

**“Strong and Prosperous Communities” – The Local Government White Paper**

**Executive Summary**

**Prepared by the Policy and Commissioning Unit**

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**OLDHAM**   
*Metropolitan Borough* 

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## Introduction

In October 2006, Secretary of State for Communities and Local Government published *Strong and Prosperous Communities – The Local Government White Paper*, which aims to support local authorities and their partners to improve services, reshaping them to meet the different needs of different communities. This briefing summarises the seven key underpinning themes:

1. Responsive services and empowered communities
2. Effective, accountable and responsive local government
3. Strong Cities, strategic regions
4. Local government as a strategic leader and place-shaper
5. A new performance framework
6. Efficiency - transforming local services
7. Community cohesion

The White Paper is printed in 2 volumes. This summary focuses upon the first volume. The second volume explains in greater detail the implications of the first volume on specific services. The full text can be viewed and downloaded from the website for the Department of Communities and Local Government.

This White Paper is the first of series of studies and reviews including the Lyons Inquiry and the Comprehensive Spending Review 2007, all of which are expected to change how local government operates. Government Ministers have indicated that the Bill will quickly follow this White Paper, with a new LG Act to follow in mid 2007. However, this timetable may change if the Lyons Inquiry significantly broadens the scope of the White Paper.

### 1. Responsive services and empowered communities

*“Making public services personal”*

The White Paper states that, whilst the quality of public services has been improving, residents expect to receive a service that is tailored to their personal situation. The need for more responsive services will be delivered by greater involvement of citizens and communities in the decision-making processes, leading to better developed and designed services.

*The White paper sets out the following key proposals:*

**Extending choice for individuals and families** – enabling people to have more control of the services they use on an individual basis e.g. increasing choice for parents organising childcare; offering choice-based letting schemes to tenants; and expanding social care provision through individual care budgets.

**Giving local people more say in running local services** – reforming the best value regime to ensure that citizens are consulted on and involved in service delivery and that, where possible, responsibility is devolved through community ownership or management. For example, by 2008, neighbourhood policing will be in every area, ensuring that local communities can influence how their area is policed.

**Providing better and more timely information on the quality of local services** – enabling residents to judge how effective public authorities are, culminating in the local publication of annual local authority performance measured against national outcome indicators.

**Listening to and acting on local concerns** – providing new mechanisms for accountability and issue resolution. Councillors will continue to listen to their communities' concerns and will help to

resolve issues. The White Paper sets out a process that will further strengthen the role of local councillors, enabling petitioners to utilise an expanded *Community Call for Action*, whereby councillors will escalate issues via Council Executive and Overview and Scrutiny committees.

**Empowering local people to manage neighbourhoods and community facilities** – encouraging locally agreed packages for neighbourhood management, transferring the ownership of public assets (e.g. community centres, swimming pools etc) to community groups.

The White Paper states that the “Right to Manage” process for residents living in social housing will be simplified to increase the number of Tenant Management Organisations.

Local Charters are promoted as voluntary agreements between local authorities and neighbourhoods/communities, establishing service standards and priority actions, and as mechanisms to meet the new *duty* to secure participation of citizens.

Councils will have a power to establish new “neighbourhood” or “community parishes” if deemed to be the most appropriate form of governance.

**Support for community groups to play a bigger role** – co-ordinating community capacity-building support through “Together We Can” and “Take Part” will support residents and communities to take advantage of the opportunities outlined in the Paper.

## **2. Effective, accountable and responsive local government**

*“Leadership is the single most significant driver of change and improvement in local authorities”*

The second key theme identifies that “localities need effective democratic governance with strong, accountable and responsive leadership”. The Paper suggests that existing local governance frameworks may limit the effectiveness of decision-making processes; unclear accountability mechanisms and low levels of citizen participation often compound this situation.

