

LGA Corporate Peer Challenge

Westmorland and Furness Council

14th – 17th July 2025

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 four days at the council to provide robust, strategic, and credible challenge and support.

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

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

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

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

2. Executive summary

In the two years since local government re-organisation (LGR), Westmorland and Furness Council has made impressive progress in key service areas such as, but not limited to - children's social care, adult social care, health and climate leadership.

A 'safe and legal' narrative served the council well leading into LGR and the 12 months that followed. But building from this, the council now needs to define a new, clear, post 'safe and legal' narrative for the organisation and use this to shape the council's corporate focus and ways of working. This should be informed by the significant opportunities that are available locally and the need to further progress integration, improvement and transformation. Doing this in a way which embodies a deep understanding of – and is supported by mechanisms for resident feedback.

The Council should declutter where possible the existing landscape of priorities, missions and 'we will' statements to help set the groundwork, leadership and frameworks required for the council's next stage of development, achievement and improvement.

The council benefits from leadership which is held in high regard externally. Of particular note is the leadership approach of the chief executive, leader and cabinet as well as the respectful, pragmatic and suitably challenging member-member working relationships. This can be seen in regards to overview and scrutiny, where the council has examples of strong practice, which can be further built on using the feedback in this report.

This council is well regarded by its partners for the way in which it has been prepared to lead, and the culture that has been created for open, engaging partnership working since becoming a unitary authority. It is striking how highly partners value and respect the council. This is a real strength in Westmorland and Furness, which the council can seek to draw on further.

There is no finer example of the opportunities now available to the council during this next stage than 'Team Barrow'. An ambitious public/private partnership, that aims to

ensure the successful delivery of the nation's defence nuclear enterprise and secure the regeneration and economic diversification of Barrow. This truly is a "once in several generations" opportunity for this new unitary council, which has the potential to make a major long term difference for Barrow and the wider area.

It is critical that the council delivers on this. The national support behind the impressive public/private partnership that is in place, is a great asset in this endeavour. There is specific feedback within this report that can help the council to ensure progress and delivery against 'Team Barrow'. Of particular note is feedback from partners as to how the council ensures that the agility and capabilities required, to fully realise and capitalise on the opportunities available now, are in place.

Officers also recognise a position internally whereby "our service performance is generally very good – a swan on the pond. But under the water, our legs are often working to complete exertion". There are steps the council should take to redress this balance which are included within this report.

This includes a more focused, clearer and disciplined approach towards corporate prioritisation. Efforts have been made to do this previously, although some have felt that "...when it comes to what will actually stop – the conversation stops".

The council must also ensure that all processes and bureaucracy is proportionate and dynamic to the issue of concern, helping to "be more outcomes focussed and less process focussed". Essentially, based around making it easy to do the right things and hard to do the wrong things.

It is important that the council also revisits the expectations of central and enabling services – ensuring that the capacity of central and enabling services is closely aligned to the key corporate needs, with services then taking on a greater role in other change work / 'enabling' requirements. Colleagues across the council have acknowledged "there is real pressure on enabling services, which is then felt across the organisation". There are clearly known areas where the relationships between some services and some enabling services need to be reset and rebuilt in support of a one council approach.

All of the above presents a revised operating environment for the council, with a set of challenges for the corporate officer leadership to adapt to. Given this changing operating environment - which also includes an emerging Mayoral Strategic Authority, the council are encouraged to refresh the Target Operating Model currently in place and then fully embed it.

The next operating environment post 'safe and legal' will require improved working, between the Corporate Management Team (CMT) and wider Senior Leadership Team (SLT), to develop and improve these relationships and support this shift in approach. This includes supporting the SLT to have more ownership of the service changes they seek to implement, whilst giving CMT a strong corporate role in overseeing the key corporate and strategic issues facing the council – from Team Barrow to overcoming the challenges locally around ICT/digital that remain post LGR.

Ultimately, helping maximise the use of the collective corporate capacity that the council has available to it. The council may benefit from dedicated external support to map out all of the requirements of this, and to navigate a supported way forward.

Taking these steps fits with a stated local desire for a culture and ways of working which align with 'Together, we are Westmorland and Furness'. To support this, the council are encouraged to take further stock of what this means and requires within the organisation. This includes looking more closely, and with a more challenging eye, at the staff survey results, communicating them in a way which more clearly identifies the issues they air and the planned responses to them.

Financially, the council has agreed a balanced revenue budget in each of the last three years, with accounts published on-time and a finance team with positive working relationships. This presents a good foundation to support the further action needed both in terms of the feedback and recommendations in this report and to address the underlying financial pressure which the council is facing.

