members to develop in their roles and to participate fully in the governance of the Council. It is only through the regular engagement of all members in the life of the Council that the Council can become more member-led. Ensuring suitable support is available to members in their roles will help with this as will having a different approach to member enquiries. The team received examples of when members had reached the point of requesting information via Freedom of Information requests. Whilst it is not appropriate to explore the circumstances of individual cases in this report, it is clearly an area that should be looked at to avoid members resorting to this in future. Elected members spoke of the experience of residents, who would often avoid calling the Council or logging enquiries directly, rather going directly to their local councillor first (based on previous experiences of these systems, which was poor). Members are then required to use the same systems as residents to raise these queries, to then have a similar experience of delay and in some instances no response, it is important that members are fully supported in how they are assisted with the casework queries they receive. Improving the resident experience of Council services will help to take some of this pressure off ward members who are then freed up to play a different role in their community and in the Council.

The Council is due to launch its next staff survey in the coming months, which follows the last full staff survey in 2021. The 2021 staff survey came on the back of a number of changes at the Council, including new ways of working following the COVID-19 pandemic. The results of this staff survey showed that 32% of officers at that time did not feel that *'Senior Management took an interest in what is happening in my work'*. Through the discussions the peer team had with staff through this process, the feedback given was that senior management are much more visible now. There is a regular flow of communications between senior management and staff more widely, as well as within each of the service areas represented by staff the team spoke with.

As the Council begins the process of relocating staff from the Civic Centre into new office space in the Spindles Shopping Centre, and as the Council Chamber then follows by moving over to the redeveloped 'Old Library' - which is just a short walk away and comes with additional Council office space - it is important that this increased senior officer visibility continues and is not lost.

Following a recent external campaign to recruit a new Chief Executive which demonstrated a challenging recruitment market, the Council, in discussion with the current Chief Executive, decided to delay his planned retirement for another 2 years, to remain as Chief Executive and Head of Paid Service on a part-time basis (0.6 FTE) working alongside a chief executive development role (0.4 FTE) which would be filled by the Deputy Chief Executive - Place. To ensure the Council benefits the most from this arrangement, whilst developing the person in this role, the Council are encouraged to clarify how the changes to senior officer leadership will work in practice, then review the effectiveness of this arrangement after 6 months, alongside the other options at that point. Clarifying how the changes to senior officer leadership will work in practice also includes testing the rhythm of senior leadership meetings. In doing this, review the role and involvement of statutory officers in governance arrangements and ensure clear accountability for all statutory functions is in place to support good decision-making.

During this period of transition, refreshing the partnership plan, the 'Oldham Plan', can help to develop partner commitment around a clear, defining mission for Oldham, which partners including the Council can collectively rally around. To make the most of this, it is important that the structures required for the partnership are then shaped to support the delivery of this refreshed plan. Refreshing the Oldham Plan is an opportunity to more clearly define with partners the type of place you want Oldham to be, the roles that each partner are to take, how this can be approached with a clear 'Resident Focus' and the support that partners can provide each other in pursuing this common goal. This should include clarifying the links with Council's Corporate Plan and thus the Council's contribution.

The team found partners enthusiastic about the changes and felt they had a role to play, but that the current plan and structures didn't fully enable that. A refresh might therefore include how, as a partnership, Oldham will gain the most benefit from the

changes happening locally, including through Creating a Better Place. The progress of the reshaping of the town centre is exciting, is gathering pace and is building the confidence of partners. This is a great opportunity to help the borough to further deal with challenges around unemployment and youth unemployment and clear links should be made with Getting Oldham Working.

Developing the way in which communications to partners can become more structured and strategic in nature, is an opportunity from refreshing the Oldham Plan, the structures that underpin it and the roles that partners can take.

Residents the team spoke with appear to have a sense of optimism about what Creating a Better Place will mean for Oldham and are keen to hear more.

The Council has a number of mechanisms in place to support resident engagement as covered throughout this report, including the Residents Panel and Youth Council. Participating residents have a good experience of the Residents Panel, feel listened to and receive feedback. The Council also has a very positive relationship with the Youth Council, demonstrating full and real resident involvement, with real efforts to make this inclusive and impactful. These are positive examples from which the Council could further develop its approach to resident engagement.

The Council also has positive 'on the ground' day-to-day relationships with Trade Unions. This includes, for example the work to develop a new sickness management toolkit, which supports a preventative approach and was well received by the Trade Unions. The Council should build on this, by improving strategic engagement with the Trade Unions, particularly given some of the difficult decisions to come - for example, by re-establishing the Joint Consultative Committee.

