

ANNEX A

Sector-led Improvement

1. Sector-led improvement is the approach to improvement developed and put in place by councils and the LGA (led by the Improvement and Innovation Board) alongside the successful lobbying for the abolition of much of the old performance framework of inspection and upward reporting to Government.
2. At the heart of the approach to sector-led improvement is a set of **core principles** that have been developed with and re-affirmed by the sector. They are that:
 - 2.1 Councils are responsible for their own performance and improvement and for leading the delivery of improved outcomes for local people in their area.
 - 2.2 Councils are primarily accountable to local communities (not Government or the inspectorates), and stronger accountability, through increased transparency, helps local people drive further improvement.
 - 2.3 Councils have a collective responsibility for the performance of the sector as a whole (evidenced by sharing best practice, offering member and officer peers, etc).
 - 2.4 The role of the LGA is to maintain an overview of the performance of the sector in order to identify potential performance challenges and opportunities – and to provide the tools and support to help councils take advantage of this approach.
3. The *programme* of sector led improvement support comprises a number of **core building blocks**, based on what we have learnt works for improvement.
 - 3.1 peer challenge,
 - 3.2 leadership development programmes,
 - 3.3 efficiency and productivity support,
 - 3.4 tools to share comparative performance data,
 - 3.5 sharing good and innovative practice.A high level description of the current “offer” is here
<https://www.local.gov.uk/our-support/our-improvement-offer>
4. **Take up** of the offer by councils has been strong, for example;
 - 4.1 115 peer challenges delivered in 2017/18, 865 since 2011;
 - 4.2 2,300 days of senior member and officer time dedicated to corporate peer challenges in 2017/18, over 17,000 days since 2011;
 - 4.3 Almost 800 councillors participated in our various leadership programmes in 2017/18
 - 4.4 tailored support through the use of member/officer peers provided to a total of 77 councils in 2017/18;
 - 4.5 we worked with 89 councils in 2017/18 to help them transform their workforces and modernise the way they are managed;
 - 4.6 approx 1,000 examples of good and innovative practice highlighted on the LGA website; etc.

5. **The approach has been a success.** Results from our wide-ranging evaluation activity demonstrate that:
 - 5.1 Residents remain satisfied and continue to trust their local council. 61 per cent of residents remain 'very' or 'fairly' satisfied with the way their local council runs things (June 2018)
 - 5.2 Over two-thirds (70 per cent) of a raft of performance indicators commonly used by councils to assess their performance have improved (May 2018)
 - 5.3 Over 96 per cent of council leaders and 95 per cent of chief executives say support from the LGA has a positive impact on their authority.
 - 5.4 99 per cent of councillors say they feel more confident in their role having participated in our leadership programmes.
 - 5.5 The number of councils requiring DCLG to formally intervene in remains extremely low, with no councils entering formal intervention in the last financial year. An independent panel was established to oversee the work of Kensington and Chelsea following the Grenfell fire. In May this year Commissioners were appointed in Northamptonshire. Good progress has continued to be made in Tower Hamlets and Rotherham which have both now come out of intervention.

6. In the past, however, **national stakeholders have commented** that the approach can lack transparency (they point for example to the fact that there is no requirement to publish peer challenge reports) and that the voluntary nature of the approach means that there is the possibility that not all councils receive the support they need.

7. Whilst sector-led improvement is **voluntary** that does not mean that councils don't participate. The take-up analysis in the annual report for 17/18 demonstrates strong take up across the key offers, with all councils having taken up one offer or another.

8. In terms of **transparency**, whilst it is the case that sector-led improvement does not deliver a simple and easily comparable 'score' for council performance such as CPA, there has certainly been no diminution in the availability of comparative performance data. Councils are still required to provide a wealth of comparable data to central government, as defined in the single data list; outputs from sector-led improvement are published as a matter of routine; and of course councils continue to publish a wide range of locally relevant information and data about their priorities and performance. LG Inform, which is available to the public, draws together published data and provides the opportunity to make a much more targeted comparison of performance across a wide range of services of importance to the public.

9. In 2015, the Board initiated a review of sector led improvement and issued a consultation paper "Taking Stock" to the sector. There was a strong response from the sector, with a total of 160 individual responses. When responses from representative regional bodies were taken into account, 65 per cent of authorities were covered by the responses received. In addition, responses were received from a wide range of national stakeholders, professional bodies and regional local authority representative/improvement bodies.

10. Key messages from the consultation were that:
 - 10.1 the principles on which sector-led improvement is based are still the right ones. This was also confirmed by the results of the most recent LGA perceptions survey which saw an eight percentage point increase since 2016, in the proportion who said that a sector-led improvement approach is right in the current context (**78 per cent**). Since 2012, there has been a 19 percentage point increase in the proportion saying that sector-led improvement is the right approach.
 - 10.2 there should be a stronger expectation on all authorities to have a corporate peer challenge on a regular basis, to publish reports and to produce action plans. As a result we made clear to local authorities they should all have a Corporate Peer Challenge or Finance Peer Challenge over a 4/5 year period.

11. Finally the programme is subject to **on-going monitoring and evaluation** to ensure that it continues to provide support that is effective, has impact and is valued by the sector. Between 2012 and 2014, a wide-ranging evaluation of sector led improvement and the LGA's offer was carried out. A second phase is now underway and recent evaluation reports include;
 - 11.1 Independent evaluation by Cardiff University of the Corporate Peer challenge offer which demonstrates that it is a highly effective tool; has a positive impact for councils and provides value for money (February 2017).
 - 11.2 During 2016/17 we undertook a wide-ranging evaluation of our leadership programmes. The top line finding was that ninety six per cent of responding participants felt more confident in their role as a councillor either 'to a great extent' or 'to a moderate extent', having participated in our leadership programmes (August 2017). This has subsequently increased to 99 per cent.
 - 11.3 An external evaluation of the Productivity Experts Programme carried out in 2016 by Apteligen, the research company, found that from 2012-2016, £131 million worth of savings was achieved from the programme.

12. A report drawing together the results of evaluations of specific offers and analysis of feedback from participants that take up the various offers is currently being drawn together.