This action is more important now given the council's level of reserves, which are not significant and which must be safeguarded, in part, to support the resilience of the council. How the council gets ahead of this, corporately, sits across all of the feedback and recommendations given in this report. Alongside revenue, there is a

need to ensure the capital programme in place is deliverable, with steps noted in this report which will assist in this regard.

Finally, it is important to spotlight a leadership characteristic found in Westmorland and Furness that the team took great hope from. The level of openness, humility and honesty shown throughout this process is an exemplar for many others to follow. It is an essential characteristic of how to lead a continuously improving system and the timing of doing this now, appears particularly beneficial to this new council. This outlook towards peer challenge – treating this process as a real investment - left the peer team buoyed by a sense of optimism, that the council can continue to move forward from this impressive start and towards the exciting opportunities now available, by acting on the recommendations offered here.

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 Define a new, clear overarching milestone organisationally, post 'Safe and Legal'.** Then wrap the organisation, ways of working and focus around it.
- 3.2 Ensure the council has a clearer message on what it wants to achieve and by when,** taking the opportunity to declutter and develop a three year delivery plan, with clear milestones, signed-off by Cabinet.
- 3.3 Further develop the council's approach to resident focus.** Including a robust framework, a regular survey and the use of relevant forums.
- 3.4 Refresh and then embed the Target Operating Model (TOM).**
- 3.5 Act on the known issues which are affecting the ability to provide effective corporate officer leadership across the wider SLT.** Utilise suitable, specific external support. Empowering ADs as the organisation's engine with enhanced delegated powers and clearer decision journeys.

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- 3.6 Streamline internal processes and governance to ensure the council's approach to decision making is proportionate and appropriate,** focused on the pace of delivery sought in each instance. This includes the culture and risk appetite around different decisions.
- 3.7 Rebuild from the known relationship issues between some service areas and enabling services.** Doing so in a way which helps to ensure a one council approach is taken and officers are supported to consistently work well across professional boundaries, as appropriate.
- 3.8 Revisit and refresh the expectations of enabling services and what service areas could be and should be doing themselves.**
- 3.9 Map out the requirements for moving forward at the pace the council seeks with ICT and digital.** Ensure CMT own the ICT/digital blueprint and milestones for the next two years and that leadership responsibilities are clear.
- 3.10 Listen closely to the feedback from the staff survey and communicate how the council will respond to this and act on it.** Do this to help the council to further develop the 'Together we are Westmorland and Furness' ambition. It may also help prevent further wellbeing issues.
- 3.11 Move at pace to ensure the council has in place the right leadership, processes and capability to deliver on Team Barrow and the agility this requires.**
- 3.12 Put in place quickly, long term, monitored delivery plans to deliver the economic plan and the homes that Westmorland and Furness needs.** Use place partners to help do this.
- 3.13 Review the capital programme operating model to drive timely delivery.**

- 3.14** Given the underlying financial pressure, potential liabilities and risks - look further at the opportunities for savings/efficiencies within the stabilisation and integration work and how to build up further resilience.
- 3.15** Ensure there is increased corporate grip on the use of internal audit given the low number of completed internal audit reports and the three significant weaknesses in the external auditor's report.
- 3.16** Further develop Overview and Scrutiny using the feedback given throughout this report to inform those steps.
- 3.17** Further embrace, and prepare for at a political level, the opportunities of being on the Devolution Priority Programme (DPP) and how this can contribute to and help shape the future agenda for Westmorland and Furness.

4. Summary of peer challenge approach

4.1 The peer team

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

- Lead Peer – **Kate Kennally** (Chief Executive – Cornwall Council)
- Lead member – **Cllr Bill Revans** (Leader – Somerset Council)
- **Cllr Chris McEwan** (Deputy Leader and Cabinet Member for Economy - Darlington Borough Council)
- **Janice Gotts** (Executive Director for Resources, Cambridgeshire and Peterborough Combined Authority)
- **David Pattison** (Chief Operating Officer, Wolverhampton Council)
- **Carolina Borgstrom** (Director of Economy, Environment and

Infrastructure, North East Lincolnshire Council)

- Peer Challenge Manager – **Dan Archer** (LGA)
- Shadow Peer – **Hannah Gill** (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.

In addition to these themes, the council asked the peer team to provide feedback on

how the mission of creating a place where everyone can live and thrive is suitably permeating into everything the council does.

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 the 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 4 days onsite at Westmorland and Furness Council, during which they:

- Gathered evidence, information, and views from more than 45 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.

5. Feedback

5.1 Local priorities and outcomes

In the two years since formation, the council has demonstrated notable strengths and achievements across several areas which are detailed throughout this report. These include children's services, health and social care, public health and the work done on the poverty truth commission.