Following an independent review into historic Child Sexual Exploitation, which was launched in November 2019 and reported back in June 2022, the Council fully accepted the findings of the independent report and established a CSE cross-party working group which is well attended by members cross-party. The Council is working towards a Survivors' Charter, which are further welcome steps forward. Ensuring all external partners (including the Police) are resourced to fulfil their roles around this is an important, ongoing consideration.

4.3 Governance and culture

The staff the team spoke with feel well engaged, with regular communications internally including staff conferences, email and Yammer accounts, to name a few. Like many councils, the Council is very aware of the challenge of communicating in the same way with non-office based staff and are continuing to make further attempts to do this. Relevant service managers are also alert to this and are making efforts too.

In early 2022, the Council agreed to bring the Unity Partnership back in-house, with 400 staff moving back into the Council – including call centre, highways, revenues and benefits, ICT, payroll and HR. This has been an ongoing programme of change and is now seen as being in a better place by staff, with less duplication, enabling the Council to secure new efficiencies and align more of its activity directly under the 'Resident Focus'.

Following this move, the Council now has plans in place for immersive experience workshops to help further cement values, behaviours and the strategy of the Council with all staff, including those who recently transferred from Unity partnership. This is an opportunity to immerse staff into the difference made for people by the Council having a clear and consistent 'Resident Focus'. and refresh the different ways that Oldham currently talks about culture, values and behaviours to ensure coherence and alignment to a 'Resident Focus'.

The Council has recently developed and launched a new Equality Impact Assessment tool. Rather than having individual Equality Impact Assessments that sit next to individual decisions and are not particularly equipped for having a horizon scan of the cumulative effect on equalities of the different decisions the Council is making, this tool helps the Council to see the broader impact in real time. It is a great example of new practice which can help support a 'Resident Focus' throughout Council decision making.

The Council has clearly acted on the recommendations from the previous Corporate Peer Challenge in January 2020, which were to focus on a singular set of corporate priorities and review the levels of oversight and assurance against these. However these need to be clearly aligned to the overarching Residents Focus approach.

The Council benefits from a robust approach to risk management and internal audit with a refreshed strategy and framework now in place and some pockets of particularly strong engagement with these functions (for example in Adult Social Care). The Corporate Risk Register is reviewed at least quarterly and presented both at Management Board and Audit Committee. All service risk registers are reviewed quarterly and inform the Corporate Risk Register. Internal Audit have closely aligned the Audit Plan to the Corporate Plan, to help ensure the work of Internal Audit is focussed around the highest priorities and challenges the Council is managing.

The Council is proactive in seeking out independent challenge and scrutiny and recently appointed a strong independent chair of the Audit Committee. The Council has however found it challenging to appoint other independent members, a challenge that the Council is continuing to work on. Appointing to these roles will further support the overall system of assurance at the Council.

The Council recently refreshed its arrangements for Overview and Scrutiny (O&S), with dedicated LGA support in February 2023. Following this support the Council has more closely aligned its arrangements for O&S with the organisational structure and priorities and is in the process of delivering a wider improvement plan to further improve O&S at the Council. The changes to O&S and the appetite for improvement here are welcomed by all those the team met. There is clearly a commitment to making this work better for the borough and Council.

O&S is essential to a well working Executive/Cabinet system of governance and as such, it's highly important that all members play their part.

From the discussions the peer team had, the following steps can help further support the improvements the Council seeks to O&S and as such, support the Council in moving further forwards as a member-led Council:

- Support for members of Overview and Scrutiny – this includes support on the distinct role(s) of O&S and ways in which O&S can have most impact. This also includes further informal service background briefings for members of the committees.

- The Council should develop dedicated scrutiny officer capacity – these are distinct roles which are there to support members and officers, ensuring that the information presented to O&S supports members of the committee in their roles and stops information being presented which does not aid with this. These officers also play an essential role in supporting the committees to plan and prepare their scrutiny work.
- Dedicated support for the Chairs of Overview and Scrutiny in their roles, which includes the relationships they require beyond the Committee and outside individual O&S meetings.
- Support for committees for work planning and prioritisation, considering the different mechanisms of assurance and insight in the area of their Committee, alongside the key priority issues and identifying ways in which O&S can maximise the impact it has in light of this.
- Support for officers at the Council to develop their understanding of O&S, its value to a well-functioning system of local assurance and improvement and what this means for them in their role and how they interact with O&S.

