Dear Dean,

**RE: PENDLE BOROUGH COUNCIL CORPORATE PEER CHALLENGE**

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

It is testimony to the council’s desire for constructive external insight that Pendle commissioned the peer challenge. Peer challenges are managed and delivered by experienced elected member and officer peers. The make-up of the peer team reflected your requirements and the focus of the peer challenge. Peers were selected on the basis of their relevant experience and expertise and agreed with you. The peers who delivered the peer challenge were:

- **John Sellgren** – Chief Executive, Newcastle-under-Lyme Borough Council
- **Bryony Rudkin** – Deputy Leader, Ipswich Borough Council
- **Keith House** – Leader, Eastleigh Borough Council
- **Tom FitzPatrick** – Leader, North Norfolk District Council
- **Vic Allison** – Deputy Managing Director, Wychavon District Council
- **Ami Beeton** – Programme Manager, LGA

**Scope and focus**

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges. These are the areas we believe are critical to councils’ performance and improvement:
• **Understanding of local context and priority setting:** Does the council understand its local context and has it established a clear set of priorities?

• **Financial planning and viability:** Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?

• **Political and managerial leadership:** Does the council have effective political and managerial leadership and is it a constructive partnership?

• **Governance and decision-making:** Are effective governance and decision-making arrangements in place to respond to key challenges and manage change, transformation and disinvestment?

• **Organisational capacity:** Are organisational capacity and resources focused in the right areas in order to deliver the agreed priorities?

In addition to these questions, you asked the peer team to;

• Provide an internally focused reality check on the ability of the council to deliver its priorities with the resources available and predicted. This has been included under the financial planning and viability heading.

• Look at how the Leadership Team and the organisational structure has driven effective new ways of working and ensuring that the Neighbourhood Services have been embedded.

**The peer challenge process**

It is important to stress that this was not an inspection. Peer challenges are improvement-focused and tailored to meet individual councils’ needs. They are designed to complement and add value to a council’s own performance and improvement focus. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared for the peer challenge by reviewing 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 3 days onsite at Pendle Borough Council during which they:

• Spoke to more than 87 people including a range of council staff together with councillors and external partners and stakeholders.

• Gathered information and views from more than 36 meetings, visits to key sites in the area and additional research and reading.

• Collectively spent more than 170 hours to determine their findings – the equivalent of one person spending more than 5 weeks in Pendle Borough Council.
This report provides a summary of the peer team’s findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit (3rd-5th November 2015). In presenting feedback to you, the team have done so as fellow local government officers and members, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things you are already addressing and progressing.

**Executive Summary**

Pendle Borough Council is a fundamentally sound council that delivers services well and is held in high regard by partners. It has a high satisfaction rate with service users and works hard to ensure that it understands the needs of its communities, residents and businesses.

The council has a strong record of financial management and historically has had a good track record of managing within its budget. However, the council is within the top ten authorities nationally most affected by the reductions in Government funding over recent years and is currently facing some strong financial challenges which need to be addressed. The council had total reserves and balances of around £12.5 million at 1 April 2015. Of this, less than £6m is uncommitted and therefore available to support the budget. Whilst there might be some flexibility regarding committed reserves, the council recognises the need to make savings in order to reduce its dependency on using reserves. Use of reserves will be £2.4m in the current year increasing to £5.3m in 2018/19 if the projected budget gap cannot be closed. The council does need to address this issue as a matter of great urgency and the Budget Working Group has been set up to consider financial options for the council.

To get the council on a sustainable footing difficult strategic decisions need to be taken in order to avoid an on-going reliance on using reserves. There is now an opportunity for the council to take a more financially sustainable approach by examining how better value for money may be obtained in areas of larger expenditure, including the service provision provided through major partnerships with Liberata and the Pendle Leisure Trust. To help with this decision making the council needs to use benchmarking as a tool to explore performance and reduce cost. Currently there is a culture of providing universal services to all localities within the borough but to help make difficult decisions the council will need to look at tailoring services to local need to a much greater extent.