Equally, the council has demonstrated a strong response on climate action – referred to as “the greenest authority we have worked with” by one partner, with clear leadership shown. There are examples of positive cross-organisational working – for example between thriving places and public health – including suicide prevention measures on new bridges.

There are several key strategic plans in place which set out priorities for the council and a good understanding of both current and future challenges. There is a sense from those that the team spoke with, that there is however some confusion over the various missions, priority programmes, values, and ‘we wills’ across several strategic documents in place, including the Council Plan, Council Plan Delivery Framework, and Annual Reports. Only 38% of the workforce reported that they felt connected to the council's vision and priorities at the last staff survey. This complexity risks diluting focus and impeding progress on key challenges as the council moves forward into its next stage, focused on delivery and adapting to an evolving partnership landscape.

The council should declutter this strategic framework, doing so to support the focus on the delivery of the most important priorities locally. Focusing the council's leadership capacity behind addressing the strategic challenges that the leader and chief executive were able to discuss with the peer team in such depth.

To deliver against the priorities of growth and housing locally – a long term, monitored delivery plan is now urgently required. This can help the council in bringing a greater focus onto the ongoing requirements for delivery in each of these areas. The council published its Housing Strategy in the last year and further steps are



required to go from this, to the scale of delivery and change sought. To support this, the council are encouraged to develop a housing delivery partnership, working with the willing place partners locally and clarifying in this, the council's level of investment available in this priority area.

There is a desire for a strong customer focus across the council, which there is an opportunity to take further stock of at this stage. This includes looking at how the council can now further develop the measurable steps required to deliver on the pace of customer service integration sought, whilst reflecting the unique challenges of delivery over a large geography and in rural areas (for example Eden). Doing this, by developing and utilising a growing evidence base of customer satisfaction data which can help to inform the improvement journey required and provide assurance on progress throughout. This can include leveraging tools like customer journey mapping, to ensure services are responsive and accessible to residents across the wide footprint of the authority and not just those living close to the three main council bases. Actively looking at opportunities to further utilise existing assets differently, in light of the challenges of geography (for example the library estate or town/parish council facilities).

Partners reflected positively on how they had been engaged with thoroughly on setting strategic plans and are eager to now see these move forward. The community power strategy is an example of this, which partners want to move further into delivery on.

Underpinning community power, resident engagement is recognised as a priority locally. There is a need for clearer articulation of the next steps and measurable outcomes relating to this. The council has in place plans to administer a resident survey imminently, which is an important step forward which can be analysed at locality level, and with the insights of existing forums, to support this developing resident focus.

5.1.1 Performance

Peers considered LG Inform benchmarking data which shows how the council compares with the average of their statistical nearest neighbours: [Corporate peer challenge information report for Westmorland and Furness Unitary Council | LG Inform](#).

The council has overseen a notable improvement in the quality of services provided by Children's Social Care, as shown by the "good" OFSTED ILACS outcome, received following the April 2024 inspection. This is a hugely significant achievement given the short period since the council's vesting day and the previous outcome seen under the former county council of a 'requires improvement' grading in November 2022. The service is quick to reflect this as a real council wide effort, noting that "CMT and cabinet have supported children's services really well".

Work is ongoing to improve services for special educational needs and/or disabilities (SEND) following, an inspection for the Local Area Partnership in February 2025, which stated that the 'partnership's arrangements lead to inconsistent experiences and outcomes for children and young people with SEND'. The Care Quality Commission (CQC) inspection for adult social services was conducted in July, although results were not known at the time of writing. The council owns and runs both home care and care home services and all those with a published CQC rating are currently rated 'good'. The Regulator of Social Housing has yet to inspect Westmorland and Furness for its housing stock, however the council has already ensured that all its homes meet the decent homes standards and has undertaken work to self-assess the service against the new regulations.

Whilst the council corporately has clearly been frustrated in its ability to have all the performance information it needs, work has been done to connect and report key performance measures against strategic priorities and the refreshed regular performance framework reports to cabinet have been well received. The council has also prioritised the disaggregation of data for children's services, along with Cumberland, which has been completed successfully and is an achievement that others will be able to learn from.



The council has a dedicated performance team in place who are ready to capitalise on new information as it becomes available. This creates a great opportunity for how the council can become increasingly intelligence led and targeted in its approaches as this information becomes more readily available, paving the way for new, more efficient ways of working and investment in evidence based targeted approaches. Realising all of these benefits will be reliant on the team having the right working relationships with service areas, prioritisation and the continued development of the skills for analysis and forecasting across the organisation and with the dedicated performance officers.

