

FOR PUBLICATION

LOCAL GOVERNMENT ASSOCIATION – TAKING STOCK – WHERE NEXT WITH SECTOR-LED IMPROVEMENT CONSULTATION (J030)

MEETING: DEPUTY LEADER & EXECUTIVE MEMBER FOR
PLANNING

DATE: 4th MARCH 2015

REPORT BY: POLICY MANAGER

WARD: ALL

COMMUNITY ASSEMBLIES: ALL

FOR PUBLICATION

BACKGROUND PAPERS FOR PUBLIC REPORTS:

1.0 PURPOSE OF REPORT

1.1 To respond to the Local Government Association's (LGA) consultation "Taking Stock – Where next with sector-led improvement?"

2.0 RECOMMENDATIONS

2.1 That the suggested response is submitted to the LGA as the Chesterfield Borough Council response to the sector-led improvement consultation.

3.0 BACKGROUND

3.1 Sector-led improvement is the approach to improvement put in place by local authorities and the LGA following the abolition of the previous national performance framework in 2011.

3.2 Sector-led improvement is based on the fundamental principle that councils are responsible for their own performance and are accountable locally, and that the role of the LGA is to support the sector.

3.3 It has been over three years since the LGA launched the “Taking the Lead” programme which set out the approach to sector-led improvement and the LGA’s support offer. A lot has happened during this period including a changing policy and financial context within the sector. It is therefore considered to be an opportune time for the LGA to consult member authorities on the current sector-led improvement approach and to inform the approach and support for the future.

4.0 **THE CONSULTATION**

4.1 The consultation period runs until the 13th March 2015. All responses will be treated confidentially by the LGA. Information will be aggregated, and no individual or authority will be identified in any publications without consent. The full consultation document is attached at Appendix A.

5.0 **CONSULTATION SECTION 1 – KEY PRINCIPLES AND FUTURE CHALLENGES**

5.1 The key principles of sector led improvement are:

- Councils are responsible for their own performance and improvement and for leading the delivery of improved outcomes for local people
- Councils are primarily accountable to local communities (not Government and inspectors) and that stronger accountability stems from increased transparency
- Councils have a collective responsibility for the performance of the sector as a whole
- 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

5.2 There is momentum towards a stronger placed-based approach to public service delivery in order to integrate local public services and associated spending decisions. In recent months, there has been a focus on the work of combined authorities and an agreement by Government to devolve more Government programme to them. Sector-led improvement needs to respond to this new challenge alongside the existing challenges of falling resources and increasing public expectations and demand.

5.3 Consultation questions and suggested responses

Q1. Given the current and future challenges facing the sector, are the principles on which sector-led improvement is based still the right ones?

Suggested response: *Yes, they are still relevant.*

Q2. If you answered no, or suggested changes, what would you suggest as alternatives/additions?

Suggested response: *No response.*

Q3. How should the increasing role that councils play in working with other parts of the public sector on a place-based approach be reflected in sector-led improvement?

Suggested response: *It is important to recognise that no one agency can deliver the outcomes required for complex place-based issues including health inequalities, financial inclusion, crime and community safety etc. The current sector-led improvement programme often focuses on the performance and improvement of core services within individual authorities – which is important but the larger and often more complicated, multi-agency issues tend to be the issues which impact on community outcomes most. For sector-led improvement to be truly successful in delivering community outcomes, then a more inclusive place based programme is required which includes agencies outside the local government sector e.g. community and voluntary organisations, NHS etc. There is however some emerging best practice particularly within the health agenda. A recent Peer Review of the Derbyshire Health and Wellbeing Board led to re-shaping and re-focusing of the Board and its priorities and added significant value.*

Q4. Is there more that all Councils should do to strengthen local accountability in their areas? If so what?

