

WEST MIDLANDS REGIONAL ASSEMBLY

18th July 2007

Strong and Prosperous Communities

The Local Government White Paper Briefing Note Oct 2007

Headline messages:

All authorities to select ***governance*** arrangements from a mayor, elected executive or indirectly elected leader serving a four year term.

Strengthened role as ***place shaper*** through stronger LSP and enhanced LAA. Counties and unitaries required to produce an LAA to deliver the Sustainable Community Strategy. A ***duty on public sector*** organisations to agree local priorities and work towards agreed targets.

Greater powers on ***scrutiny***, including on other public bodies where working with councils.

Greater role for Councillors, including raising local issues with scrutiny bodies through ***Community Calls for Action***

Current set of council indicators (between 600-1200) reduced to ***200 national outcomes*** to allow national comparison and local areas to agree around ***35 local priorities*** with government (+ DfES (now DCSF and DIUS) statutory early yrs and performance targets).

CPA to be replaced by risk based ***Comprehensive Area Appraisal***

Invitation for two tier areas to bid for ***unitary status*** or to be an enhanced working ***pathfinder***

White Paper Chapter by Chapter

White Paper is in two volumes, the first sets out the proposals, the second on how they relate to the key challenges of Community Safety; Health and Well Being; Vulnerable People; Children, Young People and Families; Economic Development, Housing and Planning; Climate Change; and the Third Sector.

Ch 2 - Responsive Services and Empowered Communities

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- **Statutory Guidance** to be issued on commissioning placing citizens at centre.
- New **audit arrangements** to ensure taking into account citizens needs/information
- **Consult citizens** and communities about the shape of local services eg focus group or neighbourhood and parish plans
- **Involve citizens** in designing, delivering and assessing a service eg co-opt young people to help manage a youth centre
- Encourage **neighbourhood and community** management/ownership
- All councils to consider how they deal with **petitions**
- Cllrs to raise issues of wider community interest through **Community Call for Action (CCfA)** –
 - negotiate informally LA/service provider
 - use delegated budget
 - refer issue to overview and scrutiny
- Consider **local charters** between LA and community – to set out agreed relationship.
- Power to **create parishes** devolved to districts and unitaries
- Extend power of well being to **parish and town councils** satisfying Quality Parish accreditation scheme.
- **Ombudsman** widened to include councils' partnership work

Ch 3 - Effective, Accountable and Responsive Local Government

An independent review of incentives and barriers to **becoming a Councillor** (The Councillor Commission headed by Dame Roberts will report to CLG in Nov 2007)

LA make own **byelaws** and enforce by fixed penalty not magistrates fines

Compulsory **governance** models – will not require a referendum:

- Directly elected mayor – 4yr term
- Directly elected executive – 4yr term
- Indirectly elected leader – 4yr term
- In each case the **leader has all executive power** – discharged either by them, or delegated to cabinet, individually or collectively.
- Mayor/leader **appoints cabinet**, or for executive will agree that they are on their "slate" of candidates standing for election.

Do not require permission to move to ***whole council elections***
Can move to ***single cllr wards***

Strengthened ***overview and scrutiny*** to provide a key place shaping role.

- Increase ability to reconcile community opinion and forum for community debate
- Improve Cllrs ability to champion local issues
- Public bodies¹ duty to cooperate with scrutiny, appear or provide information with 20 days, as FOI
 - The Police separate duties under the Police & Justice Bill (2006).
- Public bodies to have regard to recommendations affecting them
- Encourage focus on ***strategic issues*** – priorities in strategic plans/LAAs
- Scrutiny greater role in ***policy review*** and development allowing for ***challenge*** to the Executive about how policy/decisions affect localities.

This contributes to the move to empower citizens, giving them a greater say in decision making. It also raises the profile of individual Councillors as leaders of their communities. Councillors should also be able to act as problem solvers where possible to resolve matters informally.

- Government make it clear that ***resources*** should be adequate for the support of scrutiny.

Localise and simplify the ***conduct regime***

- More locally based, with local standards committees making initial assessment and most decisions
- Revised regulatory role for ***Standards Board*** to provide supervision, support and guidance for LAs and ensure consistent standards

Goals for effective ***two tier areas***:

- Unified service delivery – district/county division invisible to user
- Stronger leadership

¹ Covered by duty to co-operate set out in Section 5: upper tier or unitary councils; districts; chief police officers; police authorities; local probation boards; youth offending teams; primary care trusts; NHS foundation trusts; NHS health trusts; learning and skills council; job centre plus; health and safety executive; fire and rescue authorities; metropolitan passenger transport authorities; highways agency; environment agency; natural England; regional development agencies; national parks authorities; broads authority; joint waste disposal authorities.
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- Shared back office and integrated service delivery
- Will need to demonstrate similar improvement and efficiency savings as unitaries
- Govt will explore how existing powers to work together can be assisted by removing barriers to innovative governance arrangement
- Two tier areas invited to be *pathfinders* for enhanced working by **25 Jan**.