5.2 Organisational and place leadership

The council has demonstrated strengths in its approach to leadership since being formed two years ago. This has included the leadership shown by elected members, officers and in partnerships, with examples of this given throughout this section.

As the council defines its next organisational milestone post ‘safe and legal’, there will be a requirement to develop its leadership approach and focus for this, which includes further developing, empowering and connecting the capacity available within the CMT and wider SLT. This must sit in tandem with further preparing for the strategic shifts at a partnership level – including the emergence of a mayoral strategic authority. Further work at a political level to prepare for devolution and a new mayoral strategic authority will help to look at this in the wider context of delivery and leadership locally, helping to ensure that Westmorland and Furness is able to plan for and secure maximum benefit from the opportunities this presents.

The leadership styles of the chief executive and leader are consistently seen as collaborative, dependable, and well-received by staff and partners. The council benefits from an experienced cabinet, who are well engaged with their portfolios and utilise a highly collective approach to leadership alongside a high level of ambition for Westmorland and Furness. The team were able to observe close working relationships that are now in place between cabinet members and their respective

senior officers, with members of the cabinet seen as being both keen to listen and open to good ideas, as reflected in the quote “it is more about place than ideology”. The member to member relationships that the team were able to observe, across the chamber are seen as positive, with an approach of respectful challenge evident. Members received a good variety and frequency of all member briefings which supports a strong level of political engagement on the key issues for the council.

Partners speak very positively of their experience of working with the council noting that “when they say partnership, they mean it and do it”. Partners reflect how they have found it easier, overall to work with a single organisation and have found the council’s approach to be “thoughtful” and “inclusive”. The council can be confident and proud of how well it is received by partners and the openness that appears to exist for continuing to develop these positive working relationships.

Examples of these positive relationships and partnerships include those within health, social care and public health, where the council is praised by NHS partners for the “exemplary leadership” it has shown, in what is a highly complex health system which crosses multiple boundaries. Schools have also seen a greater level of outreach from children’s services which they also very much welcome. Seeing the council as a proactive place leader, which is helping to improve standards, levels of engagement and inclusion. Thirdly, the local police force welcome how the council acts in partnership including around the recent Appleby Horse Fair which they saw as “the best organisation I have seen – a real partnership”.

In terms of place, growth and regeneration the council benefits from a committed and eager group of place partners, who appear to work well together and recognise the council’s openness and commitment to partnerships.

Member locality boards are in place to provide a platform for engagement between elected members, officers and partners. They are able to make local investment decisions in delegated areas in responding to community needs. The team heard how locality boards were seen as providing good opportunities for engagement at a local level and are well used by place-based services with children’s services now starting to use these locality boards more. It is also a positive step, that both locality and scrutiny chairs are able to attend cabinet, creating the opportunities to hear their

feedback and local perspectives more directly – whilst also minimising the risk of unhelpful gaps in insight and understanding opening up between these forums.

Whilst continuing to capitalise on the strengths of having the locality boards in place, it is important to be, and remain, clear on their role. There is an opportunity to work with the Cumbria Association of Local Councils to further develop the opportunities for double devolution, which can then help the council in holding a greater, connected strategic focus. It is also important in doing this, to avoid the locality board arrangements drifting towards holding more of the functions previously held by the district councils. This feedback is given in particular, given how much partners have reflected on the benefits of a single council to work with.

The partners the team spoke with were highly positive about having a mayoral strategic authority, who they see could advocate for Cumbria as well as provide additional support, capacity and leadership. This adds to a partnership landscape which has increasingly complex operational footprints now in place (for example localities, ICBs, and an emerging Cumbria SA). The council are encouraged to look again at the different partnerships and networks that are in place and are emerging, reflecting on how efforts locally, across the council missions can be best served by these different partnership footprints, relationships and roles.

Building from all of this and utilising this CPC as a forward-looking opportunity, the council should look at how it can adapt its approach to organisational leadership for its next stage. This includes moving even further into delivery from strategy development and setting a clear milestone date for when stabilisation and integration will be complete.

Doing this includes ensuring the council has the collective, corporate leadership capability for this gear change. This may mean utilising specialist external support for the CMT to develop into this different type of corporate leadership role.

As part of the development of senior officer leaders, developing the approach to staff empowerment and leadership across the CMT and wider SLT is required to meet all of these challenges and opportunities in the next stage. Empowering assistant directors more consistently will help to unlock further potential and capacity from this

cohort. Doing this will help with the work to complete the stabilisation and integration work, whilst enabling the CMT to move more into the corporate strategic leadership space that reflect the wider, strategic ambitions for Westmorland and Furness.