*The White Paper sets out the following key proposals:*

**More diverse and representative councillors** – introducing measures to encourage more people to put themselves forward for election so that over time the age, gender and ethnic composition of councils becomes more representative of the communities they serve. An independent review will address the incentives and barriers to serving on councils with the aim of increasing the number of candidates and promoting diversity amongst those candidates.

**Councillors as democratic champions** - supporting the role of non-executive councillors as democratic champions for their local areas, able to speak out on local issues like planning and licensing, and have real influence over local services. The White Paper states that councillors will have new powers through the Community Call for Action. Government will work with the LGA, IdeA and Leadership Centre for Local Government to define clearly the role for councillors and provide capacity-building support.

**Enacting community rules and bylaws** - extending the powers of councils to pass local laws to deal with local problems. Councils, without Secretary of State confirmation, will have the power to enact byelaws and enforce them through fixed penalty notices.

**Stronger leadership** - legislating for stronger, more accountable local leadership by offering local authorities a choice of three executive models – (i) a directly elected mayor, (ii) a directly elected

executive, and (iii) an indirectly elected leader with a four year term – allowing authorities to adopt the mayoral model, following consultation with their communities, but without the need for a referendum. All executive powers will be vested in the mayor or leader, who will be responsible for appointing cabinet members and allocating portfolios.

**Strengthening overview and scrutiny committees** to improve accountability, including: (i) enabling committees to review specific actions of public bodies operating in the area, (ii) making them responsible for considering Community Calls for Action referred to them by councillors acting as advocates for their communities, and (iii) encouraging them to consider matters raised in petitions. New legislation will strengthen the role of overview and scrutiny committees requiring public service providers to appear before the committee or provide information within 20 working days. The committees will be encouraged to have a greater role in policy development and strategic issues contained within the Sustainable Community Strategy and Local Area Agreement.

**Improving participation and electoral arrangements** - giving all local authorities the freedom to opt for whole council elections and enabling those holding such elections to move to single member wards. The Paper suggests that low electoral turnout may have resulted from the confusion caused by the sheer number of local elections. Councils are not **required** to move to whole council, single member ward elections but, to enable councils to move to this system more easily, the requirement to obtain permission from the Secretary of State will be removed. However, the Electoral Commission will still retain ultimate control over the timing of such reviews.

**Localise and simplify the conduct regime** – Government will legislate to deliver a local standards committee to make initial assessments of misconduct allegations with a streamlined Standards Board having a refocused role as a light touch regulator. A simpler and more proportionate code of conduct for members and employees will be implemented.

**Opportunities to enhance effective two-tier local government** - In two-tier areas, councils are provided with the opportunity to submit proposals for unitary status by 25 January 2007, and are encouraged to develop a more integrated approach to working.

### **3. Strong cities, strategic regions**

*“Strategic leadership and co-operation – whether in cities or elsewhere – is ... essential to the prosperity of local communities”*

The third key theme within the paper states that core cities and their related city-region economies have responded to the challenges and opportunities of globalisation through the growth of the knowledge economy. The White Paper states that smaller communities can strengthen their position by finding an economic role that complements the role of larger cities. In order to ensure benefits for all, there must be careful governance and linkages to regional level. The Regional Development Agencies will continue to play a fundamental role in securing this.

The White Paper states that Government will continue discussions with our towns and cities, using the joint review of sub-national economic development being carried forward by the Department for Communities and Local Government, HM Treasury, and the Department of Trade and Industry to establish how the Government can best devolve powers and resources to regions and local authorities in cities and elsewhere.

The review will report for the Comprehensive Spending Review and will address

- The most appropriate level to locate responsibility for intervention for the different policy areas which impact on economic development, regeneration and neighbourhood renewal;

- The opportunities which exist to reduce overlap and improve co-ordination between national, pan-regional, regional, sub-regional and local agencies, both in terms of strategy and delivery;
- The institutional barriers currently hindering more effective co-ordination of policy-decisions and service delivery in the regions and how might these be overcome.

