

Strong and prosperous communities

Local government white paper

26 October 2006

LGA key messages on today's local government white paper

- The white paper is encouraging and reflects some of the LGA's long-standing demands for deregulation. It takes significant steps with proposals to strengthen local leadership, enhance the role of frontline councillors, cut back the plethora of national targets, streamline inspection and to broaden the scope of local area agreements.
- The white paper does not, however, reflect our call in '**Closer to People and Places**' to devolve national and regional powers to cities, towns and counties.
- This is only the first step. We want to see our devolutionary vision made a reality. This means the Government must go further with stronger measures in the Queen's Speech, the Lyons review and next year's Comprehensive Spending Review.

Key proposals in the local government white paper

- **A new performance framework** that will cut the number of national performance indicators to 200, and targets to around 50 and replace CPA with new assessment arrangements with a reduced and risk-based role for inspection.
- **An enhanced role for councils as strategic leaders and place-shapers** through stronger Local Strategic Partnerships and next-generation Local Area Agreements with wider scope and importance, and a duty to cooperate between councils and local partners
- **Stronger cities, strategic regions**, reforming Passenger Transport Authorities and the development of LAAs into sub-regional Multi-Area Agreements.
- **Stronger political leadership** by requiring all councils to opt for a directly-elected mayor, directly-elected executive or indirectly-elected leader for a four-year term.
- **An invitation** to councils in shire areas to bid for unitary status or enhanced two-tier working.
- **A strengthened role for front-line councillors** including powers to respond to community calls for action on local issues and greater freedom to speak up on planning and licensing issues affecting their wards.
- **A wider and stronger role for scrutiny** including the power to require evidence from all local service providers and a duty on them to have regard to scrutiny recommendations.
- **Devolution** of powers, including removing the requirement for Secretary of State's consent to bye-laws and the creation of parish councils.
- **Community cohesion** – councils encouraged to put integration and cohesion at the heart of community strategies and LAAs.

LGA next steps

The LGA and IDeA will drive forward a number of actions coming out of the white paper and are developing a set of proposals which will be available on the LGA's white paper website (see below). We will also lobby to ensure that the legislation that results from the white paper is bold and devolutionary and that this approach is reflected across all of the legislation that will affect local government in the forthcoming Queen's Speech.

Further details

- Information on the LGA's work on the white paper can be accessed here at <http://whitepaper.lga.gov.uk/> and we have a inquiry line on the white paper which you can contact on **020 7947 8885** and white.paper@lga.gov.uk.

briefing

Chapter 1 - Strong and prosperous communities

In this chapter the Government provides an assessment of progress made by local councils so far towards creating strong and prosperous communities and highlights the future direction that needs to be taken. It argues that substantial improvements have been made and must be built upon, and that public expectations of services continue to rise. There must be a new role for local government, involving strong strategic leadership, effective local partnership working on cross-cutting issues, more information to local people, focusing on their needs with greater community consultation and involvement.

Wales

The introduction also explains that provisions will be made to give the National Assembly for Wales an enhanced role in matters within the field of local government. The Assembly is expected to publish their proposals in due course, which are likely to address the recommendations of the Beecham Review of Public Services in Wales.

Chapter 2 - Responsive services and empowered communities

This chapter sets out proposals designed to devolve power to the communities and give local people a greater say over local public services through extending individual choice, giving local people more say in running local services, providing better and more timely information on the quality of local services, listening to and acting on local concerns, empowering local people to manage and own community facilities. The key proposals are:

- A Community Call for Action (enabling citizens to address serious or persistent problems all local public services)
- Reforming legislation so that councils have the power to create parish councils or similar structures

| White paper proposal | LGA response |
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| <p>Petitions All councils to consider how they deal with petitions.</p> | <p>Petitions are an important way for communities to raise local issues and seek change. We agree that councils should make sure they respond to petitions consistently and appropriately way.</p> |
| <p>Community call for action Citizens able to seek action through their local councillor on persistent or serious problems with local services.</p> <ul style="list-style-type: none"> • Councils encouraged to delegate powers and budgets to tackle minor problems • Councillors to have right to raise issues across all local services with Executive or refer them to the Scrutiny Committee (although the committee can ration number of calls they will actually consider). | <p>Frontline councillors should have the power to take up any local problem on behalf of their constituents. In the Spring we called for more powers to be given to local residents and councillors to influence local services and raise local problems, and good councillors are doing this already. Putting the relationship between the councillor and resident on a formal footing will enshrine local people's ability to help improve the services they use.</p> <p>Wherever possible councillors should be empowered to resolve issues locally, leaving reference to the executive or scrutiny, as a last resort.</p> |
| <p>Role of the Ombudsman Widening the powers of the Local Ombudsman to include action taken by councils where they work in partnership.</p> | <p>We support the principle of extending the scope of the ombudsman to apply to wider local services.</p> |
| <p>Neighbourhoods Empower local people to manage their neighbourhoods and own and manage community facilities:</p> <ul style="list-style-type: none"> • Encouraging extension of neighbourhood management • Encouraging community ownership and management of assets. | <p>We support more power for local people and communities and the responsible community ownership of assets provided their sale does not compromise the long term ability of councils to invest in new infrastructure by accessing current resources.</p> <p>The government's 'encouraging and enabling' approach to councils taking forward the neighbourhoods agenda forward is right – we do not want to see national</p> |