In terms of assurance and oversight more widely, there may be some opportunities to look at whether the level of oversight could be relaxed slightly, to help officers to progress activity at a quicker pace, when safe to do so. For example, officers spoke about the challenges presented by an internal Delegated Decision Report (DDR) template, which requires comments/consent from a number of other services before progress can be made as one example, when used for decisions that do not need this level of governance. At times, officers felt that this might be an example when *“most people just want to get on with things but feel the system is slightly against them”*.

The Council has established an ambitious and wide-ranging transformation programme based on 8 change programmes, since the last Corporate Peer Challenge in January 2020. This includes a children’s change programme, adults programme, place based integration, the Creating a Better Place programme,

commissioning, procurement, contract management, income maximisation, business insight, performance and strategy and digital. All 8 programme areas have dedicated briefs, governance boards and identified lead officers. A clear programme management discipline is in place to manage this transformation programme, with regular monitoring of delivery evident. Given the breadth of this programme and the amount of work that is progressing within it, ensuring that it is communicated as a coherent change programme for Oldham is inevitably a challenge. Helping more members and officers to be able to communicate the overall aims of this transformation programme, consistently and succinctly and how it relates to the Resident Focus approach, will help more people to more easily see the change that it represents for Oldham overall and so prepare for the opportunities that it will create, including the opportunities when different aspects of the change programme are layered on top of each other, but also any future challenges it may present indirectly for other services and service users.

Within the above transformation programme, the team were particularly impressed with the progress made on the Creating a Better Place programme and excited by what this might mean for residents. This is a 'once in a lifetime' change for the borough. However, it also presents significant risks and requires the council to work in different ways and secure delivery from a range of commercial partners. Thus the team highly recommend that the Council commission an external review of the governance and organisational capacity needed to deliver the Creating a Better Place Programme, to ensure its success.

4.4 Financial planning and management

Oldham Council faces significant challenges to its finances which are largely driven by increasing inflationary pressures, external costs and levels of service demand. The whole organisation is aware of the financial challenge the Council faces and the need to address it. Whereas the Council has relied upon the use of reserves to balance the budget over a number of years, the Leader, Cabinet and Chief Executive recognise the need to agree and deliver a budget for 24/25 onwards that no longer relies on the continuing use of reserves, following the use of £10.167m of reserves to underpin the budget in 2022/23 and £11.557m in 2023/24.

In order to achieve this, the Council needs to build upon the collective understanding of the financial challenge which is in place, to develop a stronger collective ownership across the Council of the steps required to deal with it. This will mean ensuring that all Council decisions and spending give due regard to the MTFS challenges. It also means that all opportunities to safely raise income and save money should be seriously considered, which will inevitably involve difficult decisions.

The latest published budget monitoring report at the time of the CPC, for the period April – June 2023, highlights an overall forecast year-end overspend of £12.104m against the current net revenue budget for 2023/24 of £292.316m. This is after a predicted and proposed in-year transfer from reserves of £7.385m. Within this forecast overspend, Children’s Services has a forecast overspend of £10.886m and ‘Place and Economic Growth ‘ has a forecast overspend of £3.553m. Favourable variances totalling £2.853m from Public Health (£0.250m), Communities (£0.128m), Corporate Services (£0.587m) and Capital, Treasury and Accounting (£1.888m) are helping to contain overspends in Children’s Services and Place and Economic Growth.

In regards to Children’s Services, the main element of this overspend relates to Children’s Social Care (£10.820m) and is mainly due to an increased demand for social care placements where children have complex needs, and in particular those requiring external placements, for which the costs have significantly increased within the external market in recent months. It also includes the increased costs of agency workers required, given the level of demand being seen. The percentage of agency social workers increased from 32.6% at Quarter 4 2022/23 to 48% at the time of the peer challenge, with average social worker caseloads at 16, compared to a target of 18.

The rapidly changing spend profile being experienced by the Council, due to changes in cost from external providers to the Council has been a significant challenge and the Council is revisiting its financial modelling for next year on the back of this. This is vitally important work to support the financial resilience of the Council overall in future years. The Council had already included £11.8m of additional funding into Childrens Social Care for 2023/24, to enable the service to rebase its budget and address the

pressures that it faced. Alongside this investment, an additional sum of £2.900m, funded by reserves was included within the 2023/24 budget to fund transformational activity. The total investment of £14.700m was anticipated to be sufficient to enable the service to address current and future pressures and therefore no additional budgetary requirements were included within the MTFS for 2025/26 to 2027/28. This is a complex challenge, which the Council are acutely aware of.