Suggested response: *Due to ongoing severe financial challenges many authorities have disinvested from community engagement, community development and local democracy activities. This has potentially damaged the sector's reputation for transparency and accountability. Against this national back drop of disinvestment Chesterfield Borough Council has invested in this area and sought to improve partnership working, co-ordination and collaboration in order to strengthen accountability and involvement.*

Q5. Do councils or the LGA need to do any more to ensure that local people and others have the comparative performance data they need to hold councils to account?

Suggested response: *Since the national performance indicator set was disbanded in 2011 it has been increasingly difficult for councils, the LGA and the public to access high quality, reliable and up to date comparable data. This includes key customer satisfaction data. Understanding resident or customer views is a key element of assessing the effectiveness of an authority, alongside cost and performance information. Furthermore, understanding resident satisfaction and being able to make informed comparisons can strengthen local accountability and be a key part of the sector's approach to managing its own performance.*

Although useful attempts have been made to improve this situation via the use of LG Inform and the "Are You Being Served" national satisfaction survey, relatively low engagement from Councils has limited their effectiveness.

Q6. Is there anything more that needs to be done to help councillors exercise effective scrutiny?

Suggested response: *With the place-based multi –agency issues, it can be difficult to establish which agency has the lead on scrutiny and indeed which agencies can and should be involved in scrutiny. This can weaken decision making and outcomes, particularly where pooled budgets and resources may lead to the most effective outcomes for communities. Support for effective scrutiny for these types of issue would be beneficial.*

Our experience of combined authority scrutiny and audit activity with Sheffield City Region has been extremely positive. The bespoke scrutiny and audit functions could be used to develop best practice for other combined authorities.

6.0 **CONSULTATION SECTION 2 – IMPROVEMENT, ASSURANCE AND INTERVENTION**

- 6.1 Some stakeholders have raised concerns that the lack of a national framework allows some authorities to opt out of sector-led improvement. The fact that corporate peer challenge is entirely voluntary is held up by many as an example of why sector-led improvement may lack sufficient rigour and coverage.
- 6.2 The Public Accounts Committee has raised concerns about a lack of Government knowledge regarding the performance of councils but so far

the Government has resisted re-introducing a formal national performance management system.

- 6.3 In the past few months, there have however been two high profile cases (Tower Hamlets and Rotherham) where Government has used its inspection powers to go into a council to gather evidence which then allows the Secretary of State to decide whether to formally intervene or not. These cases have further compounded the need to consider the future of sector-led improvement.
- 6.4 The LGA suggest that stakeholder concerns about sector-led improvement could largely be dealt with if every authority committed to a peer challenge every four years. The reports would all be made public and there would need to be a commitment to action planning and follow up. There would also need to be an alternative to compulsory peer challenge for authorities who are not members of the LGA.
- 6.6 Consultation questions and suggested responses

Q7. Do you have any views on the core components of a corporate peer challenge?

Suggested response: *We appreciated the ability to tailor our peer challenge to reflect local circumstances and priorities and would like to retain this aspect. However the five core elements of the corporate peer challenge are an essential “health check” for all authorities and we support their retention.*

Q8. Should all authorities be expected to have a corporate peer challenge on a regular basis, say every four years?

Answer options:

Yes

No

Don't know

Suggested response: Yes

Q9. Should all corporate peer challenge reports be published?

Answer options:

Yes – all should be published

Yes – unless there are exceptional circumstances

No – this should be a matter of local choice

Don't know

Suggested response: *Yes – unless there are exceptional circumstances*

Q10. Should all authorities be expected to produce an action plan following a peer challenge?

Answer options:

Yes

No

Don't know

Suggested response: *Yes*

Q11. Are there other things we should do to limit the government's potential appetite for inspection?