*Outside of this review the White Paper sets out the following key proposals:*

**Transport:** - Reforming Passenger Authorities and Executives to enable a more coherent approach to transport in big cities. This will include more powerful local authority representation on the Passenger Authorities.

**City Region Partnerships** – The White Paper promotes the development of City Region Partnerships to: (i) tackle **environment and climate change**, (ii) maximise the benefits of **sporting and cultural activities** and (iii) co-ordinate the policy development and delivery of initiatives that will have a significant impact upon **deprivation and poverty** issues.

**Effective collaboration through Multi Area Agreements** - There is a strong interest in Multi-Area Agreements that cross local boundaries especially with regard to economic development. Multi Area Agreements are aimed at developing a suitable sub-regional approach to economic development, taking into account *existing* regional strategies. Authorities involved in developing Multi Area Agreements will be able to set shared outcome-based targets from the national indicator set.

#### **4. Local government as a strategic leader and place-shaper**

*“need to consider how to develop vibrant town centres; to adapt to demographic changes; to assess and plan for the impact of climate change; and to build cohesive communities”*

The fourth key theme identifies that local authorities have played a fundamental role as place-shapers. Over recent years, local authorities have, through Local Strategic Partnerships, Community Strategies and Local Area Agreements set out a joint vision with partner agencies to deliver appropriate services. Effective partnerships need strategic leadership to agree the vision and priorities, as well as monitoring the impact of service delivery.

*The White paper sets out the following key proposals:*

**Reinforce the strategic leadership role of local government** – placing a statutory duty on local authorities to prepare the LAA, in consultation with others, so that it aligns with the existing duty to prepare a Sustainable Community Strategy. Local authority leaders will play a leading role on LSPs – with an opportunity to agree the chair of the LSP. Local authority executive portfolio holders will be expected to play a key role on relevant thematic partnerships, ensuring that elected members are fully involved in the LSP process.

**Strengthen local partnership working** - placing a duty on the local authority and named partners to co-operate with each other to agree targets in the LAA; and making clear that the Sustainable Community Strategy and other local and regional plans are compatible with each other. In particular, spatial planning aims should be better integrated within the Sustainable Community Strategy. The consultation requirements for the Sustainable Community Strategy, the Local Area Agreement and the Local Development Framework should address the potential for mutual integration.

**Put partnership working at the heart of local service delivery** – placing a duty on relevant named partners to have regard to relevant targets agreed between the Government and local partners in LAAs.

The White Paper proposes that more area-based funding streams be brought into the LAAs to improve further the efficiency and delivery of outcomes as well as **removing** the 4-funding block structure from LAAs into a “single pot”.

**Strengthen and simplify local arrangements for delivering responsive services and involving local people by** - streamlining procedures for involving communities in the creation of Sustainable Community Strategies, LAAs and Local Development Frameworks (LDFs). The Paper promotes the key principles of strategic commissioning to secure service outcomes in new and imaginative ways, meeting the needs of residents

## **5. A new performance framework**

*“Sustainable Community Strategies [will be placed] at the heart of what local authorities do through the new performance framework”*

The fifth key theme recognises that performance has improved since 1997, but that there are two key remaining challenges: to address the continuing decline in public satisfaction; and to drive improvements in discrete areas where performance remains low, such as children in care and some individual local authorities.

*The White Paper sets out the following key proposals:*

**Strengthening accountability to citizens and communities** through increasing choice, encouraging authorities to provide citizens and communities with timely information on services, introducing more effective means of redress when things go wrong and increasing opportunities for communities to run local services and manage local facilities (as set out in 1. Responsive services and empowered communities).

**Greater responsibility for local authorities to secure improvements, themselves and with partners** - supporting the Local Government Association’s (LGA) work on cross-service and cross-authority challenge and support; placing more reliance on self challenge and sectoral challenge. The Paper seeks to reinforce accountability by streamlining and updating best value so that it better reflects the importance of citizens as shapers of services; and by promoting more real-time performance reporting. Best value plans and reviews will no longer be required.