Opportunities to create *unitary local govt*

LAs in shires invited to make unitary proposals by 25 Jan that:

- Enhance strategic leadership, neighbourhood empowerment, value for money and equity
- Command a broad cross section of support
- Affordable, value for money and meet costs of change from councils' existing resources.

The decisions on unitary proposals, including a single authority for Shropshire, are expected by the end of July 2007.

Ch 4 – Strong Cities and Regions

- Use existing *sub-national economic development review* to investigate devolving powers and resources to regions, LAs in cities and elsewhere. Now expected to be published in July 2007.
- Reform *PTAs/Executives* for more coherent to major cities
 - In all places LAs to powers for bus services to serve communities
(included in the Transport Bill)
- Work with areas developing *multi-areas agreements*
 - Take account of *regional strategies*
- Consult on guidance to promote *city development companies* (a summary of responses was published in June 2007).
- Encourage *Skills and Employment Boards* in core cities
- Encourage stronger *leadership* models – accountability = powers

Aim to increase overall value added but progress in way that minimises risk of greater disparities between and within Regions.

Ch 5 Local Govt as a Strategic Leader and Place Shaper

Reinforce LAs strategic leadership

- Upper tier and unitary auths *duty to prepare LAA*

- **LAA as delivery plan** for community strategy
- LA **leaders and portfolio holders** to play leading role in LSP
- Duty on LA and named partners to **co-operate and agree** LAA targets and have regard to targets (SoS can direct)
- Sustainable **Community Strategy and local and regional plans** to have regard to each other
- Encourage integration of **Local Development Framework** Core Strategy and **Housing and Homelessness Strategies** in unitary and district Sustainable Community Strategies
- Counties to consult, involve and take full account of **district strategies**
- LAAs to tackle district **cross boundary issues**
- New statutory thematic **Health and Well-being Partnership** to integrate LA and PCT (similar to Crime and Disorder and Children's Trusts)

- Ability to create **Multi Area Agreements** for sub-regional areas

- Govt to bring more **area based funding** into LAA
- Four **themes** to organise LAA but without the funding inflexibility of **blocks**
 - **Economic development and the environment** replaces economic development
 - Presumption against **ring-fencing** – will have to be justified
- Move to "**commissioning**" to secure service outcomes not restricted by boundaries and direct responsibilities – potential for **joint commissioning**
 - New best value **statutory guidance** on key commissioning principles, community participation and competition

Comprehensive **engagement strategy** for community strategies, LAA and LDFs. Repeal the need to have LDF Statement of Community Involvement independently examined.

Draft Guidance on LSPs and Sustainable Community Strategies to be published

Chapter 6 – Performance Framework

The new performance framework will look to act as not only a means of reporting performance upwards to Government but also to offer a consistent vehicle for the public and other stakeholders to use to hold their local service providers to account. It should allow local intelligence to shape services and therefore meet local expectations.

Government sets out a commitment to align national performance requirements in order to remove the fragmentation of effort which currently exist in localities.

Over the next **three years** a new performance framework will be tested covering all outcomes secured by both local authorities and their partners. The Audit Commission will lead this exercise, however, distinct inspectorates will continue to carry out specific performance frameworks within their areas – PCT's Jobcentre Plus and the Police.

The new Performance framework aspires:

- to strengthen accountability to citizens and communities;
- improve performance through greater use of peer support and cross-authority challenge;
- drastically reduce the number of performance indicators (down to 200) and also to set out through LAA's 35 improvement targets (NB: in addition DfES will retain specific targets for early years and education).
- Make inspection proportionate to risk via:
 - An annual risk assessment (leading to an Annual Risk Judgement)
 - *An annual Use of Resources judgement (for all local public sector bodies)
 - *An annual Direction of Travel judgement – how effective are authorities in driving continuous improvement
 - Inspection activity by all relevant inspectorates will be targeted based upon risk assessment
- A streamline process for providing support and intervention to fragile authorities, tailored to their individual need.
- It will commence in 2009 and be called the **Comprehensive Area Assessment**.
- *The scored judgements will allow comparison with other authorities.

These measures will be supported by the **Comprehensive Spending Review 2007** – its intention is to ensure that all local partner activity is measured by the use of the same set of indicators to measure joint outcomes and that where targets are set, they will apply to all relevant partners.

There is recognition that too much inspection in the past has failed to provide sufficient **transfer of knowledge and best practice**. It cites the LGA as having committed itself to developing cross-sector responsibility for challenging performance and supporting

improvement. This will be targeted to help weaker authorities learn from others.

Best Value will significantly change to reflect an emphasis upon competition and alternative provision. This is not a return to Compulsory Competitive Tendering but an attempt to tackle the commissioning of service holistically across a range of providers to achieve the desired outcome.

