

Strong and prosperous communities: an overview of the Local Government White Paper

Overview

The briefing summarises the new local government White Paper, *Strong and prosperous communities*.

The White Paper promotes community and neighbourhood engagement. It develops the role of overview and scrutiny in relation to external bodies. It provides new requirements on service providers to engage with Sustainable Community Strategies and LAAs. There are changed requirements for council constitutions, and some limited opportunities for new unitary councils and pathfinders of new forms of two-tier working. Changes to the performance management and inspection regime are announced.

Background

The new White Paper on local government, *Strong and prosperous communities*, has been published and is available on the Department for Communities and Local Government website, link above.

The Paper is in two volumes, with the main proposals for change in volume one, and volume two containing thematic chapters on: Community safety, Health and well-being, Vulnerable people, Children, young people and families, Economic development, housing and planning, Climate change, and the Third Sector. These sections discuss the applicability of the proposals to different sectors and cross-cutting issues.

This briefing aims to summarise the main changes proposed in volume one. LGIU will be publishing more detailed briefings in the coming week on the various issues raised. You are also encouraged to take part in our Members' Forum web discussion, details below.

Introduction

The White Paper's introduction sets a context for the proposals which follow. It emphasises that public services have improved since 1997, and that to continue, councils, their partners, and local communities, need to be given more power to shape services and communities. It states that: 'Since 1997 local government has made huge progress in terms of its performance and reputation.' It emphasises that the proposals in the White Paper are based on the experience of the best local authorities.

Community involvement, partnership and leadership are important themes in the White Paper.

Responsive services and empowered communities

Service improvement needs to be driven by individual choice and community involvement in decision-making. Specific proposals are:

- Choice in local services should be extended where possible, and illustrations are given from existing developments in care of under-fives, choice-based letting for tenants, and individual budgets for social care.
- There will be reform of Best Value requirements on the existing duty to consult, extended to include promotion of wider public information, consultation, involvement in decision-making, and devolution of service delivery. Flexible, local approaches will be encouraged and example of good practice are given. There will be new statutory guidance on this.
- There will be more emphasis on reporting performance and other service information locally.
- All councils are encouraged to introduce a systematic approach to how they deal with public petitions.
- Community Call for Action arrangements will be introduced to formalise the right of local people to raise local concerns with their ward councillor on local government matters and issues covered by partnerships within which the council is engaged. This approach is already included in the current Police and Justice Bill, on community safety issues. Councillors will act as gatekeepers, and will be able to reject vexatious complaints. If the matter cannot be dealt with in other ways, it could be referred to the council's overview and scrutiny committee(s), which can require a response from relevant public bodies.
- There will be some improvements to the processes of the Local Government Ombudsman.
- Neighbourhood management, and neighbourhood charters that set out service standards and priorities are encouraged.
- The government is also interested in community management and ownership of assets, and will set up a review of how this can be promoted. In the meantime there will be a fund to support refurbishment of buildings where the council will transfer these to community management.
- Steps will be taken to promote tenant management.
- The process to create new town and parish councils will be simplified, devolving this to local government, rather than requiring government involvement. They may be called neighbourhood or community councils. Councils will be able to consider other forms of community governance as part of this process. London will be given the same rights to establish parish councils as other places.
- The government will seek to rationalise arrangements to support community groups.

Effective, accountable and responsive local government

This section emphasises the importance of local government leadership and proposes a range of changes to council constitutions:

- Legislation will change the available executive options to three: a directly elected mayor; a leader elected by the council but who must have a four year term of office; a new model of a directly elected

executive (ie each member of the cabinet directly elected by the public).

- The mayor or leader will hold all the executive powers, will be able to decide whether or how to delegate them, will appoint cabinet members and allocate portfolios.
- Councils will be able to move to a mayoral constitution without a referendum, although there will still be powers for the public to petition for a referendum.
- District councils with a population below 85,000 with a modified committee system will not be required to change.
- Overview and scrutiny powers will be extended over key partner organisations also covered by the duty to co-operate with Local Area Agreements (discussed later) and will be engaged with the Community Calls to Action.
- Councils will be enabled, but not required, to move to a system of all-out elections. This will include metropolitan councils, which are currently required to elect by thirds.
- Single member wards will be an option, but not a requirement.
- The government will set up a review of the incentives and barriers to serving on councils and seek ways to promote greater diversity and more candidates to put themselves forward. Capacity building for councillors will be supported.
- Councils will gain powers to enact byelaws, without Secretary of State confirmation, and enforce them through fixed penalty notices.
- There will be legislation to simplify the Standards framework, to create a more locally based regime, and amend the rules on personal and prejudicial interests.
- In two-tier areas, an Invitation is published (see links) to enable councils to make proposals for unitary local government, by 25 January 2007.
- Most areas will not become unitaries but two tier areas are encouraged to develop more integrated ways of working. The Invitation also invited pathfinders of this approach.