| White paper proposal | LGA response |
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| <ul style="list-style-type: none"> • Barry Quirk, Chief Executive of Lewisham, will lead an enquiry to look at powers and obstacles (and pros and cons in terms of providing best value) will report in Spring 2007 • Simplifying and extending the scope of the Right to Manage of social housing tenants • Encouraging councils to adopt neighbourhood charters | <p>prescription on what is essentially a wholly local issue.</p> |
| <p>Parishes Legislate to reform parish councils:</p> <ul style="list-style-type: none"> • Extend the power of well-being to quality parish councils • Devolve power to district and unitary councils to create parish councils • Enable allow councils to decide upon other forms of community governance beyond parish councils • Permit parish councils in London • Allow parish and town councils to be named village, community or neighbourhood councils | <p>Devolving powers to districts and unitaries so that they can create parish councils and allow other forms of community governance are significant and sensible steps to devolve power to local people.</p> |

LGA action on this agenda

- The LGA and IDeA are taking this agenda forward through our *Closer to People* campaign, providing best practice advice to councils, and a programme of support to develop the role of frontline councillors. *Closer to People* encourages all councils to know and understand their distinctive communities and neighbourhoods and make adequate arrangements for them to:
 - be involved in shaping the future of their community and the design and delivery of local services and to hold service providers to account
 - exercise direct influence or power through parish or town councils, and neighbourhood committees (or similar)
 - strengthen support to local councillors so they can act more effectively as community advocates and leaders.
 - this will also include recommendations on how to implement the community call for action and petitions locally
- On the transfer of community assets, we are keen to work with Barry Quirk’s review. We have a strategic project group with the Development Trust Association and ACEVO which has issued guidance on asset transfer and is holding regional events to inform councils of its benefits.

Chapter 3 - Effective, accountable and responsive local government

This chapter sets out proposals to create a framework for councils to act as strong leaders of their communities, removing any barriers to effective working and attracting more diverse and capable councillors. The key proposals are:

- Devolving powers over bye-laws and fixed-penalty notices to councils
- Requiring councils to adopt one of three political management arrangements
- Inviting bids from councils for unitary status and to trial more effective two-tier working

| White paper proposal | LGA response |
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| <p>Councillor recruitment An independent review of the incentives and barriers to serving as councillors to:</p> <ul style="list-style-type: none"> • consider the time needed to be an effective councillor, time-off arrangements and councillors’ remuneration | <p>We agree that local government needs a more diverse body of talented councillors. The obstacles to achieving this need to be reviewed – including members’ allowances and time off arrangements.</p> |

| White paper proposal | LGA response |
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| <ul style="list-style-type: none"> encourage LGA and political parties to work together to promote the recruitment of more diverse and capable councillors. | |
| <p>Building capacity Work with LGA, IDeA and Leadership Centre for local government, and through the Regional Improvement Partnerships to;</p> <ul style="list-style-type: none"> develop a clear definition of the councillor's role as community champion encourage a greater diversity among those who serve as councillors develop capacity-building and support | <p>We welcome this commitment to support our on-going work.</p> |
| <p>Bye-laws and fixed penalty notices Removes the requirement for councils to get government consent to bye-laws and give councils powers to enforce bye-laws through fixed-penalty notices.</p> | <p>This is sensible devolution of powers to councils. It makes far more sense for councils themselves to create bye-laws. They have more understanding of what issues in their area require bye-laws than a Minister in central government. Similarly fixed penalty notices will give councillors' powers to protect local residents and help improve the quality of life.</p> |
| <p>Political management</p> <ul style="list-style-type: none"> Legislation to require councils to adopt one of three political management arrangements (directly-elected mayor, directly-elected executive or indirectly-elected leader for a 4-year term). Councils to opt for a directly-elected mayor or executive without a referendum. All executive powers will be invested in a mayor (or leader), including appointing the cabinet and deciding portfolios. Councils free to decide how a leader may be removed in their constitutions (reformed committee system councils will be unaffected). | <p>Strong, democratically accountable leadership is central to our vision for local government. There is no right model for all areas – whether mayor or leader. The powers devolved to leaders to put in place the best solutions for their communities is what matters, not the leadership model.</p> <p>We recognise that the proposal for leaders to serve a four-year term is intended to provide the stability necessary for strategic and sustained action. However there must be adequate means for removing incompetent leaders.</p> |
| <p>Overview and scrutiny Widen and strengthen the role of overview and scrutiny in legislation to:</p> <ul style="list-style-type: none"> give power to consider specific matters regarding the action of local public service providers require service providers covered by the duty to cooperate (see chapter 6) to appear or provide information require these providers to have regard to scrutiny recommendations. | <p>We welcome these proposals. Broader and more powerful scrutiny is the essential counterpart to the wider and stronger role of leaders as place-shapers and convenors of local public services.</p> <p>This broader role for scrutiny will help frontline councillors take effective action on behalf of their constituents to tackle any local issue and hold local service providers to account.</p> |
| <p>Electoral arrangements Legislate to:</p> <ul style="list-style-type: none"> remove requirement for councils to get Secretary of State approval to adopt whole-council elections enable councils with whole-council elections | <p>We think electoral and ward arrangements should be a matter for local discretion.</p> |