The Council has some plans to help reduce the exposure to escalating costs of external children's care placements by developing additional internal placements. This includes the conversion of a Children's Home into a residential home for example. Given the pressures faced by the Council, it is important to develop a clear timeframe for this, with corporate support prioritising this work to help accelerate progress and reduce the level of risk to the Council's future finances.

Exploring ways in which the new Adult Social Care model could be driven faster and deeper may also be an area in which the Council can take some of the pressure out of the budget challenge faced. Developing a clearer line of sight between the expected deliverables of the transformation programme and the budget will also support collective ownership further.

The Council's planned work on estate (land and property) rationalisation and utilisation is expected to realise £8.058m of approved revenue budget savings between 2022/23 and 2026/27 with a wide range of schemes in-train or due to be started between 2023/24 and 2027/28, under the Creating a Better Place programme.

To support the Council with this budget challenge, the Council benefits from a finance team who are held in high regard inside and outside the Council for the quality of their technical work and briefings. The Council continues to achieve an early closedown of the annual accounts and has received a clean bill of health from external audit. The recent external audit report to the Council's Audit Committee on 5th September 2023 indicated that the 2020/21 audit was now formally closed, with an unqualified opinion and no significant weaknesses in relation to value for money.

The Council's long-serving Chief Finance Officer, who recently retired, is held in

particularly high regard within the Council and across Greater Manchester. The Council has been successful in being able to appoint an external candidate to this role, who is due to take up the role in the weeks following the peer challenge. Ensuring suitable support for the new CFO in coming into post is in place is an important step for an effective transition.

The Council has a long serving finance portfolio holder who provides leadership stability in this area which will support this transition and revenue and capital budget monitoring is reported to Cabinet regularly.

The Council's 2022/23 Dedicated Schools Grant outturn position was a cumulative surplus of £0.899m; the first time that a surplus has been reported since 2016/17, representing the achievement of a major financial milestone for the Council. Future projections continue to improve with forecast surpluses of £2.517m and £2.765m in 2023/24 and 2024/25 respectively.

The Council's MTFS is aligned to the Corporate Plan and to the Capital Strategy, covering the same 5 year period, with a longer term view of capital also provided up to 2037/38. The Council has also had success in obtaining external grants with £98m funding available to support the delivery of the Council's priorities for Oldham. The Council has in place a gateway process for capital investment which includes consideration of risk exposure and appropriate mitigations. The Council is using £3m of capital receipts in 2023/24 to support transformation, which is monitored regularly and subject to audit.

Finally, given the Council's drive towards a 'Resident Focus' and the challenge presented financially, the Council should look at how the budget development timetable could be brought forward in future years to provide more clarity to the organisation and facilitate considered decision making. This should include ways in which the budget setting process for 24/25 and beyond could more actively engage residents in keeping with the drive for a 'Resident Focus', particularly around the tough decisions to come. This is an important consideration and an area that may require innovative new approaches from which others in the sector could also learn.

4.5 Capacity for improvement

Oldham Council are clearly open to support and challenge, being bought into the need for ongoing continuous improvement. The staff the team met with are committed to the Council and supporting continuous improvement and transformation work.

For example, in Children's Social Care, the Council was graded 'Requires Improvement' by OFSTED at the most recent ILACS inspection (January 2019). To help support improvement here, the Council proactively sought a 'Getting to Good' board in 2021, which is externally chaired and involves lead officers from Children's Services. This is a model that has clearly served the Council well since it was established and has been approached openly and maturely by the senior officers involved. This is also a model that the Council has now replicated with SEND, following the recent CQC and OFSTED Area SEND inspection of the Oldham Local Area Partnership which featured two priority actions for the Greater Manchester ICB and Council.

In Children's Social Care, the Council may wish to consider extending the membership of the Getting to Good board for its next stage of improvement, to include relevant partners, corporate services and the Cabinet member. Doing so can help to continue the improvement journey, whilst potentially taking on a more holistic remit of also driving budget management and savings delivery. Further corporate support for Children's Services is available which could be tapped into in doing this, which includes offers of support from housing and risk management as part of their corporate parenting role.

The Council has established a prevention framework and can draw on good examples of measurable successes in Adults, Childrens and Public Health. For example, the team heard how the early help service achieves a 10% reduction in Children's Social Care re-referrals following engagement with the service and 70% of the contacts through the Adult Referral Contact Centre then go on to receive community support rather than more intensive support from Adult Social Care.

