



towards a national improvement strategy



introduction

The local government white paper *Strong and Prosperous Communities* proposes a joint national improvement strategy. This paper sets out our initial views about the nature and purpose of the strategy; the priorities it should focus on for the next spending review period; the implications for delivery and resources – and raises a number of key issues on which we would like further input from the sector.

Local government has a track record of consistent improvement. We understand what works for improvement, we have taken responsibility for dealing with poor performance, where it remains, and we are committed to further progress.

The improvement strategy provides a unique opportunity to support further sustained improvement in localities. It should be a means for achieving a consensus with government about the key improvement priorities, focusing the totality of improvement support towards the priorities and giving councils, through strengthened improvement partnerships, a much greater say in how those resources (approx £1.6bn for the current spending review period) should be used.

This is important to us all because meeting the improvement challenges ahead is the only way in which we will improve the quality of the lives of the people we are here to serve.

our track record on improvement

Local government has improved considerably in recent years, and faster than other public services. The latest CPA results (February 2007) demonstrate further increases in performance with 77 per cent of single-tier and county councils improving well or strongly, and 79 per cent with three or four stars. For the first time since CPA began in 2002, none are in the bottom category. Local government is also ahead of target in efficiency savings.

CPA has helped drive this improvement, but has become increasingly less effective. Current capacity building and 'top slice' arrangements on the other hand have been effective in supporting improvement. The sector, moreover, has taken ownership and control of its own improvement:

- we know "what works for improvement";
- we own and are dealing positively with poor performance, where it remains;
- peer support and challenge has been very effective;
- improvement partnerships are getting established.

Councils have high aspirations for their citizens and the future of their areas. The local government sector, as a whole, is ambitious to continue this path of improvement towards world-class performance.

key elements of the strategy – priorities, delivery, resources

However we face a number of challenges in the future. We need to address and operate within the context of the long-term challenges facing society (eg globalisation, demographic changes, changes in technology, climate change), and within the national policy responses to them.

We must respond to rising customer expectations for better-quality services, the ever tighter financial environment, and the increasing complexity of the challenges facing localities which demands a long-term, collaborative approach between local partners.

And we must grasp the opportunities and challenges of the new “place-shaping” role set out in the recent white paper and elsewhere, and renew our efforts to build cohesive and sustainable communities, finding new ways to engage people in the governance of their localities.

Considerable achievements have been made, but we are not complacent. We recognise that challenges remain, that the pace of improvement needs to quicken and that we need to better understand and address areas of under-performance within specific service areas.

In this context, how can the proposed improvement strategy support councils, and their partners, to deliver improved outcomes at local level?

What should it say about priorities, delivery and resourcing?

improvement strategy: future improvement priorities

Whilst recognising that many improvement needs are in principle common across most localities, their specific form, nature and application will play out differently in each area. The strategy therefore needs to be based on a ‘bottom up’ assessment of need and devolve spending decisions to localities so that they are able to determine how best to meet their own improvement needs (thereby maximising the return on investment).

Our work with the sector to date demonstrates that the challenges ahead will require the development of considerably heightened capacity in local councils and their partners, including:

Leadership and governance

- The development of visionary political and managerial leadership.
- Stronger, more credible scrutiny of a range of services and organisations, through more effective arrangements and developing councillors’ skills.
- Local/front-line councillors able to engage with neighbourhoods.

Partnership working, community leadership and place shaping

- Moving from leadership of councils to leadership of place.
- Cross-sector partnership working and governance (including the third sector). Councils and local partners working together effectively, over time, joining up improvement activity and tackling partners’ capacity building needs in a joined-up way.
- A stronger, more intelligent commissioning role.

Community engagement

- Deepening the relationship between the community and council, jointly agreeing the problems and solutions.
- Developing active and participative neighbourhoods.
- Improving accountability through greater customer-focused improvement.

Corporate effectiveness and efficiencies

- Transforming services to achieve even greater value for money.
- Increasing the pace and imagination of the shared services agenda, tackling technical and cultural barriers.
- Equipping managers to deal with a more varied and complex range of issues affecting localities and to cope with constant change.
- Attracting, developing, skilling and motivating the workforce to meet these challenges.

Increasingly, there also needs to be a greater focus on service improvement needs including cross-cutting challenges and delivering improved outcomes at local level through better partnership working.

Improvement strategy: future delivery arrangements

As improvement delivery mechanisms develop, there is a continuing need to ensure that the overall improvement architecture – for both local government and other key public service partners – is as efficient, effective, accessible and accountable as possible.

At the moment however, councils find the existing improvement architecture too complex. They find it hard to negotiate the range of improvement bodies and there is too wide a range of unco-ordinated central government initiatives.

The improvement strategy should clarify and streamline the delivery arrangements, putting councils in the driving seat.

Local level: local authorities are responsible for their own improvement. The strategy should focus support around individual councils working with local partners. Improvement is driven and delivered at a local level.