**Clarity about national outcomes and priorities** – reducing the number of national performance indicators (from approximately 1,200 to 200) and revising the Local Area Agreement (LAA) process (limiting LAA outcomes to around 35 plus DfES statutory targets), Central Government and local partners will agree and manage a limited number of improvement targets for each local area. These will sit alongside additional local targets to reflect local priorities.

**Risk based and proportionate external assessment and inspection** - External assessment and inspection will be better co-ordinated between the various inspectorates and will be proportionate to risk. The Paper will reform the current performance assessment arrangements for local government, removing the current CPA inspection regime and introducing *Comprehensive Area Assessment* in 2009, thereby establishing the following key elements:

- an annual risk judgement, covering risks related to outcomes, services and organisations in the area, and the extent to which these risks are being effectively managed;

- a scored Direction of Travel judgement for each local authority, assessing the pace of improvement and the likelihood that this improvement will continue;
- a scored Use of Resources judgement for every local authority, primary care trust and police authority, assessing organisational effectiveness and how well they use resources to support priorities and service improvements; and
- judgements from any inspection activity flowing from the risk assessment.

The introduction of the new system will mean that other assessment systems will end, including corporate assessments, joint area reviews (JAR), annual performance assessments (APA) and social care star ratings. None of these will continue past March 2009.

**Support for improvement and robust responses to poor performance** - Though this will only apply in a minority of cases, the White Paper also sets out a series of elements to provide support for improvement and ways to address poor performance. These are:

- peer support, including a national strategy to get the most from current investment in improvement support and capacity building
- Government Offices working closely with local authorities to co-ordinate support
- inspection
- formal intervention by the Secretary of State
- improvement notices, which can be served to a single local authority but also to a partnership
- statutory Directions, which also can be applied to partnerships
- removal of functions (the most extreme step).

## **6 - Efficiency – transforming local services**

*“Ambitious efficiency gains will be required as part of the 2007 Comprehensive Spending Review”*

The sixth key theme acknowledges the efficiency savings that local authorities have already implemented, but Government expects that transformation and efficiency should also include delivering the right service that meets the needs of individuals and communities.

*The White Paper sets out the following key proposals:*

**Transforming local services through efficiency** - There should be greater service collaboration between councils and all public bodies, underpinned by understanding the needs and preferences of the users, ensuring that administrative boundaries do not act as a barrier to service transformation and efficiency.

**Business process improvement and flexible working** – driving a more extensive use of business process improvement techniques, including technology, to transform service delivery – thereby focusing services around the needs and preferences of users. Citizens want right-first-time, seamless and accessible services.

**Competition** - greater contestability through the use of fair and open competition is encouraged.

**Stable finance** – moving towards a three year formula grant settlement (2008-2011), enabling local authorities to publish three-year council tax projections and to provide more stable funding for partners in the third sector, supported by key Compact funding and procurement principles.

**Support** – a new programme of integrated regional capacity-building will be developed to meet efficiency challenges.

## **7 - Community Cohesion**

*“Stronger local leadership, greater resident participation in decisions and an enhanced role for community groups”*

The seventh key theme states that diversity has brought enormous economic benefits, but that change and migration also create challenges. Stronger local leadership, greater resident participation in decisions and an enhanced role for community groups, can all help local areas to promote community cohesion. Creating cohesive communities and tackling extremism is an integral part of providing better public services and working for better places and is essential for local government’s place-shaping role.

*The White Paper sets out the following key proposals:*

**Role of Central Government** - Working with local authorities facing particular community cohesion challenges, they will: provide support for areas facing difficulties; help share best practice between authorities; and support the establishment of forums on extremism in parts of the country where they are necessary.

As well as setting legislative frameworks, they will also encourage the Commission on Integration and Cohesion to produce more detailed plans on how to deliver a step change in promoting cohesion.

