

# LGA Corporate Peer Challenge – Progress Review

Hull City Council

10 September 2025

Feedback



**Corporate Peer Challenge**

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## 1. Introduction

Hull City Council (HCC) undertook an LGA Corporate Peer Challenge (CPC) during October 2024 and published the full report with an action plan in January 2025.

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

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

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

## 2. Summary of the approach

The progress review at Hull City Council took place onsite on 10 September 2025.

The progress review focussed on each of the recommendations from the Corporate Peer Challenge, under the following theme headings:

- strategic and partnership delivery
- financial planning
- organisational leadership and delivery

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

- Chief Executive Peer – Jonathan Tew, South Tyneside Council
- Officer Peer – Dr Sakthi Karunanithi, Director of Public Health, Lancashire

County Council

- Officer peer - Steph Cordon, Director of Thriving Communities, Westmorland and Furness Council
- Associate peer – Isabel Brittain
- A shadow peer – Isabella Colloby, RB Kensington and Chelsea Council
- LGA Peer Challenge Manager – Judith Hurcombe

### 3. Progress Review - Feedback

Out of the CPC's ten recommendations, the council's RAG rated Action plan reports that all actions are progressed, and it rates each of the recommendations with an amber score. Overall, the council is making progress on the recommendations made in October 2024, and it recognises that some of the actions have not been progressed as fast as it would have liked.

#### 3.1. Strategic and Partnership Delivery

The passion and pride for Hull still shines through the council and is reflected in how its members and officers interact on a day-to-day basis. The council appears to be more confident in its overall direction of travel and what it is aiming to achieve. Frontline staff continue to be a credit to the council, they are clearly very proud of the difference they make every day for Hull's residents. When asked, members of staff could point to a wide range of improvements they have delivered in the last 12 months, including new apprenticeships, a reduced reliance on agencies to deliver social care, impactful work with young offenders, and working and outreach with communities. A wide range of people cited the annual Team Hull awards as welcome recognition for managers and their staff.

Much thought and activity has been given to translating the high-level aspirations of the new Community Plan into a framework for its delivery through the Council Plan, which includes objectives and key results. This was agreed in October 2024. Many of the aspirations it contains are either bellwether trends or long-term outcomes rather than specific targets, meaning it may be difficult to see how success is measured.

The council has chosen to disperse the delivery of the plan across its directorates rather than drive it centrally through a separate corporate change programme. How the council chooses to do this is of course within its gift: it needs however to be clear that progress is clearly tracked and kept on track to meet both internal and aspirations for the Community Plan. Ensuring that visible delivery takes place will be an important aspect of trust in HCC, given the amount of effort and energy that has been invested so far in engaging with communities and partners, and producing the overall plan.

The senior management restructure, details of which were being finalised in October 2024, is now being implemented. As there will be some different people in post, it will be important to consider leadership development for the new team, early on, so that the maximum benefits can be gained from working together: the need to do this is recognised by a number of senior managers.

Although the council describes progress in what the peer team described as the corporate “engine room”, further consideration is needed on whether this has enough resources allocated to it yet, particularly if it is to drive innovation and support delivery at pace across the organisation. This important corporate function also has the potential to have a significant role in supporting everyone to make better use of and fostering improved understanding of performance data, giving a stronger evidence base for decision making. But to do so it will need adequate resource and clear sponsorship from the chief executive to provide requisite challenge, support and visibility across every aspect of the council’s improvement journey.

The council describes shared ownership of strategies and delivery. However, the limited time available during the progress review onsite phase means that the team did not have time to test this out in full. The Gathering event undertaken with partners in July 2025 had over 150 attendees from across the city and seems to have created a buzz for participants. Although this revisit did not engage city partners, it is clear that further, thematic, sessions of this Gathering would help to accelerate progress on key policy issues, maintain momentum and provide mechanisms and means to continue communicating and relationship building.

Although the council references the Anchor network as a means to engage with

partners, this had a low profile during the CPC progress review visit, although there are plans to develop this approach further with the University of Hull in autumn 2025.

### **3.2. Financial Planning**

Compared to a year ago, there is greater internal confidence about the council's finances, although large deficiencies remain in the medium-term revenue budget and there increasing service costs arising in particular from children's and adults' social care demand, as well as widespread inflationary pressure. The Dedicated Schools Grant (DSG) is projecting an in-year overspend in excess of £10m and this remains a key risk for the council, in line with other councils, if government policy should change. These pressures were reported in the period 2 revenue budget monitoring report to cabinet in late July 2025.

The council has delivered £20m of its targeted £28m savings over the past 4 years. The report to cabinet in July 2025 flagged risks to the achievement of some of the council-wide savings target of £5.6m for 2024/25 and the current financial year, and that directorates need to control costs for the remainder of the financial year to avoid deficits by the year end.

The Medium-Term Financial Plan was approved in February 2025. The most up to date calculations of the budget gaps are £3.6m for 2026/27 and £12.3m for 2027/28. Reserves have been added to although available reserves are smaller than many senior managers would prefer.