There is a need to support and develop the relationships across the SLT with CMT in order to do this. This will include the need to lead a reset of the relationships that some services have with 'enabling' support and services, where there are known issues.

Taking these steps, can help the council to begin to gain a greater level of momentum in delivering on Team Barrow.

There is a clear reflection from place-based partners that the council should look at the processes around the council's economic ambitions and how they can be adapted to support more agile decision making and delivery. This includes looking again at the governance structure in place around this to reflect the need of flexibility, pace and private sector partners, and the routes that are required to go from strategic intent and delivery, ensuring for example that this is more suitably and fully determined for Team Barrow. This will include implementing more agile governance arrangements by the Team Barrow Board, ensuring that the accountable body role is focused on assurance (the much needed checks and challenge), rather than being drawn into delivery options.

The delivery of this programme is now at a critical stage and failure or success will have a lasting economic impact on all of Westmoreland and Furness. In light of this, there may be a benefit from this programme being led by the Director of Thriving Places. Alongside this and in support of increasing the pace of delivery, the council should also review how the Team Barrow Board links into the council and utilises the existing expertise of place based teams. Within all of this, and in their refreshed corporate leadership role, the CMT should then have both a collective leadership role, accompanied by specific accountabilities across the team for ensuring the council is able to deliver on the Team Barrow delivery plan in full, realising all of the long term benefits this presents for Westmorland and Furness.

5.3 Governance and culture

The council has in place a comprehensive formal governance framework and accompanying structures. This is supported by regular reviews of the constitution and the adoption of the Code of Practice on Good Governance. A good governance group has been established at the council to support continuous improvement and regular meetings take place between the golden triangle of the chief executive, chief finance officer and monitoring officer.

In terms of overview and scrutiny, the council benefits from strong and committed scrutiny members, with scrutiny seen as a process which adds value and helps ensure that better decisions are made by the council. This includes some good examples of pre-scrutiny and scrutiny work which is well aligned to the key local priorities – e.g. SEND and Education, Health and Care Plans (EHCPs), financial sustainability, community power, health and social care and Care Quality Commission (CQC) inspection readiness.

There are opportunities to further build on the promise being shown by overview and scrutiny. This includes taking steps to maximise the impact of the time and resource available through overview and scrutiny against the key priorities locally. For example, the council may wish to consider whether there are opportunities to bring further scrutiny to some of the key internal and external challenges such as housing and ICT/Digital.

To help maximise the impact from the time and resource available for overview and scrutiny, the council should review the scrutiny calendar and create more flexible, priority-driven spaces for oversight and thematic reviews. This would include utilising task and finish groups and ensuring sufficient time is given to key items at meetings moving from what can often appear to be overloaded agendas.

Further exploring and clarifying the complementing and distinct roles of overview and scrutiny alongside the locality boards is also a useful step in helping to ensure this interface is and remains clear and effective. Both can help to provide assurance and inform decision making in different ways. This can include utilising such reflections

as part of work planning, whilst also mapping out the other mechanisms for assurance and influence that exist locally around the themes covered by each committee/board. Doing this can help to target the time used by overview and scrutiny and locality boards towards the areas of greatest impact and remove any potential duplications. It can also help to identify any relationships the committee and chairs of committees may wish to develop with other bodies locally.

Tracking and then communicating the impact that overview and scrutiny is having will help the committees to see and show their impact. Capturing action plans following scrutiny work with 'we said, you did' monitoring can help in this regard. The council has recently appointed additional capacity to support overview and scrutiny which is a further positive step forward and the reflections shown above can help the council to fully capitalise on this additional capacity.

More broadly in regards to risk and risk management, there is at present no clear, agreed corporate approach to setting the risk appetite at the council, and how it relates to the council's strategic priorities (e.g. Team Barrow). The risk culture would appear to be shaped more informally by the mantra of 'safe and legal' at present. In developing this risk appetite to reflect the opportunities or issues, the council can then challenge the processes, levels of assurance, empowerment and engagement required, based on the individual issues and supporting a more adaptive and dynamic approach to governance and decision-making at the council.

The council has positive working relationships and a sense of good will from the trade unions and equally has a positive working relationship with Cumberland Council around the inter-authority agreements that are in place. The governance around the inter-authority agreement with Cumberland via a Joint Executive Committee, has enabled effective oversight and pragmatic decision making between the two councils and is an arrangement the councils will naturally want to reflect on periodically.