**Role of Local Government** - Local Authorities are leaders of their communities and are best placed to understand the challenges of their towns and to work with their communities and partners to respond. It is only at a local level that the underlying tensions of drivers can be understood and addressed.

Tackling extremism is a major role for local government. Preventing extremism, along with winning hearts and minds and working with local organisations and community leaders, is an essential part of local authorities wider remit on cohesion.

### **Eight Guiding Principles**

Based on successes in local areas, the paper proposes 8 guiding principles to achieving community cohesion:

1. **Strong Leadership and Engagement.** An agreed local vision devised through engagement and supported by strong leaders is essential for reducing the risk of tensions. Clear and strong leadership is also needed to make and justify important and difficult decisions.
2. **Developing Shared Values.** This provides the basis for creating a shared future. It can be achieved in a number of ways, from developing schemes to enhance minority groups’ understanding of English, to strong leadership against extremism, or simply the celebration of diversity.
3. **Preventing the Problems of Tomorrow.** Conflict resolution projects help to build understanding and resilience across communities. However, contingency planning for responding to possible future crises, often within the full media-glare, is crucial.
4. **Good Information.** Intelligence needs to be systematically collected to ensure that the key players in the community are being used to shape relationships, as well as to understand a community’s different traditions and ethnicities. However it relies on good contacts and networks. The way issues are reported by the media also has a significant impact on cohesion.

5. **Visible Work to Tackle Inequalities.** A commitment to social cohesion has to have building a fair and more equal society at its heart and tackling inequalities provides a strong foundation for cohesion.
6. **Involving Young People.** It is essential to engage young people in a way that will attract them. Creative activities can fill the vacuum that is often exploited by extremism.
7. **Interfaith Work.** Faith leaders play a vital role and can help to keep the lines of communication open. Relationships with established faith communities can help newer faith groups develop a successful structure.
8. **Partners such as local Third Sector Organisations.** These can help to reach groups at grassroots level whose voice is critical to debate. They can also link communities together and create opportunities for people of different backgrounds to work together towards a shared goal.

### **Making the Promotion of Cohesion Core Business**

Five issues are highlighted:

- **Improving leadership.** A vision to promote a strong local vision requires quality leadership skills. Leaders need to be developed who can be advocates for cohesion, represent the diversity of their communities and embody a set of shared values.
- **Strengthening partnership working.** A local authority alone cannot address community cohesion. It is vital that partners from public, private and third sectors, as well as local citizens work together to identify problems, develop solutions and deliver on their priorities.
- **Clear Focus on Outcomes in Performance Framework.** Central government will agree targets with local authorities to monitor performance in relation to cohesion. Local government should also help to spread good practice to help other authorities to achieve cohesion.
- **Overview and Scrutiny Committees.** These will help: to explore and present facts about controversial local issues; to counter misinformation; and to consider how best to promote cohesion.
- **Supporting Local Responses to Recent Immigration.** Work with partners to develop and disseminate good practice for local areas facing migration pressures. Tackling such issues as housing, employment and language support.

**Making Tackling and Preventing Extremism Core Business** - working to promote cohesion in the wider community will not work, unless radicalisation and extremist ideologies are prevented in the first place. There is a need to engage with:

- Local people, particularly but not exclusively, from Muslim communities.
- Local leaders, who are best placed to understand what is happening in their communities, who they need to work with and what will be effective.
- Local partners to strengthen relationships through thematic cohesion partnerships.
- Government-supported forums on extremism which will be established in some areas. These will include education programmes, debates, interfaith activities and advice and guidance aimed at young Muslims.

### **The Commission on Integration and Cohesion**

- All parts of government, as well as communities themselves, need to do more to tackle cohesion and extremism. The local picture is critical.

- The commission will be consulting in November 2006, when local authorities and partners can engage with the Commission as part of their commitment to work on cohesion.
- Using this report as a framework, a full proposal will be produced in July 2007.