Whilst there is a good understanding of the financial difficulties facing Pendle by members and senior officers, this needs to be accepted and addressed by all members, staff and partners. The council needs to be able to make the case for Pendle particularly in forums that control resources such as the likely to be established Combined Authority for Lancashire. The council needs to have a more realistic acceptance of the future funding of the sector and that in future the council’s revenue base will be much more dependent upon council tax, business rates and any commercially generated income plus incentives for development such as New Homes Bonus (if they remain). There needs to be a shift in emphasis within the council’s culture from significant reliance on grants to thinking about investment and development. If a more strategic approach to investment and development was taken alongside an agreement for a shared aspirational vision for the whole of Pendle the council is more likely to have a solid footing from which to move forward. On top of this
if Pendle were to bolster its commercial skills and think differently about its role there would be opportunities to achieve savings and generate income that would help to make the council more financially sustainable.

The council’s approach to localism is to be applauded. The challenge will be to ensure that this does not impinge on the identity of Pendle as a place. It has an established local area committee system that is responsible for planning and other issues at a local level. Whilst this is a strength for the council, it has led to a lack of strategic thinking and borough-wide decision-making. The council needs to have confidence in Pendle as a place and be as good strategically as it is locally. There are opportunities coming up in terms of the Local Plan, future investments in the area and discussions within the region around the Combined Authority. Pendle has the reputation and the skills to work well in the new world of local government but it needs to harness its resources and collectively think as one place. It would benefit from a strategic narrative that highlighted the strengths of the localities as opportunities for the borough.

Pendle Borough Council has a good working base and the peer team believe that the council should now take the opportunity to look externally to a greater extent. By listening and learning from others the council could gain benefits and quick wins in terms of shared service delivery, new ways of working and good practice. There are a variety of places the council could look for this including the sector, partners and the different parts of the district. Bringing back new ideas would help to accelerate the pace of change needed in Pendle as it moves forward.

Political and managerial leadership is strong, with members and officers working well at all levels. The council retains highly motivated, engaged and enthusiastic staff committed to improving the borough and who enjoy working for the council. A culture of development and talent management needs to be cultivated to retain and build on the council’s positive employee engagement and also ensure succession planning is being thought about. The Senior Leadership team is highly regarded both internally and externally and partners are wanting to do further work with the team to ensure Pendle is engaged and better equipped to manage the future.

Key recommendations

1. Get the council to a long-term financially sustainable position
2. Continue with strong local decision making but strengthen strategic decision making
3. Create a strong narrative for Pendle as a place
4. Develop commercial acumen within the organisation and then look outwards for investment and development opportunities
5. Get out in your own community and beyond, listen and learn, bring that back and make change happen
6. Learn from others to accelerate the pace of change
7. Create a culture of development and talent management for officers and members to aid with succession planning

Detailed findings

Understanding of the local context and priority setting

1. Pendle BC is very self-aware and understands the role that a council has in delivering services to residents. There is a good understanding of the localities that make up its community as a whole and the council is ahead in terms of the localism agenda with the local area committee system in place described as ‘enviable’ by members of the peer team. The deep understanding of each of the localities and the local decision making through the area committees demonstrates members are engaged locally and focused on their wards.

2. The council’s Strategic Plan 2015-2018 provides a thorough overview of the council’s plans for the next three years. It sets out the council’s key objectives under four areas: Strong Services, Strong Economy, Strong Communities and Strong Organisation and outlines the headline actions for 2015/16. The plan is known and understood by the members, staff and partners that the peer team spoke with.

3. The published priorities however cover everything that the council does and this contributes to a lack of strategic focus. Given the complexity of the council’s business, the strategic plan would benefit from having a Pendle-wide narrative that provides a clear focus on the top priorities for the borough. This would assist the allocation and focus of resources to those services that are seen as key for the council to deliver to residents. Currently the council is delivering all services to all residents and picking up some services that other partner organisations decided not to continue with in the district e.g. dealing with some highways issues and keeping a library open. Whilst this demonstrates the council’s commitment to its communities it is not a financially sustainable approach and is not contributing to a clear strategic position for Pendle. The council needs to be bold and have an honest conversation with residents about what it has the capacity to do and in what form and then also what needs to change and or stop. This should result in a position where the council and its partners can plan strategically based on a shared vision for Pendle.