| White paper proposal | LGA response |
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| to request the Electoral Commission to review creating single member wards | |
| <p>Standards and conduct Legislate to:</p> <ul style="list-style-type: none"> • implement the Graham Committee recommendations to create a more locally based conduct regime with a revised role for the Standards Board • revise the code of conduct to allow members to speak and vote on planning and licensing matters unless their interest is "greater than most other people in the ward" | We welcome these proposals. If councillors are elected to put people first, these proposals – to speak on behalf of their residents on licensing, planning and gambling - will enable them to do this. |
| <p>Unitary status All councils (except London Boroughs and Metropolitan Districts) are invited to submit proposals to create unitary councils by 25 January 2007. Proposals must:</p> <ul style="list-style-type: none"> • command a broad cross-section of support • enhance strategic leadership, neighbourhood empowerment, value for money and equity; • meet the costs of change from councils' existing resources. | <p>We support those councils, including counties and districts in two-tier areas, which are working together more closely to share services and integrate decision-making to provide a better deal for tax payers.</p> <p>But we are resolutely opposed to imposed restructuring. Experience shows that imposed reorganisation of local government always takes longer, costs more and delivers less than ever envisaged.</p> |
| <p>Enhancing two-tier working Councils in shire areas invited to submit proposals to become pathfinders for enhanced two-tier working by 25 January 2007. Proposals must:</p> <ul style="list-style-type: none"> • be submitted jointly by all the districts and the county council • demonstrate enhanced leadership, efficiency and outcomes equivalent to a unitary council • commit to explore how to remove barriers to innovative and more effective governance. <p>Pathfinders will be subject to long term evaluation with reports after 2, 4 and 6 years to inform future government policy.</p> | |

LGA action on this agenda

- On councillor recruitment – we have begun work with the main political parties on proposals for a national campaign to raise awareness of the role of councillors and encourage more people to come forward as candidates.
- On building capacity – The LGA and IDeA's *Closer to People* campaign has begun work to develop support for frontline councillors.
- On overview and scrutiny – the LGA and IDeA will be working with the Centre for Public Scrutiny to support councils in exercising these new powers.

Chapter 4 - strong cities, strategic regions

This chapter sets out proposals to further national and regional economic growth in our cities and regions, through improving the quality of governance and leadership. The key proposals are:

- Reform of passenger transport authorities and new powers for councils on bus services
- Creating multi area agreements

| White paper proposal | LGA response |
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| <p>Sub-national review A Treasury-led review of sub-national economic development and regeneration (feeding into the Comprehensive Spending Review) will identify the most appropriate level to locate responsibility for interventions for the different policy areas which impact on economic development, regeneration and neighbourhood renewal.</p> | <p>We have submitted to the Treasury review proposals that sub regional partnerships should be the focus of future decision-making structures for economic development and that councils should hold the convening role in these partnerships.</p> |
| <p>Passenger Transport Authorities The Department for Transport will propose reforms to Passenger Transport Authorities (PTAs), including greater local government representation on PTAs.</p> | <p>We think a strengthening of PTA's powers is needed</p> |
| <p>Bus services New powers for those councils that require them to ensure that bus services deliver for their communities.</p> | <p>It is important that the option of greater control over buses made available to councils outside PTA areas. We await the detailed proposals from the Department for Transport expected shortly.</p> |
| <p>Multi area agreements (MAAs) The government will work with councils to develop MAAs to support effective collaboration at the city region level, but these need not only apply to large cities.</p> | <p>We support the proposal for MAAs and have proposed three models for these: Metropolitan Area Agreements, City Area Agreements, and Shire Area Agreements.</p> |
| <p>Leadership models The government will encourage stronger leadership models, including directly elected executives and elected mayors where there is local support.</p> | <p>The LGA accepts that the devolution of resources and powers will need to be accompanied by strong local leadership and clear accountability. We strongly endorse the White Paper's emphasis on developing local models that have local support – however no specific model should be imposed.</p> |