Alongside all of this, there is a need to look to how internal decision making and processes can be streamlined to ensure they are enabling and proportionate. The peer team heard consistently how some of the internal processes and meetings can be slow and can feel burdensome and unnecessary. In one example, the team heard

from an officer who shared how “we had written a strategy – it then took 8 months to sign-off”.

In doing this effectively it is important to consider the culture around decision making and process. For example, whether more decisions are being pushed up than need to be, leading to bottle-necks at the CMT. This should be considered alongside the feedback provided elsewhere in this report about empowering others including the wider SLT, and supporting the CMT to operate as an increasingly, corporate, strategic capacity, rather than as a more operational function as at present. The development of a clear corporate forward plan – beyond the published forward plan, will aid the CMT in holding this role. This can then be supported by a clear and well managed plan of decisions and decision journeys, so there can be effective delegation with clear oversight by both senior officers and members.

There are known issues at the council in the working relationship between certain parts of the council and some enabling services. In order to work in a way which reflects the mission, ‘Together, we are Westmorland and Furness’, these relationships need to be reset / re-built. Doing this is in support of what is required for a one council approach being established. This will need to be consistently supported across senior management and be based on an environment in which people are supported to work across their professional boundaries with mutual respect in place.

Two years post LGR, culturally many members and officers often identify others with labels based on the previous organisation they came from (e.g. ‘county’, ‘district’ and so forth). To develop further as one team now - it is important that all members and officers consistently challenge these labels when used unfairly or with assumption. There remain in place obstacles to these labels being fully removed in people’s thoughts. The need to harmonise conditions and ways of working for example remains an obstacle to this. This highlights the need for the council to consider how integration, harmonisation and reshaping can be undertaken more swiftly at a service level – reflecting on the feedback given elsewhere in this report in doing this.

Staff who came to Westmorland and Furness from one of the former councils have also reflected that they did not have an opportunity to more deeply capture their reflections on this at the point of transition or since. Including for example the

strengths and challenges from working in previous organisations. When asked, staff reflected that this is something they would still find useful, in helping people to move forward as one team.

The most recent, completed staff survey (undertaken in 2024 – with a live staff survey ongoing at the time of the peer challenge) received a low overall completion rate of 30%. Further work is required to increase the completion rate of the staff survey significantly, to provide a more insightful and robust picture of the experience of the workforce, which is essential organisational health performance information. Within the data that is available there are some challenging messages which reflect an organisation where staff have experienced and continue to experience a significant amount of change, as well as the challenges of operating across multiple systems whilst adjusting to working as one council. For example, the 2024 survey results showed that 46% of staff reported a good level of morale, whilst 35% disagreed. The council is seen as a caring place to work by 47.5% of staff, which increased quite significantly from 39% in 2023.

The members of staff the team spoke with felt that the results from the last staff survey were communicated in an overly optimistic fashion with some frustrated that the feedback given had not been heard or acted upon. The council should look again at the results from staff surveys with a more challenging eye and specifically consider how these are communicated with frontline staff, including the actions taken where needed.

The council has made a promising start to its journey in regards to equality, diversity and inclusion (EDI), which the peer team very much encourage the council to continue to build on. Equity is one of the council's three sustainability principles and a clear set of EDI objectives, supported by an Action Plan through to April 2026 is in place. A dedicated EDI officer is in post, working alongside a growing network of EDI champions and a Corporate EDI Action Group which is chaired by the Assistant Chief Executive. A member-led EDI Special Interest Group supports political leadership, complemented by an external EDI partnership of over 30 partner organisations.

The approach taken locally to including armed forces in particular as a protected characteristic has been a positive step forward, with one member of staff

commenting, that “without this I wouldn’t be working”.

The council can start to go further now in developing its approaches to recruitment and development in line with its stated EDI ambitions. Now that the council is arriving at a point where the quality of data it has available is improving and moving more towards what is seen in other local authorities, the council can start to target this work more closely and with greater impact.

5.4 Financial planning and management

The council’s net budget for 2025/26 is £302.5m with £61.7m held in reserve (as of 31st March 2025) with a projected draw down of £0.4m in 2025/26. This includes a £6m Change and Improvement reserve which was put in place to support transformation within the council and will be used to fund one-off investments that support change. This is a positive example of how the council has sought to resource its capacity for change and improvement. However, it is also worth reflecting that the process and timescales for drawing down on this change reserve have also meant that by the time of the CPC, no service had been able to receive any funding from this pot, with those who had applied not confident they would receive this resource in time for the full impact of this to be demonstrated until the next financial year. This is an example where the council may want to look again at the processes in place and whether the timelines these processes then necessitate are proportionate to the wishes for delivery.

The council has agreed a balanced budget in each of the last three years and has realised £39.8m of savings in the first two years of operation, although only £14.6m from this represents savings which are recurring in nature.