4. PBC has a good relationship with and is valued by its partners. An example of this is the Pendle Vision Board. The council has been effective in building good relationships with businesses from the Borough via the Pendle Vision Board which is successful across both the large and small business sectors, all of whom hold the Council in high regard and this results in an enviable amount of time and expertise being made available to help promote the economic strength of the area. As a result the council has a supportive network which it engages well with and with whom it can work to generate new jobs and inward investment. To help establish its narrative of place PBC should work further with partners to access skills, expertise and resources and jointly champion and deliver on the priorities for Pendle as a place.
5. Officers are held in high regard by strategic partners, including Police, County Council, College, Health and the voluntary sector. Strategic partnerships could be further developed to maximise the opportunities that could be gained from joint working and influence in other vehicles such as the LEP. PBC has continued to invest in the Pendle Health and Well Being Group after the decision was made to stop resourcing it by Lancashire County Council. It still reports into the East Lancashire Health and Well Being Board and is attended by the county council. As a result of this the council has completed impressive and sensitive work around child mortality with specific parts of its communities again demonstrating its understanding of local need and its commitment to residents.

6. However there is a lack of connectivity within the borough and council and partners have continued to lobby about transport and infrastructure. The M65 motorway finishes in Colne at a discount outlet retail centre which attracts shoppers from all over the region and nationally. There is also an awareness across the borough of the issues around land supply and housing viability both of which are barriers to growth in the district. The housing issues facing the council are based on quality rather than affordability. If the council address this it could lead to better health and educational attainment as well as attracting greater investment.

7. There is the basis of a great cultural offer for Pendle and with the outstanding natural beauty of the borough, it is a deeply attractive destination. Whilst the peer team accept that more could be done to promote this, with the current financial pressures it is not best use of resources for the council and is an area where the community, residents and businesses needs to take ownership and lead on.

**Political and Managerial Leadership**

8. There was much evidence through many conversations with the peer team that the political and managerial leadership within the organisation is effective. The Leader is viewed as enthusiastic and skilled and understands the challenges that Pendle is facing as a borough. This was acknowledged and welcomed through conversations with stakeholders. The Leader has appointed an Executive with portfolios and has champions for specific areas e.g. disability and mental health. This is seen as positive by members and encourages a Pendle-wide focus on a number of issues. Cross-party working has been introduced via the Budget Working Group to tackle the difficult decisions on the financial challenges facing the council.

9. The new Head of Paid Service has been well received by staff, members and partners. Feedback to the peer team indicated strongly that he is widely respected, open and approachable in his leadership style. Staff reported him as visible after several back to the floor sessions and felt empowered under his leadership to try different approaches to service delivery and to test new ideas. As a result of this, the council’s engineering and graphics teams are now carrying out work for other councils.

10. There is good internal communications within the council which helps to articulate the priorities of the organisation and embed them within service delivery. As
discussed above, once the priorities are refined they will be clearer for staff and members to implement and understand.

11. The peer team found good working relationships between members and officers at all levels of the organisation. Frontline staff commented that they were able to interact with members regularly and a mutual respect was felt on both sides. This is essential for sharing concerns of residents and partners and adds to the locality strengths that the council has.

12. The political leadership of the council, within all parties, could be strengthened with particular regard to the council’s strategic role in the community. Currently there is a lack of a collective understanding of the bigger issues facing the borough and a lack of preparedness to deal with them. One way to overcome this would be to encourage members to get out and about within Pendle and visit other areas and learn from what they do. Councillors can be advocates for the place, building on what they do in their localities but by being confident about Pendle and its role locally, regionally and nationally. This will create the confidence to know that strategic planning will not undermine their local representative role but enhance it.

13. This would help the council to have more strategic influence when working with other bodies such as the LEP. A collective story of place owned by officers and members will enable Pendle to enhance its role of delivering services and maximising opportunities for its residents. Some difficult conversations will need to take place with residents and business. The understanding that changes and development in certain parts of the district could boost investment across the borough as a whole needs to be accepted and supported. There is awareness and some agreement that more quality homes and jobs are needed across the borough but there is a reluctance to welcome this at a local and ward level. Difficult political decisions will need to be taken and investment secured to achieve quality housing growth in the borough. The council needs to work with communities and provide clear messages that this will benefit the whole of Pendle and overcome the feeling of “not in our patch”.

14. The peer team endorse your recognition that there is a need for structured member development and the LGA can help in this area. Upskilling members, particularly in the better use of IT, and sharing current expertise through a skills audit could result in untapped resources and skills being used across the council and in work with partners. An example of this could be in translation work that the council currently provides to the voluntary sector or digital skills to help with the council’s transformation agenda.