LGA action on this agenda

- We have made a submission to the Treasury's sub national review focusing on the role of sub-regional partnerships. In the near future we will be publishing an analysis of the evidence on economic devolution and views on the areas where powers and funding need to be further devolved, as well as research underpinning the case for devolution of the business rate.
- Over the next six months we will also publish a series of publications that develop in detail the case for devolution of specific powers to local councils and partnerships.
- On powers for PTAs - we will lobby for all councils to have a range of options, including forms of franchising, for influencing the quality of local bus services.
- On MAAs - we will work with the government on developing these agreements and press for the differential devolution of planning and housing, transport, economic development and skills and worklessness to them.
- On leadership models - we will work with the government and local partnerships to develop a range of models that can deliver the leadership and accountability needed.

Chapter 5 - Local government as strategic leader and place-shaper

This chapter sets out proposals to strengthen the strategic leadership role of councils as coordinators of all local agencies and groups involved in shaping the community through their work in different sectors.

Key proposals are:

- A duty on upper-tier councils and unitaries to prepare local area agreements, and a duty for district councils and partners to cooperate with councils and have regard to LAA targets
- Stronger political leadership of local strategic partnerships and statutory partnerships within this, including a new partnership for health and well-being

| White paper proposal | LGA response |
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| <p>New duty for upper tier councils to prepare Local Area Agreements in consultation with other partners (see below), forming part of a new statutory framework.</p> | <p>The new 'duty' to prepare a LAA is a positive step towards achieving wellbeing for local people, as advocated by the LGA. This is a welcome and explicit underpinning of councils' community leadership role, which reaches out beyond the services currently provided by local government.</p> |
| <p>New model of LAAs – to strengthen partnership working and council leadership of the LAA, and to streamline and simplify funding and consultation. The LAAs will encompass more area-based funding, and the four blocks of funding will be replaced by four themes, to form a 'single pot'.</p> | <p>We welcome this proposal. In Closer to People and Places the LGA called for a second generation of LAAs to pool the totality of public resources in an area, to deliver improved outcomes, give better access for service users, and achieve efficiency savings.</p> <p>The proposed model does not, however, go far enough. We want to see local partnerships in a position to steer all mainstream as well as 'area-based' funding. Areas can then realign resources to meet new demands, and give partners incentives to work collectively to prevent and pre-empt problems, rather than intervening once they occur.</p> <p>The LGA has long argued that LAA funding streams should not be ring-fenced so that localities have maximum flexibility and can address cross-cutting issues. Many areas have found it useful to structure their LAAs around themes that the four blocks represent – and in this regard welcome the proposals for themes rather than blocks.</p> |
| <p>Creating multi area agreements (MAAs) – the new model will allow localities to extend the geographic scope of the LAA and apply the principles to a sub regional area through what are being called multi area agreements</p> | <p>We welcome MAAs, which will need to be backed up by the devolution of further funding and powers over transport, housing, strategic regeneration and learning and skills. MAAs will need robust governance arrangements, visible political leadership, and a streamlined performance and accountability framework (as set out in Chapter 6).</p> <p>We have proposed three models of MAAs - Metropolitan Area Agreements, City Area Agreements, and Shire Area Agreements.</p> |
| <p>Duty to cooperate and duty to have regard to LAA targets</p> <ul style="list-style-type: none"> • There will be a duty to cooperate between councils and named partners to agree LAA targets • Duty for partners to have regard to LAA targets. • Councils will also be subject to a duty to prepare the LAA in consultation with others. • Councils will also have to ensure involvement | <p>The LGA has called for the duty to cooperate and we welcome this proposal. It will strengthen LSPs, the council's leadership role and the ability of councils to engage partners in preparing and delivering LAA targets.</p> <p>With it, local partners will be more accountable to local people, and will be able to challenge constraints to finding local solutions that central Government Departments may impose.</p> |