Strong cities, strategic regions

This section discusses the government's approach to economic development, particularly city regions. However, decisions are deferred, pending a report feeding into the Comprehensive Spending Review. Evidence such as the government's *State of the Cities* research is reviewed, which has emphasised the need to devolve powers to enhance economic development. Specific proposals are:

- Continuing review of the need to improve sub-national working, particularly on regeneration and economic growth.
- Reform of Passenger Transport Authorities and Executives, with more council representation, to enable a more coherent approach to transport in the major cities.
- Encourage development of Multi-Area Agreements (like a LAA between several authorities) between authorities and partners, to

support cross-boundary collaboration, and other local partnership arrangements such as boards of council leaders.

- Where there is local support, to encourage stronger leadership models such as elected mayors.

Local government as a strategic leader and place-shaper

This section reviews the council's community leadership and place-shaping role and puts forward proposals to develop Local Strategic Partnerships (LSPs) and Local Area Agreements (LAAs). Specific proposals are:

- There will be a duty on councils to prepare a Local Area Agreement in consultation with others, alongside the Sustainable Community Strategy, and a duty of named partners to co-operate in agreeing targets in the LAA.
- Named partners are listed on page 100 of the White Paper, and include: police, probation, Youth Offending Teams, NHS bodies, Learning and Skills Councils, Jobcentre Plus, Health and Safety Executive, Fire and rescue authorities, Passenger Transport Authorities, Highways Agency, Environment Agency, Natural England, Regional Development Agencies, National Park Authorities, the Broads Authority and waste disposal authorities.
- There will be an expectation that council leaders and portfolio holders play a strong role in LSPs and relevant thematic partnerships.
- There will be streamlining of requirements to help integrate the development of community planning and spatial development plans, including consultation requirements.
- The government will aim to develop more financial flexibility within LAAs, and between the four current blocks of LAAs.

A new performance framework

The Paper sets out a new performance framework which aims to reduce the number of nationally-required targets, providing new opportunities for local accountability. Specific proposals are:

- Elements of Best Value will be changed, sharpening focus on citizen engagement, and competition, and removing requirements for a Best Value Performance Plan and Best Value reviews. All parish councils will be exempt from Best Value requirements.
- The government will set out a single set of about two hundred national indicators for all local partners. Local improvement targets will then be agreed through LAAs, with around 35 improvement targets, plus Department for Education and Skills targets in LAAs. There will then be flexibility to include additional local targets.
- Councils will report annually on LAAs. This information will be fed to the Audit Commission and other inspectorates, and inform an annual review of the area's performance co-ordinated by the Government Office for the Region.
- Changes to inspection will include, from 2009, development of a Comprehensive Area Assessment (building on CPA), based on a combination of risk assessment, largely risk-triggered assessment, and

audit. The Audit Commission will continue to publish an annual Direction of Travel judgement for each council, scored for comparability between councils. There will also be a Use of Resources judgement.

- The government will agree with the LGA a national improvement strategy to tackle poor performance. National intervention powers will be retained.

Efficiency - transforming local services

This section emphasises the need to drive efficiency in use of resources, including new technology. Proposals include:

- Ambitious efficiency gains to be required as part of the 2007 Comprehensive Spending Review.
- Ensuring administrative boundaries do not act as a barrier to service improvement and efficiency.
- Promoting business improvement techniques and greater contestability in services.
- Government will publish three-year council tax projections, and provide expert support to councils and their partners to meet efficiency challenges.

Community cohesion

This section emphasises the need to provide more specific support to councils and their partners in addressing community cohesion issues. Work which has already been done to strengthen legislation against discrimination is emphasised. Proposals include:

- Providing support for councils which wish to include cohesion issues in community strategies and LAAs.
- Providing new guidance on how overview and scrutiny can support community cohesion.
- Government will support local establishment of forums on extremism where necessary.
- Government will encourage the Commission on Integration and Cohesion to provide detailed plans on promotion of cohesion.

Steps towards implementation

This chapter provides a summary of what the government will do to implement the White Paper, including the need for new legislation, reviews, and revised or new Guidance. Other proposed government initiatives to support the White Paper are also listed. No timetable is given for legislation.

Comment

There is much in this White Paper that local government will welcome. The proposals on neighbourhood and community engagement are essentially permissive and build on local good practice. The arrangements to require involvement of a wide range of external service providers in Sustainable Community Strategies, LAAs and council scrutiny will strengthen the council's role in leading community-wide improvements.

There is recognition of the role of ward councillors, through the Community Call for Action, and welcome attention to the need to attract would-be councillors.

The revisions to the performance framework are as expected, and provide a greater role for self-assessment and peer review. The rationalisation into one system of performance targets is progress.

However, councils are unlikely to welcome the need to change their constitutional arrangements, where the evidence is that the Local Government Act 2000 has been implemented effectively. There are no proposals to strengthen or clarify the constitutional position of local government, in line with the European Charter of Local Self Government.

The phrase 'Double Devolution' has disappeared, and there is no real new devolution of powers from Whitehall to town hall, beyond limited rationalisation of performance measurement, and processes to create byelaws and parish councils. The possibility of devolution to city regions has been deferred, but is still described positively, so there may yet be developments here.

LGIU
October 2006

The White Paper can be accessed at: www.communities.gov.uk