Suggested response: *Local Government has been more substantially more successful than other parts of the public sector in maintaining and increasing public satisfaction levels despite huge cuts to core budgets. This is despite there being far less invested by central government in improvements bodies than, say, the health sector. The LGA could actively promote these achievements as they suggest other sectors should be learning from local government and that we do not need to return to a rigid, prescribed and burdensome inspection regime.*

7.0 **CONSULTATION SECTION 3 – IMPROVEMENT SUPPORT**

7.1 The LGA's core support offer for sector led improvement includes leadership programmes, peer challenge, LG Inform (online data sharing and benchmarking service) and the knowledge Hub to help authorities share good practice.

7.2 Consultation questions and suggested responses

Q12. What changes would you like to see from the LGA's improvement offer?

Suggested response: *We have valued LGA support with sector-led improvement; in particular peer challenge and the Knowledge Hub, however there are some areas of support which could be strengthened.*

LG Inform is an excellent idea in principle and has been useful but it has significant limitations. Since the national performance indicator set was disbanded in 2011 it has been increasingly difficult for councils to benchmark effectively. Within LG Inform it may look like councils are collecting the same information but in reality they may have changed the definition of indicators slightly and/or changed the collection method – this

has been the case particularly with resident satisfaction data. It would be useful to have a suggested set of core indicators which councils are encouraged to report. They should use the same definition, collection method and frequency. This could form part of the corporate peer challenge and serve as a basic “health check”. The “Are You Being Served” national satisfaction survey was an excellent idea but poor engagement from Councils has limited its effectiveness – again this could form part of the peer challenge “health check”.

More support around financial stability, innovation and trading would be appreciated alongside assistance with the challenges arising from placed-based multi-agency issues.

8.0 CONSULTATION SECTION 4 – CHILDREN’S SERVICES, ADULT SOCIAL CARE AND HEALTH

8.1 Consultation questions and suggested responses

Questions 13 – 19 focus on County Council services so no response is suggested.

Q20. Do you have any comments about the arrangements and support put into place to help councils and their partners implement changes across adults and health programmes?

Suggested response: *The current sector-led improvement programme tends to focus on the performance and improvement of core services within individual authorities. In the case of health there has been insufficient consideration of the impact district councils can have on this agenda particularly from a preventative perspective. The role of Housing for example, in supporting people to stay in their own homes longer, rather than having to move into expensive care establishments should not be underestimated. Many district council services contribute significantly to the preventative agenda and early intervention.*

For these place-based multi-agency issues including health, a more inclusive support and improvement programme is required to ensure the best outcomes for communities.

9.0 **GENERAL COMMENTS ABOUT SECTOR-LED IMPROVEMENT**

9.1 **Q21. Do you have any other comments about the current approach to sector-led improvement?**

Suggested response: *The approach to sector-led improvement has had some success in driving performance improvement, accountability and transparency during challenging times in local government. However to take this to the next level the support and improvement programme needs to move beyond traditional boundaries and responsibilities to be more inclusive of all the stakeholders for more complex issues such as health inequalities, financial inclusion and crime and community safety.*

10.0 **CONSIDERATIONS**

10.1 Risk Management – full engagement in sector-led improvement can reduce reputational, governance and financial risks to the authority. The Corporate Peer Challenge provides an excellent “healthcheck” on core responsibilities including understanding the needs and aspirations of communities, financial planning and viability, political and managerial leadership, governance and decision making and organisational capacity.

10.2 Equalities – Sector-led improvement includes Equality and Diversity improvement programmes e.g. Local Government Equality Framework.

11.0 **RECOMMENDATIONS**

11.1 That the suggested response is submitted to the LGA as the Chesterfield Borough Council response to the sector-led improvement consultation..

12.0 **REASON FOR RECOMMENDATIONS**

12.1 To respond to the sector-led improvement consultation.

D. M. REDDISH
POLICY MANAGER

Further information on this matter can be obtained from Donna Reddish (Extension 5307).

Officer recommendation supported/not supported/modified as below or
Executive Members' recommendation/comments if no Officer recommendation.

Signed

Executive Member

Date

Consultee Executive Member comments (if applicable)