The accounts of the former councils have been successfully closed, with an unqualified opinion which has provided a good base to build from. The disaggregation of the county council balance sheet has also been completed with some final transactions remaining to deliver (i.e. cash movements). The council’s accounts for 2024/25 were produced on time and the finance team are well regarded by the external auditor. All of which is reflective of a skilled, committed finance team.

Work has been done to improve the level of capacity in the team, which may come under further pressure once the remaining joint services are disaggregated. From a political leadership perspective, the council benefits from a knowledgeable finance portfolio holder who understands his portfolio deeply, will challenge and provides strong leadership.

The level of financial pressure faced by the council is however starting to build. This includes a growing forecast overspend position in children's and adults' services respectively, a Dedicated Schools Grant (DSG) SEND deficit which is forecast to grow by a further £6.6m in 2025/26 to £29.1m, and other potential forthcoming liabilities such as 'equal pay'.

This financial challenge must be recognised with an organisational response, building on the established processes that have been in place to date. In doing this, there is an opportunity from an expected multi-year settlement which can assist longer term planning and help the council to determine and prioritise recurring savings over a longer period. The council has the opportunity of looking at the potential for further savings and efficiencies within the stabilisation and integration work, both in regards to the general revenue budget and the DSG.

In responding to this financial challenge, with an organisational response there is a need to consider how aligned the 16 priorities in the Annual Plan are to this emerging financial landscape. Looking again at whether the plan helps focus attention on challenging budget areas and financial opportunities that the council may be able to take to address this growing pressure. It is important that financial stability is maintained if the council is to achieve sustainable improvements. The council should prioritise the work needed to implement efficiencies alongside achieving goals as set out within the Annual Plan.

Put alongside these growing pressures, potential liabilities and existing commitments, the level of available reserves are not significant and the council should review the level of reserves in light of such risks and demands.

The possible impact of the equal pay claim that exists, would benefit from a greater level of transparency. Whilst the council may defend its position against the claim, it

should nevertheless take steps to articulate the potential range of financial risk and ensure that it has the means to underwrite such risk.

The capital programme for 2025/26 – 2029/30 totals £432.1m, which is funded from £273.9m of grants and contributions, £7.8m of capital receipts and £135.8m of borrowing. Given the slippage seen previously in the capital programme and the risks around timescales for grant funded schemes like the Levelling Up and Towns Fund, the council should review the capital programme to ensure delivery in particular of time-bound grant programmes to minimise or remove the risk of funding being withdrawn. Alongside this, the council should also review the capital programme operating model to ensure the capital programmes team are involved at the right stage to help support increased, prioritised delivery. This includes being engaged from an earlier stage, supporting an effective delivery pipeline. The programme should be regularly reviewed for deliverability, with mitigating action and reprofiling undertaken where needed.

It is important to ensure there is a clearly seen relationship between the capital programme and the asset management plan, ensuring that the asset management plan is finalised and implemented whilst also clarifying the number of surplus assets held by the council post local government reorganisation (LGR) and the intended future direction for surplus assets.

The most recent value for money (VFM) opinion from the external auditor identified three significant weaknesses from the 2023/24 accounts relating to having in place a Corporate ICT Disaster Recovery Plan, improving the procurement and contract management arrangements and the level of capacity available within the finance team. Actions have been agreed by officers to address these weaknesses, however it would appear that at present these recommendations remain open and the council may also see an additional weakness added in regards to the growing DSG deficit.

The council has appointed an independent chair of the Audit Committee in the last year which has been roundly seen as a positive decision in enhancing the level of checks and balances the committee is able to provide. Building from this, the council is encouraged to put in place regular updates through CMT and the Audit Committee against the significant weaknesses identified in the VFM opinion to help provide

assurance around progress. This may also include a 'recommendation tracker' for the Audit Committee to ensure regular updates on those areas of weakness and recommendations.

When considering the work of internal audit, and in the context of the significant weaknesses identified by the external audit, it is surprising to see no limited internal audit reports in 2024/25. In addition, it can be seen that only 62% of planned internal audits were completed on time last year. It is with this in mind that the council should consider how it can help focus the use of internal audit and audit committee capacity further on the areas of greatest potential exposure and risk and in so doing confirm that the audit plan and internal audit capacity are correctly sized.

5.5 Capacity for improvement

The council benefits from a workforce who are proud of the impact they have in communities and are highly committed to the services they represent.