| White paper proposal | LGA response |
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| <p>of the voluntary and community sector</p> <ul style="list-style-type: none"> The named partners are upper tier or unitary councils, districts, chief police officers, Police Authorities, Local Probation Boards, Youth Offending Teams, Primary Care Trusts, NHS Foundation Trusts, NHS Health Trusts, the Learning and Skills Council in England, Job Centre Plus, Health and Safety Executive, Fire and Rescue Authorities, Metropolitan Passenger Transport Authorities, the Highways Agency, the Environment Agency, Natural England, Regional Development Agencies, National Parks Authorities, Broads Authority, Joint Waste Disposal Authorities. | <p>We support the named organisations set out in the list of In principle partners, as it includes those responsible for delivering local services. Ultimately there should be an opportunity to develop the list to include further partners working in localities.</p> <p>We recognise that these proposals will present specific challenges in shire areas and we will work with councils and Government on this issue.</p> <p>The nature and involvement of the voluntary and community sector should be for local discretion, recognising that the sector has different roles - as deliverers of services and community representatives.</p> |
| <p>Strengthening the political leadership of Local Strategic Partnerships (LSPs)</p> <p>An expectation that council leaders will play a leading role and agree the appointment of the chair of the LSP, with council executive members chairing or leading thematic sub-groups.</p> | <p>We welcome this recognition that council leaders need a clear leadership role within the LSP. This follows LGA arguments that democratically accountable political leadership should be integral to LSP structures, whilst still allowing for local flexibility.</p> <p>Involving elected portfolio holders will allow the LSP to operate more as a multi-agency board, helping to integrate local public services whilst ensuring that political leadership and accountability extends to the thematic sub-groups.</p> |
| <p>Statutory partnerships for health and well-being under the LSP</p> <p>These will follow a similar model to Crime and Disorder Reduction Partnerships and Children’s Trusts. The Department of Health will invite views on the detail of this proposal, including the role of the elected member.</p> | <p>We support new health and well-being partnerships to ensure that the planning, commissioning and delivering health and social care is a core part of the LAA framework. This follows the LGA’s calls for a partnership approach to health and wellbeing, based on councils and Primary Care Trusts working together to develop a vision and action plan, to achieve outcomes which would form part of the LAA. Political leadership is critical. Therefore the elected portfolio holder must play a significant role in the partnership.</p> |
| <p>Sustainable Community Strategy (SCS)</p> <ul style="list-style-type: none"> Reiterates the existing duty for SCS and proposes new statutory guidance will strengthen the relationship between Sustainable Community Strategy and other local and regional plans, requiring them to “have regard” to each other. A comprehensive engagement strategy for SCS, LAAs and Local Development Frameworks, repealing the existing Statement of Community Involvement for LDFs A commitment to explore whether councils could be given the responsibility for hearing appeals in relation to planning decisions delegated to officers. | <p>The links between the SCS and other regional and local plans is important, and the duty to have regard will encourage consistency across plans and help to align them. This will be particularly important in making the links between priorities of districts and counties in two-tier areas.</p> <p>A single engagement strategy for SCS, LAAs and LDFs is welcome as it will simplify and streamline consultation processes and avoid duplication. Guidance on community engagement should not be overly prescriptive or burdensome.</p> <p>On the planning decision appeals, we look forward to working with Government to develop a detailed policy on this.</p> |

LGA action on this agenda

- Local area agreements - the LGA will continue to work with Ministers via the Central Local Partnership to plan for a second generation of LAAs, and the proposed MAAs. This work will include selecting suitable localities for field trials and a transition programme from the current generation of LAAs.
- We will continue to work with HMT and DCLG on more radical approaches to steering the totality of locally based public money, and on arrangements that allow for more radical shifts of funds between for example health, employment and the benefits system.
- Duty to co-operate - the LGA will continue to work with DCLG to develop the statutory guidance on sustainable community strategies and LSPs to ensure that the duty to co-operate is well framed in legislation.
- There will be continued engagement with the Department of Health on the detail of statutory partnerships for health and well-being.

Chapter 6 – A new performance framework

This chapter sets out proposals to improve local public services by reforming the current system of targets and inspection. There will be a framework of national outcomes, with locally set and delivered targets that will ensure minimum standards, with a closer focus on the views of the public, encouraging local solutions to problems. Key proposals are:

- Progress on delivering national outcomes to be measured against a core set of 200 national indicators and a maximum of 35 targets to be set and delivered for each locality through the LAA, plus 18 statutory DfES targets on early years and performance targets.
- A new annual Comprehensive Area Assessment from 2009 based on risk assessment, with the Audit Commission acting as gatekeeper over inspection
- Reforming Best Value to make it more citizen-focused.