**Financial planning and viability**

15. The council has proven that it can manage within budget, despite the significant cut in Revenue Support Grant from Government over recent years. Since 2010/11, the council’s annual revenue funding from Government has been reduced by £5.9m or 45%. The council has a net revenue budget of £15.2m this year. It has been in receipt of Efficiency and Support Grant and before that other grants in different forms to help manage this significant reduction but these have been discontinued.
As a consequence £2.4m of reserves are needed to ensure a balanced 2015/16 budget.

16. The council’s Medium Term Financial Plan shows a projected budget deficit of £4.2 million in 2018/19 after a £1.1m use of reserves in that year, giving a total projected shortfall of £5.3m. These plans make an allowance for Revenue Support Grant reducing but still at £1.2m in 2018/19 and also that New Homes Bonus will continue at a similar level as in 2015/16 of just under £1m. The council has set itself an initial target for saving £1.5m in 2016/17 but given the medium term position, much more urgency is needed.

17. PBC has reduced its spend through smaller reductions and some efficiency and staff savings including cutting the CEO post and creating a new management structure. With finite reserves, the council needs to act now to address its projected significant budget shortfall. Joint working with other councils may help but ultimately some difficult decisions around levels of service provision need to be made. As some of these larger savings may take time to work through swift action is needed to put the council’s finances on a sustainable footing. If no action is taken the council’s reserves will be at dangerously low levels after the next financial year and this could result in the Council lacking the resilience to face further reductions in funding.

18. It is not clear whether the gravity of the council’s financial position is fully understood internally by all elected members and staff as well as externally to partners. A shared understanding of the council’s financial position will be helpful in making the more difficult decisions over the coming months.

19. The council has set up a cross-party Budget Working Group which meets in public to look at the three streams of; Saving, Charging and Growing. Whilst some progress is being made, the peer team are concerned that this approach alone will not deliver the required savings over the medium-term. To really make an impact and achieve the savings needed the council should look at its biggest spend items and consider options for making significant savings. Efficiencies within waste and recycling in terms of partnering or outsourcing, better procurement of vehicles and changing waste collection patterns could make a significant contribution to the budget gap. A comprehensive review to rationalise leisure centre provision and examine the financial relationship with Pendle Leisure Trust could provide opportunities for further savings. Furthermore, the council’s arrangement with Liberata whilst innovative at its inception would now benefit from some challenge through effective benchmarking and intelligent client management. The LGA can provide support with benchmarking via LG Inform and productivity support.

20. To support the capital budget in the future the council needs to refine and strengthen the asset management plan as this will allow the council to maximise opportunities e.g. PEARL, Pendle’s Joint Venture with Barnfield Investment Properties. This is an example of the council working with a private sector partner to establish a vehicle for the development of a Community-based Arts, Cultural and Enterprise Centre in Nelson. The joint venture, between the Council and Barnfield Investment Properties, levered in private sector funding of £4.5m. Since then the council appointed Barnfield Investment Properties (BIP) as their strategic development partner to facilitate subsequent developments and as a result the council and BIP have formed
a second joint venture company PEARL2 which has gone on to deliver projects such as Brierfield Mill. To continue with this theme of investment the council could consider prudential borrowing for appropriate investments to provide an ongoing revenue return for the council.

21. From a sustainable position the council will be able to continue and expand work with partners, who have indicated that they are keen for more joint working and the exploration of wider opportunities to bring development and investment to Pendle. This would mean higher quality housing built in the borough and in turn greater investment to lead to better educational attainment for residents and a more skilled workforce.

**Governance and decision making**

22. There is strong local decision making within Pendle which is firmly embedded within the way the council works and delivers services. The council has a solid position within the Pennine Lancashire cluster and is well placed to benefit from the opportunities that will arise from the combined authority plans if it increases its strategic capacity and decision making. PBC have proved that area-based work makes valuable contributions to the local communities but it is equally important for the council to now create and utilise capacity for strategic work. The peer team consider that if this focus is not made then PBC will be at risk of missing opportunities for joint working and further investment in the borough, risking future quality of housing and more jobs in the borough.

