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**Environment & Housing Programme Board Improvement and
Development Review Panel— Final Report**

Summary

The LG Group's two main roles –supporting performance by councils and influencing national policy – are closely linked In particular, demonstrating that the LG Group takes performance issues seriously and is able to add value is important both in winning policy arguments with Government and proving worth to sector.

In future, the Environment & Housing Programme Board will need to:

1. Understand the performance of the sector generally on key issues to inform policy positions and the development of Group and other support activities;
2. Be able to identify any councils facing particularly high levels of challenge, and work with the Improvement Programme Board to provide individual support;
3. Prioritise and influence the LG Group's support for councils funded and provided by topslice, externally funded programmes and other organisations;
4. There is a particular role for the Board to ensure that Group activity to support councils is informed by an understanding of challenges facing Members and that Member-focused activity is prioritised, delivered and publicised in ways which reach them.

Recommendations

Members are invited to:

1. *comment* on the analysis in this report
2. *comment* on the information they need to enable them to take an overview of housing and environmental issues and that this is brought together for the June Board meeting

Action

Officers to take forward the recommendations set out in this report

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Environment & Housing Programme Board Improvement and Development Review Panel— Final Report

Background

1. At its meeting on 13 September, the Environment & Housing Programme Board agreed to set up an Improvement and Development Review Panel to consider the Group's current offer in relation to council priorities and the national policy landscape and report back to its March meeting.
2. In its two meetings and associated dialogue, the Review Panel has taken a scrutiny type approach in order to get an understanding of the work going on across the Group to support councils on environment and housing matters. This includes consideration of the impact of that work on councils, how councils have been involved in developing next year's offer which should support self regulation and offer value for money.
3. This report:
 - 3.1 Summarises the current improvement and development work undertaken in the areas within the board's remit;
 - 3.2 Reviews the LG Group's current offer in relation to council priorities;
 - 3.3 Makes recommendations for the 2011-12 financial year and beyond for how the Group's performance and improvement work should be developed in the areas of the Board's remit.

Current context

4. The basis on which the LG Group will support the local government sector to meet its challenges with effect from April 2011 has changed considerably since the election. There have been drastic changes to the context in which councils operate, affecting environment and housing departments as other in areas. These changes include:
 - 4.1 big reductions in funding for councils and in other spending programmes in local areas;
 - 4.2 the abolition of CAA, and the replacement of the National Indicator Set by a 'Single Data List'.
5. The success of the LG Group's Freedom to Lead campaign to reduce the burden of external inspection and assessment facing councils has provided an opportunity to further develop the Group's proposals on self-regulation and improvement in local government – in consultation with the sector. Councils have given a very clear message about what is needed in the future of inspection and performance:

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- 5.1 councils are responsible for their own performance;
 - 5.2 councils have a collective responsibility for the performance of the sector as a whole where councils wish to work with others;
 - 5.3 the agenda must be much broader than just the services provided by councils and support better outcomes for communities as a whole and value for money for public expenditure;
 - 5.4 whilst supportive of the suggestion that the LG Group provides tools to support them, councils are clear that such tools should be voluntary and be capable of adapting to local circumstances;
 - 5.5 respondents were also clear that the LG Group should not become some sort of sector owned inspectorate - whilst recognising that the Group has a role to play in managing the risk for the sector as a whole when councils are facing difficulties.
6. In response, the report *Taking the lead: self-regulation and improvement in local government* (attached at **Appendix A**) was launched by Cllr David Parsons on 15 February. It is a proposition for how sector self-regulation should be taken forward, based on the underlying principles that local authorities (councils and fire and rescue services) are responsible for their own performance, stronger accountability to local people drives further improvement, collective responsibility for the performance of the sector as a whole and that the role of the LG Group is to provide support and assistance. *Taking the Lead* is a core part of the LG Group's "offer" to the sector (setting out a range of tools that the Group will make available for councils to use, should they choose to do so) and progresses a number of elements from the LG Group Business Plan.

Taking the Lead – seven point support offer

- Local accountability tools
- Peer challenge
- Peer support
- Knowledge Hub
- LG Inform - Data and transparency
- Leadership support
- Learning and support networks

7. During the consultation and discussions around the development of these proposals councils also made it clear that the sector needs to find a way of managing the risk of underperformance – since service or council "failure" can have a detrimental impact on the reputation of the sector as a whole. The LG Group Improvement Board, working with other Programme Boards, will therefore maintain an overview of performance within the sector as a whole - drawing on

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existing data and intelligence in the sector (through political, geographic and service-based networks) to share good practice, spot those facing particular performance challenges and offer support. The focus of this activity is to offer support. The Group will not position itself as any form of Inspectorate and neither will this activity impose any additional burden on councils.

8. The economic and fiscal context, and in some cases radical changes in policy by Government, create both challenges and opportunities for councils on issues the Board deals with, where councils are likely to require some support:
 - 8.1 planning and delivering housing and other physical development;
 - 8.2 meeting the housing needs of people who are on low incomes and vulnerable;
 - 8.3 reducing energy use and carbon;
 - 8.4 waste collection and disposal;
 - 8.5 protecting communities from natural environmental risks and dangerous or unpleasant human behaviour.
9. However, the Group itself is going through big financial and organisational changes, facing a loss of income of up to 40% from its core subscription and topslice funding, and much less readiness by Government to fund specific programmes. In light of the changes in Paper 5 of this agenda (Getting Closer), the Board will need to establish within the resources available how to provide councils with advice and support in these issues.
10. However, CLG has agreed to provide £3m to fund planning advice and support in 2011-12.

