

Sector self-regulation and improvement



Consultation document

With the abolition of the Comprehensive Area Assessment and the Audit Commission, the Local Government Group has set out its proposals for a system of self improvement for councils.

This consultation paper invites your views about the overall approach and its key components.

Please respond to Councillor David Parsons CBE, Chairman, Local Government Group Improvement Programme Board by writing to him at:

Local Government House
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or via email:
sector.improvement@local.gov.uk

by Monday 1 November 2010.

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Background

The new Coalition Government appears committed to a radical new approach to the assessment of local public services. As it dismantles elements of the current framework there is a real opportunity for the sector to influence the shape of the new arrangements from April 2011. This paper sets out proposals for a sector-owned approach, on which the Local Government Group (LG Group) is consulting councils.

Building on councils' responses to our earlier 'Freedom to Lead' campaign, this consultation paper proposes a new approach that puts assessment and improvement in the hands of councils, individually and collectively. It is based on the following principles.

- Councils are responsible for their own performance and for leading the delivery of improved outcomes for local people in their area.
- Councils are accountable to their local communities. Stronger accountability through greater transparency helps local people drive further improvement.
- Councils have collective responsibility for the performance of the sector and to collaborate through sharing best practice and actively encouraging peer support and benchmarking.
- The role of the LG Group is to support councils, for example, by:
 - developing the necessary tools eg self evaluation, peer challenge, benchmarking
 - working with councils to develop ways of managing the risk of underperformance - spotting things before they go wrong
 - ensuring tools are available/developed by the market to assist localities with change programmes such as developing place based budgets, improving productivity and promoting civil society.
- As a result of these arrangements further reductions in the burden of inspection and data reporting can be made – enabling cost savings for councils and Government.
- Working with partners locally and encouraging streamlined funding arrangements nationally so that tools and services are available that support local agencies to improve places and service quality in a more joined up way.

Consultation questions

1. Do you agree with the principles on which these proposals are based – in particular that councils have a collective responsibility for the performance of the sector and will collaborate to both give and receive support?

2. Will the proposals we set out help strengthen local accountability?

This approach provides the ability to adapt arrangements according to local circumstances and

for collaboration as a matter of local choice. The four key elements of our proposals are described, below.

1. Driving improvement

Councils' primary accountability is to the people and communities they serve. Councils need to provide local people with the information and tools they need to hold them to account and drive further improvement locally. In a sector owned approach councils also have a wider responsibility to other councils and acting collectively, through the LG Group, to support one another. This section sets out the key elements of a sector owned approach and LG Group support.

- Strengthening local accountability by councils making on-going performance information publicly available, in a meaningful way and in a format that local people can understand and use. In addition, we expect that councils will continue to encourage feedback and participation through a range of channels from social media to co-producing services and use local data such as satisfaction surveys, complaints, comments and compliments from users and the public.

The LG Group will develop a benchmarking tool for councils to use providing comparability on unit costs, productivity and outcomes.

- Providing an annual report to local people about the quality of life of the area and performance (including services to vulnerable adults and children). If the self assessment identifies areas of weakness in the council or partnership then local politicians will wish to consider how to respond and report on their proposed action. Options could include seeking sector support or peer review, or inviting an external inspection.

The LG Group will develop a revised self evaluation tool and a model Dashboard of perception, performance and unit cost data for councils to consider using.

- Robust peer challenge on a regular cycle including inviting inspectors and possibly local people to be part of the team, according to local preference. It would be up to each council to determine the frequency and areas to be covered, but this would usually be at least every three years.

Peer challenge and support will form a major component of the new approach. The LG Group's offer is being developed so that a wider and also more tailored range of peer reviews and short diagnostic peer challenges are available from a wider range of peers. Support to elected councillors through Member peers is at the heart of our peer offer, along with widening our peer banks to include additional representation from health, police, business and the voluntary sector.

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- Within this new sector owned approach it is expected that councils will contribute to improvement across local government (and public services more generally) by providing councillor and officer peers and other support to authorities and sharing knowledge and learning through a variety of routes, including communities of practice.