The work to develop Place Based Integration aims to have an integrated public service hub in each of the five districts working more closely and collaboratively with partners like the NHS, schools, housing associations and Police. This supports early intervention and prevention in a more integrated way, within communities. The first hub in Failsworth is in operation, with hubs in Chadderton and Neon now opening also.

The Council's prioritisation of prevention and early help is also applied internally through the work to support the wellbeing of staff and reduce sickness absence. The wellbeing support the Council is providing employees through the menopause, provides another example of this.

The drive to prioritise a 'Resident Focus' at the Council can also help to support the work around prevention and early intervention. When residents get the information or service they want more easily, they are more likely to get this earlier, reducing the risk of their needs escalating and therefore needing to access more intensive support later on. However, active steps may need to be taken to make sure an enabling approach is fostered rather than one which, by making services more readily available, could unintentionally foster dependency as a result. A good example of where the Council is already using an enabling approach was the Chadderton alleys work, but there is a need to explicitly design this into local engagement work.

As part of the Council's 'Resident Focus' it is clear that the Council has extensive, separate sources of resident insight and feedback. If the Council is able to bring together different sources of resident feedback, then the Council will be supported with a more informed overview of residents experience that can then inform service delivery and decision making. The Council's new approach to Equality Impact Assessment, as mentioned elsewhere in this report, provides a way in which information is being brought together in a different way for a more informed overview. This is the type of outlook that could be utilised for a similar benefit here - to bring together data/information from the many different sources of resident feedback and insight e.g. complaints, resident engagement teams etc for a more holistic view.

Putting in place an effective CRM system is an opportunity for improving the resident / customer experience of Council services. This also opens up the opportunities of

utilising self-serve technology, to speed up processes and reduce the demand from repeat contact and 'chase-up'. Agreeing how to now take forward the digital strategy and the recruitment to the vacant director role in this areas, are important steps in setting out the strategic direction and delivery steps to achieve this. This can build on the steps already taken including the development of the Resident First Customer Experience Guidelines.

There are good examples of internal and external communications shared by the Council which can now be built upon further, with the experienced team of communications professionals the Council has. This includes helping the Council to build a new reputation inside and outside the Council which is an important step in helping the Council to deal with the workforce challenges it faces. Taking this next step, means not being deterred by the challenges the Council has faced but stepping forward with a new confident presence, sharing positive local stories more and promoting Oldham outside of Oldham too.

Communicating the move into new office accommodation and an improving town centre are also opportunities that can support the Council in dealing with its workforce recruitment challenges and in promoting the borough. This includes building on the growing events programme within the town centre, such as the recent return of the Oldham half marathon 'The Halloween Half' which took place at the start of the week that the peer team were onsite.

The Council has some early example of using a 'Grow your own' workforce approach to address the recruitment challenges it faces (e.g. T-Levels and Social Work Academy). To take this a step further, the Council could look to develop a comprehensive approach to 'Grow your own' with recruitment, which includes career pathways across the organisation, including the work already taking place at the Council to develop the Social Work Academy. The current Workforce Strategy is dated (2020 – 2023), the refresh of this Strategy could be used to help set out the Council's approach in this regard.

The approach to EDI in the workforce however needs to be further developed at the Council and across the partnership. The EDI workforce data available is limited, however staff recognise that the workforce does not at present, represent the

residents of Oldham and improving this is an opportunity for the Council and borough. Developing a comprehensive EDI Workforce Strategy for both existing staff and recruitment can help to set out the Council's direction of travel in this regard. At present it is not clear how this is being addressed or how people from different groups are supported / engaged with, within the workforce. In progressing all of this, there are opportunities to modernise workforce practices and systems, which would be welcomed by staff – making these processes relevant to a more challenging recruitment market. This could include the approach to recruitment – the processes and systems involved - as well as the availability of accurate workforce data. The Council is already taking steps to modernise some of its practice in this regard which are welcomed and can be built upon, for example toolkits which have been developed for appraisals and sickness management.

4. Next steps

It is recognised that senior political and managerial leadership will want to consider, discuss and reflect on these findings.

The CPC process includes a progress review, which provides space for the council's senior leadership to update peers on its progress against the recommendations from this report and is due to take place in August 2024.

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. Claire Hogan, Principal Adviser for the North West region, is the main contact between your authority and the Local Government Association. Claire is available to discuss any further support the council requires.

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