

“Taking the Lead”: self-regulation and improvement in local government

Purpose of report

For discussion and direction.

Summary

This report updates members on the final publication of the LG Group’s proposals on sector self regulation and improvement in local government and the next steps.

Recommendations

That the Board:

1. note the report and activity to promote the approach and offer to councils (paras 8-10)
2. agree to receive more detailed reports on the development of the local accountability tools, peer challenge and LG Inform (para 13)
3. agree the proposed next steps (paras 20-21).

Action

Officers to report in more detail on progress in developing the local accountability tools, peer challenge and LG Inform and to pursue the proposed next steps in the light of members’ views.

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“Taking the Lead”: self-regulation and improvement in local government

Taking the Lead: LG Group final proposals

1. Over the last 18 months the LG Group Improvement Programme Board’s Freedom to Lead campaign has focussed on reducing external inspection and assessment on councils and developing proposals for a new approach to self regulation and improvement in local government.
2. Following consultation and discussion with councils the Improvement Board approved a final set of proposals at its last meeting – subject to final testing with the sector.
3. All councils were informed of the discussions taking place at the Improvement Board and provided with a copy of the proposals. In addition, a number of councils were specifically asked whether we had achieved the right balance between adding value to councils and giving some form of assurance, whilst not replicating inspection and regulation.
4. A number of councils responded and overall they were very supportive of the proposals. Some respondents made a number of detailed comments which we need to take account of as we take this work forward. Some were challenges about managing expectations and the capacity and buy in from councils at a time of cuts. A number reinforced messages made in the earlier consultation around how we deal with councils that might be in denial and whether we need to be more challenging. There was also strong support for the free individual offers from the LG Group, particularly peer challenge and support on benchmarking.
5. The publication “Taking the Lead: self-regulation and improvement in local government” was revised to take account of these final comments, approved by lead members and circulated to the sector.
6. In summary ‘Taking the Lead’ sets out a coherent proposition for how sector self-regulation should be taken forward. The proposals are based on the underlying principles that local authorities 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 Local Government Group is to provide support and assistance.

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7. 'Taking the Lead' is a core part of the LG Group's "offer" to the sector. It explains how the approach will work in practice and offers a range of – free of charge – local accountability tools and support to help authorities further strengthen local accountability and explore how effectively they are delivering services. A copy is available here
<http://www.lga.gov.uk/lga/core/page.do?pagelId=16878089>

Promoting the proposals

8. "Taking the Lead" was circulated widely within the sector; received good publicity in the trade journals and elsewhere and was sent to selected parliamentarians, Departmental officials and stakeholders. The proposals will also feature as a key part of the forthcoming annual Improvement and Innovation Conference on 22 March.
9. Further media and promotional work is planned along with a series of seminars around the country to promote the LG Group's integrated offer around self regulation; Knowledge Hub and LG Inform.
10. A summary note of activity is **attached** at Appendix A.

Progress in developing key components of the approach

11. "Taking the Lead" sets out an overall approach to self regulation and improvement and the Group's "offer" to support councils. Through the LG Group's improvement work a number of specific tools are being developed with councils for them to use, if they choose to do so.
12. Key tools include a range of local accountability tools; peer challenge; and a facility to share and compare key performance data (LG Inform). Along with the Knowledge Hub these will feature at various points in the Improvement and Innovation Conference on 22 March. This will provide an opportunity for members to explore and influence the proposals in more detail.
13. In the meantime a short progress note on each is set out below
- 13.1 **Local accountability tools.** We have been working with a group of councils to develop a coherent package that includes:
- 13.1.1 signposting and advice on existing tools, approaches and best practice in self-assessment and annual reporting
 - 13.1.2 development of new tools for overall assessment and better public feedback, including making better use of social media, alongside developing approaches in particular areas such as children's services
 - 13.1.3 on-line guidance on why, how and when to bring together the existing and new tools to undertake self-assessment and report to citizens.

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13.2 **Peer challenge** – We used the national peer conference in Manchester to test our ideas with a wide cross-section of member peers and since then work has been progressing well to develop the methodology for the new peer challenge. Following the launch of the Group's offer we are already in the early stage of discussions with several authorities keen to be among the first to pilot the new approach. In addition, we plan to use the workshop at the Innovation and Improvement Conference in March to promote the peer challenge and to engage senior members and officers in a debate over the design.