| White paper proposal | LGA response |
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| <p>Customers and citizens driving improvement</p> <p>Strengthen customers' and citizen's role in driving improvement, monitoring performance and inspection:</p> <ul style="list-style-type: none"> • clarifying responsibilities to respond and report to citizens (see new duty to consult in Chapter 5) • incorporating user views into inspection activities • taking account of user views in shaping improvement support and intervention. | <p>We wholeheartedly share the aim of putting customers at the heart of high quality public services and are working to ensure an increased role for citizens, taxpayers and consumers in shaping local services, monitoring performance, and holding the councils and its partners "to account" for poor performance.</p> <p>We have published good practice advice on customer led performance management - "Putting the customer first?" and have established a partnership with the National Consumer Council to advise councils on how to segment local services and measure customer satisfaction.</p> |
| <p>National outcomes to reflect priorities</p> <ul style="list-style-type: none"> • Use CSR 2007 process to develop a clear set of national outcomes reflecting Government priorities. • Progress on delivering national outcomes to be measured against a core set of 200 national indicators. • A maximum of 35 targets to be set and delivered for each locality through the LAA, plus 18 statutory DfES targets on early years and performance targets, with the Secretary of State exploring a reduction in these. • Government Offices will lead on negotiating targets, with annual LAA reporting. | <p>We strongly welcome this proposal and the commitment to develop a clear set of national outcomes, through the CSR process, measured by a limited set of national indicators. This clearly builds on LGA and IDeA proposals developed with Government over the past year.</p> <p>The national outcomes and a smaller number of locally owned targets are major step forward in reinvigorating local ambition, choice and accountability, refocusing efforts on satisfying service users and local people. We will press for the DfES to reduce their statutory targets further.</p> <p>We have set out our initial proposals for a national outcomes framework and will continue to pursue discussions with Government through the Central Local Partnership and bi-lateral discussions with HM Treasury and individual departments.</p> |

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| <p>Annual Comprehensive Area Assessment</p> <ul style="list-style-type: none"> • A new annual Comprehensive Area Assessment, replacing Comprehensive Performance Assessment, Joint Area Reviews, Annual Performance Assessment and Social Services star rating by March 2009. • The Audit Commission will lead the process and identify risk areas in relation to performance, involve other inspectorates and draw on a range of data including existing inspection information. Additional inspection activity would be identified by the risk assessment, but with the Audit Commission acting as “gatekeeper” in respect of the overall burden of inspection on a council. <p>The following data will be published about a locality’s performance</p> <ul style="list-style-type: none"> • Performance against the core set of 200 or so national indicators • Locality based, integrated risk assessment – across partners and services • Scored direction of travel statement for the council • Scored use of resources statement for the council • Judgements from any inspections undertaken, including those previously triggered by previous risk assessment | <p>We welcome the move towards a more “risk based” approach to inspection and the proposed reduction in inspection activity.</p> <p>“Risk assessment” must be informed by up to date high quality information about performance from the locality. We are working with councils to develop further our proposals for an annual assessment which, we believe, should provide the basis for the risk assesment.</p> <p>The annual direction of travel statements, spelling out how quickly councils are improving, will continue to provide local people with a better overall picture of performance. We acknowledge the importance of the annual use of resources statement, however we do have concerns that the way it is currently configured is unrealistic and overprescriptive.</p> <p>Getting the detail of the new performance framework right will be critical – and we will intensify our work with Government, the Audit Commission and Inspectorates to develop this element of the White Paper.</p> |
| <p>LGA/Government wide improvement strategy</p> <ul style="list-style-type: none"> • Continued support for improvement, with investment priorities shaped through a jointly agreed LGA/Government–wide improvement strategy • The Government’s response to under-performance will build on LGA proposals for a sector-led approach, whilst maintaining statutory fall back powers for the Secretary of State to intervene where necessary. | <p>We welcome the proposals for a joint LGA/Government improvement strategy and have initiated discussions with councils to develop a view of future improvement and capacity building challenges for the sector.</p> <p>The sector now has the maturity to own poor performance and the experience to deliver improvement. We are working with the IDeA to develop the necessary tools for the sector itself to lead the way in which areas of poor performance are tackled.</p> |
| <p>Reforming best value</p> <p>Improve the focus on citizens and competition by legislating to:</p> <ul style="list-style-type: none"> • Remove requirements for best value authorities to prepare Annual Best Value Performance Plans and conduct reviews • Exempt all parish councils from best value • Ensure that best value authorities (except the police) secure participation of local citizens • Encourage councils to strengthen their approach to competition, by testing the competitiveness of services and, introducing fair and open competition where practical. | <p>Removal of the requirements on best value performance plans will help councils to tailor their reports to residents more closely to local circumstances. Likewise, removing the prescription governing best value reviews will provide valuable freedom to develop local approaches to innovation and improvement.</p> <p>Councils share the government's aim to secure local participation, but it will be important that legislation focuses attention on participation contributing to better services and outcomes, not participation for its own sake.</p> |