Staff highlight however that, post LGR this often involves a significant amount of problem solving and working around existing systems and processes. This sits alongside signs of wellbeing concerns and potential burnout – including a big increase in self-referrals to counselling services, a sickness absence rate of 15.71 days per FTE and 75 people who left the organisation in the last year, citing workload or wellbeing as one of the top three reasons for leaving. This should be considered together with some of the feedback from the most recent staff survey which is shown elsewhere in this report.

Alongside this, there are frustrations from staff based on their expectations of the recruitment processes, which they see as slow and inconsistent to what they have experienced previously, risking attrition and increased reliance on agency staff. This is clearly an area of frustration for many staff, and is an area to explore further, including the expectations of services centrally and service areas regarding the operation of the recruitment process – noting that different councils will strike a different balance in regards to these processes.

Staff satisfaction with internal communications has, however, risen significantly in the last year from 68% to 85% in 2024, reflecting the amount of effort from the communications team and senior leaders in this regard. The peer team were also able to observe the work done to quickly and successfully, embed the external branding and website, which has helped in developing the presence of the new council, creating more opportunities for co-production.

There is a strong will and desire in Westmorland and Furness to effect change and overall, there appears to be good capacity available to the council to do so.

This includes a strong level of overall PMO capacity, which has new leadership in place recently. The team heard from officers that this new leadership has made a positive difference and sits in support of a well-resourced team of 30 SLT/CMT officers, with a high level of permanence in these appointments also.

The council has established a dedicated change reserve to support the council in its delivery of transformation. The deployment of this fund is aligned to the delivery of the annual plan. However, to maximise the impact of this fund and any future similar funds on the capacity to deliver and improve, the process around administering these funds should be considered.

With these points in mind, the council will require a multi-pronged approach to maximise its use of existing organisational capacity corporately, which involves addressing the existing pinch points, resetting and clarifying roles and responsibilities and ensuring the processes that are in place meet the needs for agility, empowerment, engagement and assurance - as appropriate for each priority and the relevant risk appetite.

The council has benefited from engaging specialist external support to enable improvement in children's services and should now also consider how the council can also bring in external support to address its corporate improvement work. This includes how the council can achieve this shift in focus and ways of working across its wider officer leadership capacity and enabling support functions. This includes dealing with the operational issues that exist, the need to complete the work on integration, improvement, harmonisation and transformation and the pursuit of the

exciting strategic opportunities now available across the area.

In this context, the council should now also refresh the existing target operating model (TOM) to reflect this new and emerging operating environment and then fully embed this revised TOM. There has been significant change locally since this existing TOM was written which warrants such a refresh, alongside a recognition that the work to embed the existing model has stalled – with one quote as an example reflecting this - *“if someone asks in five years if the TOM has been fully embedded, we know now that the answer will be no”*. Doing this will help boost strategic capacity and alignment and unblock the challenges that exist. As part of the TOM refresh, there are also opportunities to bring a focus as to how, and in what direction, the council will improve the model of commissioning that exists. Arriving at a preferred model based on what will serve the council most effectively moving forward, in meeting the demand and growing budget pressures, alongside the corporate priorities and opportunities now available across place.

In tandem with the TOM refresh, consider how enabling services operate with other services and the expectations of each in this new relationship. There are bottlenecks and pinch points which reduce the ability of the council, across service areas, to drive improvement. Revisit what should be done within directorates themselves to give service areas more ownership and flexibility to deliver change at pace. This will also help enabling services to then focus on corporate wide priorities and risk through a business partnering approach. Once agreed, capture the roles of enabling services, the PMO, and different service areas in clear directorate plans. It is important in doing this to decentralise the reshaping programme as much as possible and empower assistant directors to restructure their teams within corporate parameters and process, supported by the business partner model. Having a clearly understood role for enabling services and the PMO under a revised arrangement, should reduce bottlenecks, enabling easier, more timely access to support when required, maximise capacity and support the pace of improvement. It may also be worth considering capitalising staff and relevant external professional advisors where appropriate – such as external legal and procurement support - for example in regards to Team Barrow.

In the early stages post LGR, the council was right to prioritise cyber security, given the issues and exposure that existed, and the locally specific level of risk held (e.g. Barrow). ICT systems more generally were specifically mentioned throughout by staff as being a common barrier or obstacle to how they were able to work, which reflects the known challenges and complexities associated with systems post LGR. This is a significant challenge, and the council would benefit from CMT having a more regular, corporate overview of progress against an ICT/digital blueprint. This can help to support, assure and prioritise, under a corporately owned direction of travel, ensuring regular engagement points with the ICT service. Clarifying the responsibility of the corporate sponsor, senior responsible officer and the design assurance group for this journey across the council, in arriving at this will help in supporting effective points of engagement.

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.

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