23. Historically, the approach in PBC has been to equalise resources for every local area. This means that each locality receives the same blanket service, for example there are three swimming pools across the borough, one for each of the main towns. The cost of providing this duplicated service does mean that the Trust is vulnerable to low-cost providers undercutting its operations with offerings such as fitness centres which could make some of its facilities uneconomic. The peer team consider that by not applying a holistic and co-ordinated approach it is possible the council might have missed out on specific solutions for your localities.

24. Pendle BC is recognised as being a diverse place with its different localities having different needs. This is not restricted to Pendle and is an issue many other councils in the country face. The council has the chance to make use of its expertise and knowledge, in regards to its localities, to tailor specific services and policies to the different needs of its communities. An example of this is accepting that there can be different planning policies to reflect the heritage and style of the different places in Pendle. There needs to be a shift in focus and feeling from protecting localities to understanding that by placing itself strategically for opportunities such as the anticipated Lancashire Combined Authority there would be tailored benefits for the localities. The is supported by the view from partners that if the council was at the table there could be larger gains for the council in the form of infrastructure support and development for some small sacrifices.

25. The council has had a review of its governance system instigated by the Liberal Democrats and is looking at changing its governance arrangements to a Pendle-
specific version of the committee system. Whilst the peer team reviewed the information on this it is an issue for the council to debate and decide on at its Council meeting on the 17 December. The peer team are clear that whatever governance solution is agreed, strategic understanding and accountability needs to be built in to ensure that the skills are not lost but built upon. The most senior decision-making body/bodies needs to be capable of taking effective strategic decisions for the council including on financial matters. There has to be a strong enough centre to take oversight and ownership of the financial issues and implementation and delivery of key strategies such as the local plan and the opportunities around the combined authority for Lancashire.

26. The governance arrangements should also retain and apply the key knowledge, experience and the accountability of its elected members. Thought needs to be given on how to strengthen effective corporate responsibility for cross-borough work and one way of doing this would be for members to learn and have a greater understanding of their colleagues’ wards and the specific issues and needs that they had. This would encourage a borough-wide view to be developed and would help the council as a whole when making corporate and strategic decisions.

**Organisational capacity**

“This is the best council I have ever worked for and I have worked for a few.”

27. The staff we met are proud to work for the council and want to deliver the best services that they can to residents. They were aware of the need for refined and focused key priorities for the council and the need to strengthen its corporate narrative. Those staff that had been TUPED across to Liberata still identified themselves as working for the council and the peer team found this feeling was shared by those employees Liberata had recruited since to deliver services to Pendle. There is a real emphasis on supporting local people. Customer satisfaction is at 90% which demonstrates this feeling and commitment from all staff working for and on behalf of the council.

28. A new management structure has been in place since spring 2015 with a new neighbourhood services team created around the same time. Whilst it is still early days both initiatives seem to be embedding well within the organisation and staff are rising to the challenge of doing more with less.

29. Further evidence of the council’s highly motivated and committed workforce is its IIP Gold status and the results and return rate of its staff survey. The response rate of 76% is to be applauded alongside a staff satisfaction rate of 75%. This demonstrates that the council has good staff engagement. Partners have described PBC as strong and effective and emphasised the good relationships they have with staff and were keen for these to continue.

30. The council has skillfully managed to reduce the organisational size by 35% since 2010 with no compulsory redundancies. This is notable considering that service delivery and the priorities of the council have not been reduced at the same rate. A workforce development strategy was agreed in May 2015 which amongst other
things looked at recruitment and resourcing, development and technology to drive improvement. This is currently being implemented but the peer team would like to emphasise the importance of this for the council’s future. To retain the current capacity, consideration needs to be given to succession planning and career progression both for officers and members. A number of positive policies and procedures have been put in place to further motivate staff, however, there are still issues that the council is facing over retention of staff in some areas, lack of career progression and a talent management strategy. Focusing on strengthening these elements would help to retain loyalty and result in staff being more confident and empowered to take on more responsibility, in turn freeing up the senior management team to be more outward facing.