LGA action on this agenda

- We are now keen to work jointly with Government, the Audit Commission, other Inspectorates and the wider community of local councils and their partners to develop elements of the new framework “in the field” in order to ensure that it achieves what it sets out to, that it is owned by the sector and that it puts the expectations of citizens and users at its heart
- We will continue to pursue our proposals with Government for a new national outcomes framework to be set out in CSR 07
- We will work with councils to develop our proposals for a locality based “annual assessment” tool to be used by the council and its partners to assess their collective performance against priorities set out in the community strategy and LAA. The annual assessment would provide a key component of the proposed Audit Commission risk assessment
- We will work with the IDeA to develop the “peer challenge” proposals – a new, periodic, cross-sector approach to challenging the locality’s assessment of its own performance

Chapter 7 – Efficiency - transforming local services

This chapter sets out proposals to ensure that every council, working with its partners, is able to improve local services and drive forward efficiency. This is to be done through transforming how services are delivered, encouraging collaboration across administrative boundaries and greater competition in contracts for the provision of the delivery of local public services. Key proposals are:

- Securing more collaboration between councils and across public bodies
- Ensuring greater contestability through the use of open competition through code of local government service markets
- Stable finance including publishing three year council tax figures and more stable funding to the third sector

| White paper proposal | LGA response |
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| <p>Efficiency gains Ambitious efficiency gains to be achieved over the next few years as part of CSR 07</p> | <p>Councils are currently delivering efficiency gains one year ahead of schedule - at 3%, against a set target of 2.5% and is leading the public sector on the agenda.</p> <p>Councils must not be penalised for their success. Incentives should continue and councils should not be deterred from being even more innovative. We oppose an increased cashable target as this may not bring the best gains and can encourage “short termism”. There is no reason for local government to have a higher target than the rest of the public sector.</p> |
| <p>Collaboration across the public sector Collaboration between councils and across all public bodies, where this improves effectiveness and efficiency, and ensuring administrative boundaries are not a barrier to service transformation and efficiency.</p> | <p>Many councils are already joining up across boundaries to deliver services – creating economies of scale and efficiency savings. However quality should not be sacrificed and it will not always be appropriate to do this where there are specific local needs.</p> <p>There can be barriers and practical problems to achieving this collaboration in some areas. Councils need to be given the power to establish voluntary joint boards so that they can join up across the public sector to undertake joint procurement and competition.</p> |
| <p>Local government service markets Greater contestability through the use of fair and open competition, using a code of local government services markets which will include:</p> <ul style="list-style-type: none"> • stimulating new markets to introduce contestability; • increase capacity and competitiveness in | <p>The LGA has already established that the future role of councils should be market shapers and we therefore welcome this as a step in the right direction. The role should be developed in partnership with councils and partners, and should not be centrally imposed.</p> |

| White paper proposal | LGA response |
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| <p>existing markets;</p> <ul style="list-style-type: none"> encourage diversity of suppliers across sectors. | |
| <p>Service transformation Transformational government agenda will link with Sir David Varney's review to look at opportunities for local and central government and other providers to work more closely together on customer centred services.</p> | <p>We recognise that service transformation is a long term process. However local government is already progressing well on this agenda and a number of examples of service transformation are occurring across local government, e.g. the Worcestershire hub and Staffordshire Connects.</p> |
| <p>Three year budgets As local government moves to three year formula grant settlement for 2008-2011, local government will have the opportunity to publish three year council tax figures.</p> | <p>The LGA will scrutinise the practicality of these proposals. We believe that councils themselves should decide when they report on council tax figures. Government needs to recognise the local realities which can make this difficult – for example, elections and unfunded pressures.</p> |
| <p>Third sector funding Greater stability for funding to the third sector through three year grant funding, except where this does not represent best value in individual cases.</p> | <p>The LGA supports longer term funding for the third sector whenever practical and a move to full cost recovery to the third sector.</p> |
| <p>Alignment with Local Area Agreement framework Examine scope to align efficiency into the broader LAA framework</p> | <p>The LGA supports this. Cost shunting across the public sector can increase costs for some organisations and does not demonstrate real gains to the public purse. We believe that efficiency savings should be fed back through the LAA.</p> |

LGA action

Set out below are the actions that the LGA are already taking on efficiency issues:

- On local government service markets – the LGA is working with DCLG to produce the markets code
- On efficiency support - The LGA is working with the review of support arrangements which will report by the end of the year. We will work with government to identify local authorities to take part in pathfinder projects.
- Service transformation - The LGA and IDeA have submitted two joint submissions to the Varney review setting out our future vision for local government. The LGA will continue to work with government on this agenda through the member and ministerial led Central Local Partnership efficiency and service reconfiguration subgroup and the *Transformation through front office shared services* programme led by local government support bodies.
- Third sector - the LGA is working with DCLG, CIPFA and Audit Commission to look at the compact principles and how these can be integrated into auditing and financial codes. We will also assess if the principles are the right ones in the compact finance and procurement code and develop guidance on funding which is relevant to councils.