Annual BVPP and individual **Best Value** reviews will no longer be required.

The participation of local citizens is set out in Chapter two. Primarily there will be a need for **real time** performance data to be made available. Communication from Councils to the citizens and vice-versa should influence decision making and target resources in a transparent manner.

Local Area Agreements will become the primary vehicle for the delivery of an agreed set of improvement targets by local authorities and their partners for each locality. This should be achieved through making targets far more specific to each locality.

Government Office will be responsible for the co-ordination of activity which brings about this local cohesion and obviously negotiating improvement targets within each LAA.

Annual reporting of performance will again be both to Government and to local citizens. The Audit Commission and the other Inspectorates will use this LAA performance report to inform their **annual risk assessment**. It will offer the opportunity to review targets/priorities to fit local circumstances.

Chapter 7 – Efficiency- transforming local services

Government will align all Centres of Excellence with Regional Improvement partnerships (already achieved within West Midlands).

There is great emphasis upon joint service delivery across authorities and sectors. It is actively encouraging cross boundary working.

In two tier areas there is an expectation that all authorities will actively seek to collaborate and explore innovative means to deliver services and make efficiencies.

A ***pathfinder programme*** will be supported to for those authorities willing to pilot innovative joint arrangements.

Business process improvement and flexible working will be demonstrated through a national BPI project to set out efficiency gains. Government expect collaboration and the removal of administrative boundaries.

E-Government is still seen as a key vehicle to bring about step change in efficiencies and service transformation.

The ***Comprehensive Spending Review*** will seek to integrate efficiency with performance management via an ambitious target for efficiencies which can be delivered through embedding efficiency within local authority performance frameworks. The expectation is that through collaborative agreement across agencies and partners, real significant savings can be made whilst meeting the expectations of the local community.

This can be done again through an efficiency element within a LAA and also by the ***focus upon outcomes for the locality*** and not around administrative processes and structures of individual agencies.

Support for transformational government and efficiency will be streamlined and made more coherent across national agencies and through the alignment of Regional support bodies, notably Regional Centres of Excellence and Regional Improvement Partnerships (as is already in place in the West Midlands).

Regionally based capacity building support will in place, led by the local government sector.

Ch 8 Community Cohesion

Put community cohesion into ***performance framework***, to be considered as part of ***CSR 07***. Can address cohesion in Community Strategy, LAA or other thematic plan.

Govt will:

- Work with LAs and partners to identify where cohesion should be priority in LAA targets
- Emphasise importance of promoting community cohesion through LSPs and Community Strategies
- Share best practice

- Support establishment of forums on extremism where needed
- Encourage **Commission on Integration** to produce detailed plans on delivering a step change in cohesion (Reported June 2007).

Principles for Local Govt

- Strong leadership and engagement – *reduce tensions*
- Developing shared values – *non-negotiables*
- Preventing problems of tomorrow – *conflict resolution*
- Good information – *better understanding, targeting.*
- Visible work to tackle inequalities – *make communities feel connected*
- Involving young people – *fill vacuum exploited by extremists*
- Interfaith work – *keep channels of communications open*
- Partners such as third sector organisations – *build cohesion*

Ch 9 Steps towards Implementation

Minimal new or amended legislation needed to facilitate proposals.

Forthcoming Reviews:

- Community Management and Ownership of Assets (published May 2007).
- Incentives and barriers to serving on councils (Commission to Report Nov 2007)

Forthcoming Consultation and Guidance:

- Revised best value duty, including community participation, commissioning and competition; third sector funding
- Community Call for Action, Overview and Scrutiny and governance reforms
- LSP, Sustainable Community Strategies and LAAs
- City Development Companies, to drive regional and national economic growth (summary of responses published June 2007).

Some of the other publications, initiatives and developments referred to:

- Establish national priority outcomes through single set of national indicators as part of CSR 07
- Develop small set of national citizen and perception indicators
- Negotiate and implement burden reduction package via Lifting the Burden Task Force

- Develop with Audit Commission new annual risk assessment to deliver new Comprehensive Area Assessment

Volume 2 Annexes

Some key points

Health and Well Being:

- Statutory Duty for LAs to establish new inspection body with Local Involvement Networks for communities to engage with health and social care organisations
- Community Call for Action to include social care
- Encourage councils and PCTs to co-ordinate consultations
- Council restructuring to compliment PCT boundaries
- Joint Directors of Public Health
- New Statutory Partnership for health and well being under LSP

Vulnerable People:

Statutory guidance to target disadvantaged and marginalised.

Economic Development, Housing and Planning:

Consulting on new housing and planning delivery grant

Climate Change:

- Parish councils encouraged to tackle energy saving
- LAAs to tackle climate change
- Climate change part of performance framework
- Additional funding for Salix to help councils
- Sustainable Energy Beacons

Third Sector:

- New duty for participation
- Community groups to have key role alongside councillors
- Three year funding grants

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