13.3 **Local Government Group Inform (LG Inform)** is an online service allowing councils to access key data that is useful to them and, where they choose, to compare data at both high level and more detailed, service-specific levels, to help build the evidence needed to make informed decisions, reduce costs and improve services.

The first stage of the LG Inform service will be operating from Spring 2011. In Autumn 2011, LG Inform will move to the new LG Group Knowledge Hub. This will enhance the service by offering wider interactive services: such as the ability to create virtual groups bringing together interested people in councils around particular topics or problems; and quick, easy access to relevant resources; or forums to share analysis, raise issues and offer mutual learning between councils.

Advisory Board

14. The LG Group Improvement Programme Board, working with the other Programme Boards as appropriate, will provide political oversight of the new arrangements - but as members acknowledged at the last meeting, sector led regulation and improvement brings with it both considerable opportunities and risks for the sector, particularly at a time when councils are having to make significant reductions and the amount of resources from the sector to support councils is also being dramatically reduced.
15. As a result, and in view of the importance of this work to councils and the LG Group itself, Lead Members have agreed that it would be helpful if members were supported in this work with independent advice from a wider range of views from the sector than that provided by the LG Group officers alone. A new sector owned and led Advisory Board has therefore been established (independent of the LG Group) to provide oversight of the new approach and advise the LG Group as appropriate.
16. The officer level Advisory Board draws membership from the key professional associations – including SOLACE; ADASS; ADCS; Treasurers/CIPFA; representative from Solicitors in Local Government/Association of Council Secretaries and Solicitors and the National Audit Office and the Audit

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Commission. Steve Freer, Chief Executive, CIPFA, has agreed to chair the Board in the short term.

17. The Board met for the first time last month and is currently working through its Terms of Reference which are likely to include:

- 17.1 Overseeing the introduction and practical operation of the new approach
- 17.2 Making recommendations about the support provided by the LG Group
- 17.3 Encouraging full sector buy in for the new approach – in particular in the professions
- 17.4 Utilising the experience of “early adopters” and evidence of continual council improvement to promote the reputation of the sector
- 17.5 Reporting to the LG Group Improvement Programme Board on progress and making recommendations as appropriate.

Single Data List

18. The LGA has responded to the consultation on the proposed single data list. Last Autumn Eric Pickles MP, Secretary of State for Communities and Local Government, announced the replacement of the National Indicator Set with a single comprehensive list of all the data returns central government expects local government to provide. In summary the LGA:
- 18.1 Welcomed the ambition to create a single list of all the data Government demands of local government but argued that there has been an insufficient reduction in the burden so far and questioned Government ambition to radically reduce the data burden.
 - 18.2 Proposed that instead of the bureaucratic exercise that takes as its starting point the Coalition Government’s *inherited* data demands, we need a more fundamental debate about the nature of accountability and what it is appropriate to report nationally and locally.
 - 18.3 Said that when the final list is published towards the end of March it should represent a significant reduction on the draft list and offered a list of returns (developed with input from the sector-owned Challenge Group) that should be deleted immediately in order to reduce the reporting burden on councils.

A full copy of the response is available here:

<http://www.lga.gov.uk/lga/core/page.do?pagelId=16879222>

19. In response to the LG Group’s submission Eric Pickles MP has written to Cllr David Parsons agreeing that the current list of data demands is too long and too burdensome; signalling some reduction when the list is published in the next few weeks and committing to continue to work with the LG Group and councils to deliver further reductions.

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Conclusion and next steps

- 20 Publication of "Taking the Lead" marks the successful closure of another phase in the work the Board is leading to reduce external inspection and assessment and implement a new approach to self regulation and improvement in local government.
21. In terms of next steps the key challenges will be to:
 - 21.1 Work with the sector to develop and deliver the key tools that underpin the approach and encourage wide take up in the sector
 - 21.2 Continue to lobby Government to reduce the burden of data reporting to Government and the Inspectorates
 - 21.3 Influence the future arrangements for audit in a way that supports the Group's approach to self regulation and improvement (see separate Agenda item).

Financial Implications

22. There are no additional financial implications arising from this report.