Chapter 8 - Community Cohesion

This chapter sets out the importance of local councils leading the response to the challenges created by an increasingly diverse society. This is to be done by incorporating community cohesion across council structures and processes, tackling extremism and by implementing the conclusions of the Commission on Integration and Cohesion.

| White paper proposal | LGA response |
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| <ul style="list-style-type: none"> Performance and LAAs - puts community cohesion firmly into the new performance framework, and LAAs should reflect community cohesion where it is a particular | <p>Creating strong, vital and cohesive communities is one of the most important issues that we face. It impacts on local quality of life and on the harmony of the nation.</p> |

| White paper proposal | LGA response |
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| <p>issue that needs to be reflected</p> <ul style="list-style-type: none"> • LSPs - emphasises the importance of community cohesion in LSPs and sharing best practice • Extremism - makes tackling extremism core business • Commission on Integration and Cohesion - encourages the Commission on Integration and Cohesion to produce more detailed plans when it reports next year. | <p>Community participation is key. Strong leadership from local government can foster more effective participation in the local decision-making process. This can help to counter perceptions of unfairness, reduce conflict and suspicion between different groups, and engage communities who feel marginalised. Local government is best placed to make the links across service providers within communities at a local level to create and sustain cohesive communities. Our vision is one of partnership, with all agencies working together and with the local authority giving full effect to its community leadership role.</p> |

LGA action

- The LGA has highlighted “Greater cohesion, social responsibility and respect in communities” in its proposed national outcomes framework.
- The LGA and IDEa is leading the way in spreading best practice with practical guidance to councillors and chief executives, covering key themes and approaches to cohesion and a casebook of examples of local authority work to promote cohesive communities.
- The LGA is working with the IDEa to help build the capacity of local government to fulfil the community leadership role.
- We look forward to working with the Commission on Integration and Cohesion as it develops its thinking and proposals.

Chapter 9 – Steps towards implementation

This chapter sets out the programme of legislation, guidance and consultation that the Government will undertake to implement the proposals in the white paper.

Annexes

Set out below are some of the key issues highlighted in each of the annexes to the white paper

Community safety

- White paper will aim to remove barriers to work in partnership to create safer local environments
- Creates a duty to work with named partners to agree relevant targets in LAAs
- Extend the Community Call for Action to cover community safety issues
- Requires portfolio holder for Safer Communities to play an active role in CDRP

Health and well-being

- Statutory duty for councils to establish new inspection body with Local Involvement Networks to provide flexible ways for communities to engage with health and social care organisations
- Extend Community Call for Action to include social care issues
- New powers to overview and scrutiny committees including evidence from Social Care providers and scrutinising PCTs
- Encourage councils and PCTs to coordinate consultations
- Ensure that council restructuring complements PCT boundaries and provides greater coterminosity

- Directors of Public Health to be jointly appointed
- New statutory partnership for health and well being under the LSP

Vulnerable people

- Make local government a stronger champion of those who are disadvantaged and discriminated
- Statutory guidance to target disadvantaged and marginalised groups
- Encourage councillors to work proactively with outreach workers
- Work with LGA and political parties to ensure democratic representative reflect local communities
- Cross boundary strategies linking physical regeneration, economic growth and neighbourhood renewal
- Ensuring access to skills and training
- Proposal to publish a national housing strategy a new Supporting People Strategy
- Social Exclusion Task Force

Children, young people and families

- Leadership role through ECM
- Strengthen scrutiny for children's services
- Stronger LSPs with children's trusts as one of the main thematic partners
- Performance framework

The third sector

- New duty for participation
- Extend choice in services
- Local community groups to have a key role alongside frontline councillors
- Three year funding grants

Economic development, housing and planning

- Shared objectives through LAAs and Sustainable Community Strategies
- More meaningful consultation with residents on Sustainable Community Strategy, LAAs and Local Development Framework
- Reviewing planning resources
- Consulting on new Housing and Planning Delivery Grant
- Make it easier to set up Tenant Management Organisations
- Strong leader mandate
- Greater strategic housing role
- Endorse strategic regional approach to economic development - RES
- New duties to cooperate on LAAs

Climate change

- Strong leadership on climate change
- Parish councils encouraged to use powers on energy saving measures
- Use Local Area Agreements to tackle climate change with partners
- Climate change an explicit part of the new performance framework
- Additional funding for SALIX to help councils tackle climate change
- LGA's Climate Change Commission
- Spreading Best Practice - Sustainable Energy Beacons