The external auditor's report for 2022/23, received by the audit committee in late October 2024, raised concerns about the medium-term sustainability of the council's revenue budget. It recommended that the council should undertake a baseline assessment of the affordability of services in their current form; develop a detailed plan to address the deficit; and ensure sufficient information is provided to members so they can monitor the delivery of planned savings. The external auditor also noted that balanced budgets were achieved in 2022/23, 2023/24 and 2024/25 through a combination of incorporating planned savings but also a series of short-term measures including the use of capital receipts flexibilities and vacancy controls. The

peer team also heard that one-off measures are likely to be an ongoing element of the council's budget setting process.

Work has been undertaken to better align financial and service planning, and service plans have been aligned with the Medium-Term Financial Plan. Integrated business, finance, organisational development and performance directorate meetings have been introduced to better align these key elements.

At front line level there appears to be a lack of awareness about the council's overall medium-term budget gap and ongoing in-year budget pressure. Although across the organisation people are aware of its impact, for example how vacancy management and recruitment processes impact on team leaders and workloads. A stronger engagement approach and distributed leadership model with staff, in relation to finances, would assist with ideas generation and develop a culture of tighter financial control around operational decisions.

HCC has a large capital programme, and there have been some concerns about its scale as well as the council's collective capacity to deliver it. The programme has been reviewed to improve governance including risks and to provide more opportunities for member oversight. This review has introduced clearer prioritisation, closer monitoring of data and stronger consideration of benefits realisation within the programme, and the overall programme was agreed by council in February 2025.

The council's engagement of Impower has been beneficial in benchmarking and helping improve understanding performance and key cost pressures, for example, those arising during the transition of children and young people into adults, creating what some senior managers describe as "light bulb moments" of insight. This investment has gained traction within the organisation, reflected by the number of people who talk about and who can see its added value. The insight gained is being used to support savings plans for the 2026/27 budget onwards. The overall approach has the potential to be consolidated further internally and built upon, so that the council grows more of its own insight, capability and confidence rather than relying on external expertise.

### **3.3. Organisational Leadership and Delivery**

Capacity remains an issue for the council, particularly in driving through change. Through the peer team's discussions with the most senior members and officers it is clear that the past 12 months have tested their capacity, particularly in developing and working with external partners on the creation of the Hull and East Yorkshire Mayoral Combined Authority. Managers across the council continue to have concerns about capacity both at the corporate level as well as within services.

The council's People Plan has been finalised and published and has a complementary role in supporting a stronger performance culture. Since the main CPC the council has developed and finalised its stated corporate values and these are more prominent across the organisation, for example they are printed on staff lanyards. Three hundred and sixty members of staff have been identified as change champions. Senior managers reflect that the internal Leadership Network works well and acts as a forum for support as well as developing shared messages and understanding of corporate issues. The council plan headings have been introduced into staff appraisals, which is a really positive move in helping staff to consider and understand where they fit in its delivery.

However, there is more work to do on the council's stated values. Staff have noticed that these feature strongly in the council plan, and would welcome more clarity on how values link to behaviours, and what is expected of them and their colleagues.

The focus on improving and engaging with the children's workforce is paying off, and employment levels are nearly at full complement, with good retention rates, and the use of agency staff has reduced. There is a balance to strike in asking leaders in children's to share this expertise and lead across the council whilst maintaining required focus on embedding improvement within the service. Managers are rightly proud of the social work academy. Across the council levels of sickness and absenteeism are low.

Better use of data from this and other sources will help the council move more overtly towards making more decisions on the back of performance and outcome data and evidence. A corporate performance dashboard has been developed and is being rolled out, and this will help to show how the council plan is being implemented.

Middle managers felt that a considerable improvement over the past 12 months has been how the council is approaching digital transformation, describing an improvement in capability which the organisation is starting to use more effectively. They also welcomed the opportunities that Artificial intelligence may bring to service delivery and efficiency.

For the future they have concerns about local and national political influences and how this will affect the lives of Hull residents. A particular concern voiced by a broad range of people was community tension and cohesion and how the council responds when events and incidences occur. Staff are proud of the resilience of the council's workforce and how it adapts to these and other challenges. Middle managers also recognise that the workforce is ageing, and greater focus is needed on succession planning.

The council knows that it must keep adapting and the past 12 months have brought challenges, and the role of local government means that there will be more ahead. It needs to pay ongoing attention to its resource base and its capacity if it is to deliver the council plan and the community plan. Some staff and managers are not yet clear on how they will deliver the six ambitions of the community plan.

The implementation of the senior management restructure provides a huge opportunity for the new collective senior team to work together to strengthen corporate working in a way which is strategic, collegiate and consistent across the council; is more clearly driven by data and intelligence; builds on the stated values; and drives improvement and change at pace.

A key building block to enable all of this to happen is a well-resourced and well-regarded corporate "engine room", which enhances capacity and has sufficient clout across the council to support improvement and work with others to grow a stronger performance culture. External and internal reporting dashboards have been created to show performance and include trends as well as commentary. These will be finalised in autumn 2025.

Returning to the messages given during the main CPC in 2024, the council can evidence that it delivers impactful services for local people and steps up during a crisis, for example in the aftermath of the Legacy funeral failure. It could open up

more and be more prominent beyond its boundaries, both continuing to benefit from peer advice and expertise whilst also helping others to benefit and learn about its successes.

## 4. Final thoughts and next steps

The LGA would like to thank Hull City Council for undertaking an LGA CPC progress review.

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

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

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