The LG Group will develop ever more effective means of sharing experience and transmitting learning across local government and other public bodies such as through the forthcoming Knowledge Hub.

Consultation questions

3. Do you agree with the key elements of this approach - transparent performance information, self evaluation leading to an annual report and regular peer challenge?

4. How can we best generate the new culture of trust and openness within the sector that this approach requires?

2. Providing early warning of the risk of failure

The focus of monitoring and assessment activity must change. In future the challenge will be to manage the risk of falling or under performance.

A key element therefore of this proposed new sector owned approach is the commitment to identifying councils facing performance challenges at an earlier stage so that support can be provided and service failure avoided. This will be challenging and complex to get right, but building on our earlier “Setting the Pace” consultation and the feedback from councils we envisage it involving the following key elements.

- The LG Group will, working with councils, political party groups, professional groups and Inspectorates, develop agreed “early warning signals” and arrangements to share intelligence at an early stage.
- Where published performance information, benchmarking data and other intelligence about performance gives rise to “early warning signals” indicating potential performance challenges then sector support will be offered from the most appropriate level – whether sub nationally or nationally.
- The LG Group will maintain close working relationships with inspection bodies and government departments to discuss service risks. Where performance risks are identified by councils or through sector challenge, government and inspection bodies will accept the principle that sector support is preferable to inspection or intervention.
- In exceptional cases where there is a likelihood of failure and sector support is not welcome, then councils will deal with inspection bodies and/or their use of intervention direct.

This approach will be politically owned and led. There will be an important role for the Local Government Association (LGA) political groups in organising confidential feedback. The LG Group's Improvement Programme Board will monitor this and work with political party groups' improvement boards and Lead Member Peers. The Improvement Board, working with other LG Group programme boards, will receive regular reports on the overall performance of the sector and in particular discuss where there may be councils with performance challenges. It will seek reassurance that councils are taking the necessary action to improve and that the sector overall is providing the right level of support.

After the government-funded Regional Improvement & Efficiency Partnerships (RIEPs) come to an end councils may wish to create new arrangements to collaborate at local and sub regional level. The LG Group will welcome this and work with council groupings - which are likely to take different forms in different areas according to local choice – to take forward these proposals.

Consultation question

5. In terms of an “early warning system”.

- **What are the key early warning signals from a political perspective?**
- **How best is the activity undertaken at a national and sub-national level?**

3. Reducing the burden of inspection and reporting to Government

Whilst we welcome the abolition of CAA and monitoring through Government Offices we still want to see a further reduction in inspection and reporting burdens on councils - and we are continuing to lobby for this at national level. We will continue to press the government to bring to an end the annual performance assessment of children's and adult services currently undertaken by Ofsted and CQC.

However, we recognise the importance of specific reassurance around children's and adult services and particularly safeguarding and are therefore interested in hearing your views about whether external inspection on a rolling basis should continue on either an announced or unannounced basis. Alternatively you may feel that more robust peer challenge in these areas is sufficient along with the self-assessment we are suggesting for the council as a whole.

The LG Group will be seeking to expand the bank of member and officer peers in these areas and to be in a position to provide targeted direct support such as tailored packages, mentoring, team development and inter-agency work through use of specialist staff, associates and peers.

Consultation question

6. Is there still a need for inspection for adult and child safeguarding, or is a more robust approach to self assessment and peer challenge sufficient?

4. Local and central government

The Coalition Government has abolished Public Service Agreements (PSAs), is dismantling the national indicator set and has been silent about the future of Local Area Agreements (LAAs). Even so it is clear that Government will still want to achieve certain outcomes and have a way of assessing performance.

In order to limit the number of outcomes expected of local government, and in the absence of LAAs, we propose that the LGA (in consultation with councils) identify and agree with Government a small number of national outcomes (up to 5) that councils will deliver along with their local priorities. The national outcomes would be complemented by a small number of national indicators (up to 10). Councils would publish performance against the indicators locally.

Consultation question

7. Do you agree that, in order to limit the number of outcomes Government expects of councils, the LGA should seek to agree a small number nationally with government, following consultation with the sector?

Responses

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