Performance, reputation and policy

11. The trend towards localism and devolution means that the actual and perceived competence of the sector is more important than ever. Unfortunately, alleged weaknesses in a small number of places often have a reputational impact for the sector as a whole – witness recent media reporting of difficulties in refuse collection over the Christmas period.
12. In their negotiations with us over the agreement on councils and climate change, DECC have been pressing us about the transparency and ambition of councils in tackling climate change in future, and what the Local Government Group will be doing to support that. In response, we have drawn on the approach set out in *Taking the Lead* to demonstrate the ambition of the sector and the Group, and how a sector-led approach will enable councils and the Group to understand performance and act on improvement.

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The agreement between the Department of Energy and Climate Change (DECC) and the Local Government Group on climate change was signed on Tuesday 8 March by the Secretary of State and Cllr Richard Kemp. The agreement sets out our proposals for how the local government sector will continue to demonstrate its ambitions to tackle climate change, without the need for top-down targets. The key proposal within the agreement is to reinvigorate the Nottingham declaration. The Nottingham declaration is now 10 years old, and over 90% of councils have already signed up to the existing Nottingham declaration. We will be encouraging councils to sign up to the new Nottingham declaration which will set out a number of proposed targets and indicators that councils can opt into, that can be managed through the LG Group's self-regulation and improvement agenda. There will also be a Nottingham declaration board with the role of coordinating support for councils on climate change.

As part of the agreement with DECC, the Department and the Environment and Housing Improvement Board will produce a collaborative report on local government action on climate change on an annual basis. This will provide an opportunity for the LG group to also feedback to DECC on their attitude towards localism, as reflected in their policies.

13. Our response to Government on the clauses in the Localism Bill enabling it to fine councils over breaches of European law also emphasises the seriousness of the sector in managing performance issues in a devolved environment. While these clauses potentially affect all aspects of council activities, they are of particular concern to this Board because some of the main risks are on environmental issues, notably waste and air quality.
14. The Government's recent decision to provide funding for Group improvement activity on planning suggests it too sees the connection between radical policy change and the provision of improvement support for councils.
15. In order to contribute to the LG Group approach set out in "Taking the Lead" the Environment and Housing Programme Board will need to consider how it will maintain oversight of the performance of the sector in the areas within its remit.
We recommend that the Board identify a small range of key information which, when taken together, provides an overall view of performance across housing and environment sectors and that this is reported at regular, twice yearly, intervals e.g.
 - 15.1 **the number of councils signed up to the proposed strengthened Nottingham Declaration;**
 - 15.2 **or councils who have put in place an up to date local plan, etc.**
Officers should prepare a 'dummy run' for the June board meeting.

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16. Having this information available would also provide a firm basis for the Board to influence the nature of future support provided through the LG Group Business Planning process.
17. However, the content and format of the reports to the board will need to be considered carefully, so that papers available on the website do not appear to be creating league tables or passing judgement on individual councils.

Sources of know-how and support for councils

18. The table in **Appendix B** sets out the main sources of know-how and support for councils in and beyond the LG Group in areas within the Environment & Housing Programme Board's remit.
19. We reached a number of conclusions about these sources of support, and the changes to :
- 18.1 **the current landscape is very complex.** There are many different programmes, of different types, and funded through many different sources, both in the Group and more widely;
 - 18.2 **a number of them** (for example the knowledge and skills arm of the HCA, and CABE) **will be eliminated, or significantly reduced in scale** as a consequence of Government spending reductions. That scaling back, however, is the result of separate circumstances and decision-making in Government departments and NDPBs, and not informed by any sector view on priorities;
 - 18.3 in an ideal world, central Government would channel all resources for sector support through the Group, which would make it a lot easier to organise and market it in a coherent way. However, since this is unlikely to be achievable in the near term, **we recommend the focus should be on making it easier for Members and professionals in the sector to connect easily with what is available.** The Nottingham Declaration Partnership, with its single web portal giving access to know-how and programmes on climate change delivered by a number of different organisations, is one model for this
 - 18.4 the materials and services of any of the organisations listed are in principle available to Members. But outside the LG Group **only a minority of organisations listed themselves as making specific provision for Members.**
 - 18.5 we were pleasantly surprised to know about the range of information and services which are available to Members in the sector. But our lack of previous awareness suggests **more needs to be done to market them to Members, and to make them easily accessible. We recommend that as programmes are developed on specific areas of improvement support, they should include a specific focus on this**

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18.6 Since, for the foreseeable future, much of what is provided for councils will not be part of the Group's core topslice offer, but delivered by the Group through specific funded programmes, or by other organisations, **the Board needs to seek to maximise its own and sector input into their design and delivery. We therefore recommend that in future Members of the Board should have a role in the governance of all funded programmes; and officers should draw up proposals for the June board meeting on how the influence of Board Members on programmes delivered by other organisations could be increased.**

Summary of recommendations

Members' comments are welcome on the following recommendations:

1. We **recommend** that the Board identify a small range of key information which, when taken together, provides an overall view of performance across housing and environment sectors and that this is reported at regular, twice yearly, intervals.
2. We **recommend** the Group's focus should be on making it easier for Members and professionals in the sector to connect easily with what is available.
3. We **recommend** that as programmes are developed on specific areas of improvement support, they should include a specific focus on marketing them to Members, and to make them easily accessible.
4. We **recommend** that in future Members of the Board should have a role in the governance of all funded programmes; and officers should draw up proposals for the June board meeting on how the influence of Board Members on programmes delivered by other organisations could be increased.

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**Environment & Housing
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