

Improvement Programme Board – report from Cllr David Parsons CBE (Chairman)

1. Ahead of the Spending Review, Eric Pickles MP, Secretary of State for Communities and Local Government announced that the Government would not be renewing Local Area Agreements from April 2011. He also announced that the National Indicator Set would be replaced with a single comprehensive list of all the data Government expects local government to provide. Local government will be involved in reviewing the current data burdens and in developing a process to review the list on an annual basis. This brings to an end all the key elements of the existing top down performance framework allowing both central and local government to make significant savings. It marks a real success for the Improvement Board's **Freedom to Lead** Campaign.
2. Although this success signals the beginning of a radically different approach to accountability to local communities, the battle is not yet completely won. For example, the Treasury has asked each government department to develop a small set of outcome and input measures that puts local communities and local people.
3. The intention is to bring these measures together in November, consult on them, and for them to be signed off in final Departmental Business Plans in March. It is clear that there are a number of potential dangers for local government in this and without strong central coordination and rationalization, this is likely to lead to councils and their local public sector partners being pulled in different directions locally. There is also a risk that the history of the development of the National Indicator Set will be repeated this time around unless local government is able to provide the knowledge and practical experience necessary to develop a set of measures that works effectively. The LG Group will be lobbying for the proposed outcome and input measures to reflect those used locally by councils to manage their own performance, in order to avoid imposing an additional burden on local government. We think departments should start with the **self-regulation measures** that we are developing with councils, which will allow councils to benchmark key aspects of their impact and performance.
4. We have been consulting the sector on a radically different approach to performance assessment and improvement that reinforces councils' accountability to local people through greater transparency and reporting. If anything, pressure to manage performance is greater than ever and the onus is now on the sector to come up with a way of managing its own performance. The Board is having an Away-day on 17 November 2010 and will be considering responses to the consultation on which views were invited by 1 November.

5. The Away-day will also give Board members the opportunity to discuss in depth specific work-streams in the place based **productivity programme** which is well underway. A fortnightly update is being produced to keep those involved in and interested in the programme informed of developments - this will also be made available to a wider audience on the LG Group productivity web page and through the productivity community of practice.
6. The **Regional Improvement and Efficiency Partnerships (RIEP)** Member Forum held on 13 October was attended by the Local Government Minister, Bob Neill MP. The Minister said he believed that the sector can find significant efficiencies through collaboration and shared services. Forum Members described some of the impressive successes of the RIEP Programme which is on course to save £1bn by the end of March 2011.
7. The meeting also received a presentation on the productivity programme and considered a report on improvement and efficiency arrangements being considered in the regions after March 2011 when the current programme concludes. Members were keen to preserve the RIEP legacy and for RIEP good practice and learning to be captured in guidance emerging from the productivity programme. The meeting proposed that the LGA Executive should receive a report on options for supporting sub-national improvement and efficiency work after March 2011.
8. An LG Group free national conference - '**productive services, productive places**' - is being held at Local Government House on 3 December 2010. The conference will provide an opportunity to share initial learning from the work-streams and methods for councils to use to improve productivity. A web resource of '100 tried and tested' ways councils can cut costs and respond to the challenge posed by the spending review is being developed in time for the conference. The Procurement, Capital and Assets work-stream led by Cllr Bettison was also quick off the mark last month in publishing a 'Quick wins strategy' for councils to make savings in this area.
9. The work underway on productivity is helping to prepare the ground for **community budgets** which are being pioneered by sixteen councils that were announced in the Spending Review. These will build on all the place based work which has been undertaken up to now and will focus at first on supporting families with complex needs. Our improvement activity will focus on all councils having capacity to meet the challenges and appetites of community budgets. The LG Group will work with councils to provide support to any authority that wants to develop its readiness to pool money locally into a community budget.

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