

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Performance and Scrutiny Overview Committee
2.	Date:	8th April, 2011
3.	Title:	Self Regulation and Improvement
4.	Directorate:	Commissioning, Policy & Performance

5. Summary

- 5.1 Despite the abolition of national performance and inspection frameworks such as Comprehensive Area Assessment (CAA) and Local Area Agreements (LAA) there is still an expectation from central government that Councils will take responsibility both collectively and individually to manage their performance, ensure improved outcomes for their local areas and deliver services with increased accountability and transparency.

The Local Government Group (LG Group) paper *'Taking the Lead: Self Regulation and Improvement in Local Government'* sets out an approach to meeting these expectations. This report summarises the content of the LG Group paper and makes recommendations for its proposals to be adopted and taken forward as a Council wide project led by the Performance and Quality Team.

6. Recommendations

- 6.1 That PSOC considers the information set out in this report.

7. Proposals and Details

- 7.1 During 2010 the Local Government Association consultation '*Freedom to Lead: Trust to Deliver*' set out proposals for a sector led approach to delivering public service improvements which was freed from the central controls, nationally imposed targets and inspection which had characterised previous national performance frameworks such as Comprehensive Performance Assessment (CPA) and the more recent Comprehensive Area Assessment (CAA). The consultation recognised that central controls had produced structures that were burdensome, costly and at times placed barriers against the innovation and creativity required to tailor services to meet the requirements and needs of local communities. The alternative proposed by the LGA was for a decentralised arrangement with responsibility for performance and service improvement devolved to local authorities but supported by a common set of shared principles and mutually agreed arrangements for challenge and service improvement.
- 7.2 Responses to the LGA consultation were largely supportive of its proposals which have subsequently been given increased weight following the Coalition Government's dismantling of the national performance frameworks for local authorities and the abolition of the Audit Commission. The outcome of the consultation, '*Taking the Lead: Self Regulation and Improvement in Local Government*' was published in February 2011 and sets out an approach to sector led self regulation which will come into effect from April 2011.
- 7.3 A theme repeated throughout '*Taking the Lead*' is that the proposals do not seek to re-create the burdensome statutory performance regimes of recent times. The Local Government Group (LG Group) does however expect that all councils will take necessary steps to ensure that they have arrangements in place to deliver improvement and greater accountability and be willing to support each other. The LG Group will in turn support local authorities via the provision of various tools, resources and arrangements which will enable self assessment, peer challenge, information sharing and so forth.
- 7.4 The Role of Individual Authorities:** The LG Group proposals set out a clear expectation that councils take responsibility for their own performance, responsibility for leading the delivery of improved outcomes for local people in their area and for making themselves more accountable to their local communities through greater transparency. The means by which this will be achieved will include ongoing consultation, encouraging resident feedback, collection, analysis and publication of performance information, sharing knowledge and good practice, participating in peer review arrangements, supporting and developing the role of members in the new environment and to make full use of scrutiny to challenge and improve both council services and those of their partners. .
- 7.5 The Role of the Local Government Group:** The LG Group is made up of several organisations including the LGA and IDEA and functions as an integrated lobbying and improvement organisation for the local government sector. '*Taking the Lead*' sets out the means by which the group will support self regulation and improvement as follows:

- Local Accountability Tools – Development of web based, free of charge tools to enable Councils to work with local people, partners and communities to produce a shared assessment of current performance.
- Peer Challenge – LG Group is offering all councils one free of charge peer challenge over the three year period beginning April 2011. This will require a level of commitment from participating local authorities to provide high quality peers. Peer reviews may be tailored to suit local needs but will focus on corporate capacity and leadership. More subject specific peer challenge will be available but these will not be free of charge.
- Knowledge Hub – A free of charge web based tool to be fully operational by September 2011 that will enable sharing of information, knowledge, networking and collaboration.
- Data and Transparency – A free of charge area within the Knowledge Hub where councils may lodge and access data in particular to enable benchmarking. It is proposed that this is used to store data on a core of agreed metrics around cost efficiency and productivity, outcome and achievement and citizen satisfaction, but with the service offering the availability to go beyond these measures.
- Leadership Support – Ongoing development support for political and managerial leaders e.g. through the Leadership Academy and Leeds Castle programmes. The LG Group will continue to provide leadership support for political leaders and will be making available one subsidised place for every council for each of the next three years on one of the main programmes commissioned from the market.
- Learning and Support Networks – Ongoing support of officers and councillor networks at national and sub-national levels. LGG will seek to make use of these networks to inform its wider policy and lobbying role. .

7.6 Local Government Group Improvement Programme Board: Under LG Group proposals the Improvement Programme Board will maintain an overview of the performance of the local government sector. It will work with councils to find a 'light touch' method of gathering information and intelligence which it will use to monitor and identify trends including where things might be going wrong and identify circumstances where it might be appropriate to talk with and support local councils. The Improvement Programme Board will also meet with the remaining regulatory bodies and central government to provide reassurance that the sector is providing effective self regulation.

7.7 Role of Audit and Inspection: The LG Group recognises the continuing need for external audit of local authorities to ensure the integrity of public spending. There is, however, a general wish to ensure this does not eventually evolve into a full inspection regime. The group recognises that inspection should continue in some areas (e.g. safeguarding) but in the majority of areas peer challenge will be more appropriate

7.8 Role of Central Government: The LG Group requests that central government powers to intervene be used only as a last resort and that

government raises any initial concerns with individual councils and the Improvement Programme Board to ensure the sector is allowed to take responsibility for resolving issues wherever possible.

7.9 Next Steps: It is advised that all local authorities participate to some degree in the arrangements proposed by the LG Group in particular as a means of developing local improvement and accountability but also as a collective means of providing assurance to Central Government and of avoiding the return of burdensome inspection regimes and intervention. For Rotherham Council it is recommended that the following initial priorities should be taken forward by the Performance and Quality Team:

- Submit this paper to a joint Cabinet and SLT meeting and to a Performance Overview Scrutiny Committee (PSOC) for further discussion
- Raise general officer and member awareness of the LG Group 'offer' e.g. via Departmental Management Team meetings, M3 Manager Briefings and for councillors via the Member Development Panel
- Utilise the various LG Group improvement, self assessment and information tools as they become available
- Ensure local participation in data sharing systems such as the Knowledge Hub thereby contributing to the ongoing development of benchmarking information for the local government sector in the absence of any further Audit Commission quartile data.
- Investigate local capacity for providing high quality peers to deliver challenge to other councils.
- Explore the opportunity for a peer review for children's services as notified to the Minister when the authority came out of government intervention.

8. Finance

8.1 There are no financial issues related to this report.

9. Risks and Uncertainties

9.1 Local authorities seen to be opting out of the scheme may be more vulnerable to poor performance and, more importantly, poor reputation.

9.2 Current budgetary and resource pressures may impact on the extent to which the Council is able to contribute staff to Peer Challenges of other local authorities.

10. Policy and Performance Agenda Implications

10.1 The LG Group proposals provide a voluntary framework for local performance management and service improvement. Implementation at local level is a key priority the Performance and Quality Team.

11. Background Papers and Consultation

*Taking the Lead: Self Regulation and Improvement in Local Government,
Local Government Group, February 2011*

Contact Name:

John Finnen, Performance Officer,
Commissioning, Policy and Performance,
Tel Internal: 54713
Tel External: 01709 254713