Regional and sub-regional level: devolution of funding to Improvement Partnerships (IPs) is beginning to work well. It has enabled regional improvement strategies and delivery structures to be built from the bottom up; developed greater sector ownership and generated more collaboration than before; it enables support to be tailored to regional needs, recognising regional differences. Alongside the emergence of IPs, we have also developed the role of the IDeA regional associates as a broker of support.

The strategy should therefore build on this approach with Improvement Partnerships becoming the vehicle for co-ordinating capacity building/improvement support from across government departments and a first point of contact for advice about what is available. We recognise that IPs need to develop the capability to take on this role and that we have an important contribution to make in helping this to happen.

National provision allows for:

- economies of scale and avoiding duplication;
- enabling risks to be taken on behalf of the sector;
- learning and sharing across the country;
- enabling cross-regional approaches to piloting and specific activity where there are common needs and circumstances (eg core cities, coastal towns, etc.);

- action and initiatives for the benefit of the local government sector as a whole, such as the establishment of infrastructure or national recruitment in skill shortage.

While all levels will have some involvement in all types of activity, in general regional and sub-regional bodies should, in the future, have a bigger role in identifying needs, commissioning regional programmes, monitoring progress, and determining subsidies. The national level should facilitate learning and sharing best practice, commissioning and delivering infrastructure and nationwide programmes and co-ordinating the assessment and meeting of improvement needs across the country.

Future governance arrangements for improvement support

Strong co-ordination between the different elements of the support infrastructure will be required.

Revised and enhanced governance arrangements are needed which provide political direction and joining up of regional, sub-regional and national governance. The LGA, as the representative body for local authorities, should lead the governance arrangements.

There also needs to be clear, practical co-ordination between regional partnerships and the IDeA, as local government's own improvement agency, and with extensive relations with the new regional improvement partnerships and the Regional Centres of Excellence, would be well placed to take that role.

Improvement strategy: resourcing improvement

All the evidence demonstrates that the sector has made good use of RSG top slice, the joint capacity-building fund and incentives such as pump-priming grant and performance reward grant – all of which are seen to have been effective in stimulating improvement. The annual investment of approximately £35m in RSG top-sliced central bodies and £54m in capacity-building funding has produced a huge payback by exploiting economies of scale and leveraging peer support from within the sector itself.

However this is dwarfed by the accumulative weight of resource flowing down to councils through government departments – some £1.6bn in the current spending review period. We believe that better value for money could be secured by taking a strategic approach and focussing this wider resource much more clearly towards agreed priorities through strengthened Improvement Partnerships at regional level.

Work will need to be done to exemplify the funding necessary to meet future challenges, but it is clear that the scale of the challenges means that the requirement for support will be at least as great as that in the current spending review period.

further challenges the strategy will need to address

During the life of the strategy – which will span the next spending review period, to 2011 – progress will need to be made on a number of other fronts.

Rationalising the improvement architecture. Local government has made a start by bringing together RCEs and RIPS at a regional level and developing the role of the IDeA regional associate to act a broker for advice and support. However further progress needs to be made to rationalise, and simplify access to, the current range of support bodies at national level so that councils and their partners are clear about what support is available and who provides it. Duplication can be avoided and better value for money secured.

Developing a locality approach to improvement. With the increasing focus on delivering improved outcomes through partnerships there is an opportunity to think about co-ordinating capacity building and support to address needs across local partners. Improvement support that is joined up across partners should be more efficient and help to tackle difficult cross-cutting issues. Progress is being made in this joining up. However, more remains to be done, both directly by contact between the various public service improvement support bodies, and by central government providing clear leadership to ensure that there is joining up across all government departments.

consultation questions

Developing the evidence base. We need to build on current knowledge within the sector to develop a rigorous evidence base to demonstrate what works for improvement. The improvement support bodies should commit to being able to evidence, at the end of the CSR07 period, the extent of efficiency and effectiveness generated by their greater co-operation.

Consultation questions The LGA and the IDeA are actively involved in the development of the strategy, but we need to know what you think.

- What are the key improvement and capacity-building challenges that the strategy should address?
- What specific service-based challenges should be reflected in the national strategy?
- What do you see as the respective roles of regional and national levels?
- How can access to improvement bodies be simplified?
- How would you see progress being made toward a locality approach to improvement?

Please respond to info@lga.gov.uk, telephone 020 7664 3131

For further information please contact
the Local Government Association at:
Local Government House
Smith Square,
London SW1P 3HZ

or telephone LGconnect, for all your LGA
queries on 020 7664 3131
Fax: 020 7664 3030
E mail: info@lga.gov.uk

promoting better local government

Code no F/CA244
ISBN 978-1-84049-563-8
Cover photo, xxx
Printed by Newman Thomson, One Jubilee Road, Victoria Industrial Estate,
Burgess Hill, West Sussex RH15 9TL
Design by Tattersall Hammarling & Silk Ltd
© LGA March 2007