31. Further, organisational capacity could be generated through the use of new technology especially for frontline staff. This would enable staff to report and deal with issues at a faster pace and free up capacity which could aid service improvement e.g. hotspots for Town and Parishes or other public and private partners. The council needs to review its ways of working and continue its focus on transformation and the digital agenda. This has already started with some significant projects underway e.g. the implementation of IDOX which will transform the councils back office systems in a number of service departments and the implementation of a Customer Access Management Strategy which is a digital by preference approach. Business transformation is currently a shared responsibility for Liberata and the council. The peer team feel that the council is better placed to own and drive forward further initiatives rather than sharing this role with Liberata. By bringing back in house the roles of Head of IT/Development of IT Strategy and Strategic HR the council would be in a stronger position to take this agenda to the next level. The peer team consider that to strengthen this approach even further the council could appoint member champions for digital and transformation. Having both political and managerial steer and support will signal to staff, members, partners and residents that this is a priority for the council and will result in more buy in and an accelerated pace of change.

32. A skills audit amongst staff and members might help the council to identify latent capacity already within the organisation and understand its resources better. As referenced earlier, one area the council needs to bolster is its commercial skills to help deliver the financial imperatives. Once this is harnessed from either internal or external sources, it needs to be shared within the organisation alongside further empowerment to staff to think and work differently and more commercially.

33. The council should carry on reviewing its asset base, which is currently valued at £65 million. The council has sought to maximise its assets and this should continue with a view to 1) facilitate service provision e.g. use of council owned land to build houses, 2) continue the process to transfer assets to Parish and Town councils, 3) when selling assets do so for maximum value and 4) use assets as a method to generate revenue streams. To help with these points the council could consider developing / harnessing / borrowing some commercialism expertise as adopting a more commercial approach to using some of these assets could help address some of the projected budget deficits.
Leadership Team and new organisational structure

34. Since April 2015 Pendle Borough Council has moved from having a Chief Executive/Director model to a two Director Model with a Strategic Director (head of paid service) and Corporate Director (monitoring officer and returning officer). It is clear from the time spent at Pendle BC that there is a good relationship between the two Directors and with wider staff.

35. Feedback suggests that staff, members and partners believe there is strong, credible managerial leadership. Whilst the new structure has ensured that the senior management team is approachable and available, the council needs to ensure the skills within their senior team are being deployed in the most effective way. If this is managed successfully the Strategic Director will be able to focus on looking outwards and forwards to secure investment and developments for Pendle BC whilst keeping abreast of what is happening internally. The relationship between the Strategic Director and Corporate Director is essential to achieve this and reports suggest that this partnership is already in place.

36. Pendle BC takes great pride in delivering what it says it will deliver, well. An example of this is the Tour of Britain race held in Pendle this year. It was the first time the council had been involved in an event of this nature and reports state how successful the council was in this role. This is a good example of the council being able to deliver above and beyond for its residents. Whilst it was a great opportunity for the council it was both resource and time intensive. The council may wish to consider the capacity of staff both within the management team and the rest of the organisation given the reduction of FTEs in the council. If other opportunities arise they could be seen as development opportunities for staff at all levels and in turn contribute to a succession planning and talent management strategy. This would free up the senior management team to focus on driving forward the council’s strategic priorities.

Neighbourhood teams

37. The Neighbourhood team is an example of Pendle BC working differently to deliver key services to residents. It was clear from talking to staff and members that this was a new initiative that had started well and had already had a positive impact on the community. The view of the peer team was that given more time the neighbourhood team concept would be embedded within the council as a core delivery model. The structure appeared to be working well however enhancing the ICT systems and investing in the equipment used would improve efficiency and be more effective for frontline staff and could help achieve more benefit.

38. Already recognized is the need for a Digital Member Champion which would be welcomed by staff. The council could explore what digital skills it could harness from partners in other sectors e.g. via the Pendle Vision Board. Learning from their expertise and bringing it back to the council could help the neighbourhood team to be more effective and the council could start to sell the neighbourhood team’s services to other partners and generate further income. The neighbourhood team are already having an impact by taking on particular hotspot areas previously covered by Lancashire County Council. The council need to decide whether this a
potential income stream and to charge the county council and partners for clearing their areas so as not to divert resources from other services. Alternatively the council needs to consider whether to withdraw this support and approach all together as it is not sustainable with the current financial pressures the council is facing.

39. There is a question to be considered around whether the Neighbourhood team is a result of strategic decision making or whether this a bottom up agenda led by the localities. Either way, the arrangement is working well and should continue and be improved upon.

Finally, we would like to thank colleagues and members at Pendle, especially Marie Mason and Tracey Turner, for their support in the lead up to the peer challenge and during the challenge itself. The council supported the process well.

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

**Report contact**

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