

# “STRONG AND PROSPEROUS COMMUNITIES”: THE LOCAL GOVERNMENT WHITE PAPER OCTOBER 2006

## PROGRAMME AREA RESPONSIBILITY: CORPORATE STRATEGY AND FINANCE

CABINET

16TH NOVEMBER, 2006

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### Wards Affected

County-wide.

### Purpose

To note the Government's proposals in the Local Government White Paper, *Strong and prosperous communities*, and begin to consider their implications for the Council and how it may need to respond.

### Key Decision

This is not a Key Decision.

### Recommendation

**THAT the proposals in the Local Government White Paper, *Strong and prosperous communities* be noted and initial consideration be given to their implications for the Council and how it may need to respond.**

### Reasons

The White Paper sets out key Government intentions regarding the future of local government and promises legislation at the earliest possible opportunity to give effect to them. There are important implications for the Council, which it needs to understand and take into account in its own planning and programmes.

### Considerations

1. The White Paper sets out, in two volumes running to over 230 pages, a wide-ranging programme to strengthen the contribution local government can make to local and national prosperity and quality of life. The full text is available at <http://www.communities.gov.uk/strongprosperouscommunitieswp> Hard copies can be obtained from Democratic Services, Members' Support Office, tel: 260201.
2. The Government's summary of the White Paper is at Appendix 1.
3. The Local Government Association's summary and comments are at Appendix 2.
4. The White Paper's driving aim is to give local people and local communities more influence and power to improve their lives. Crucially for the Council, it proposes to achieve this by strengthening the role and powers of local authorities at the heart of

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Further information on the subject of this report is available from Steve Martin, Corporate Policy and Research Manager on 01432 261877

securing continued improvements. In his Foreword, the Prime Minister speaks of providing, "...a new approach to local partnership to give local authorities more opportunity to lead their area, work with other services and better meet the public's needs." In her Preface, the Secretary of State says, "It is now time to show our confidence in local government, local communities and other local public service providers by giving them more freedom and powers to bring about the changes they want to see."

5. But with this freedom, and a more proportionate, risk-based approach to external assessment and inspection, comes a firm expectation that the involvement of the public and the voluntary and community sector in the councils' activities will be raised to much higher levels; that the views and perceptions of the public will be the core test of local performance; that the quality of services will continue to rise; and that, following the Government's Comprehensive Spending Review 2007 (CSR07), there will be a requirement for additional ambitious efficiency gains "necessitating a more radical and ambitious value for money programme, with effective and direct challenge for poorly performing or coasting services."
6. Two crucial pieces of the jigsaw are yet to come: Sir Michael Lyons's independent inquiry into local government funding, which will report to Ministers by the end of 2006, and the Government's subsequent decisions. The priorities for reform identified in Sir Michael's report in May – greater clarity about the respective roles of central and local government, greater recognition of local government's role as a 'play shaper' and co-ordinator of local services, and a recognition within local government of the need to improve its capability to do this job – are all key themes of the White Paper.
7. In a number of respects the Council is already pressing ahead in pursuit of the White Paper's objectives and therefore well-placed to go on to meet the Government's expectations. These include:
  - having an established, and recently renewed, Sustainable Community Strategy, a Local Area Agreement and associated single-pot funding (all authorities will be required, by law, to have them all by April 2009)
  - having committed to the principle of full integration with the Primary Care Trust by April 2008 (the Council's proposals are much more radical and thorough-going than those for which the Government says it proposes to legislate to enable local authorities and PCTs to work together effectively to deliver shared national and local priorities; it may be worth exploring with Government urgently whether the opportunity could be taken to remove any legislative obstacles that would stand in the way of the extent and nature of integration the Council and PCT wish to achieve)
  - having a track record of seeking more effective mechanisms for the delivery of services at arms-length from the Council (but with a good deal more to do to establish a consistently high standard of commissioning and market-making, for instance in relation to meeting future challenges in the provision of adult social care)
  - having as one of its top priorities securing the essential infrastructure for a successful economy, including Rotherwas Futures and the Edgar Street Grid (the White Paper identifies strong cities and city regions as the key to future prosperity but suggests that smaller cities, towns and rural areas can contribute and share in this "...through authorities prioritising economic development.")

- having set in train a comprehensive programme of business transformation, including *Herefordshire Connects*, to deliver high levels of cash-releasing savings and substantially improved, more flexible services for users (the adequacy of which will need to be reviewed in the light of the targets for further efficiency savings set by Government in CSR07)
  - having put in place and rolling out its *Community Involvement Strategy*, recently adopted a much more ambitious *Communications Strategy* and with a well-established relationship in policy development and delivery with the voluntary and community sector (although, in all cases, there is a good deal more to do to deliver the full benefits, and they will need to be reviewed and refreshed in due course as the full implications and requirements of the White Paper become clear)
8. Other key proposals in the White Paper that will require the Council to act include:
- the choice of model for executive leadership, with all the options involving the vesting of executive power and responsibility in the Leader (or Mayor) for four years at a time
  - the requirements in respect of Leaders and lead portfolio holders playing a more prominent role in respect of local strategic partnerships and local area agreements
  - further strengthening the role of scrutiny and local members, particularly in respect of the proposed Community Call for Action, the use of the proposed extended powers to call other public bodies to account and in promoting community cohesion (new guidance is promised on overview and scrutiny)
  - integrating the Sustainable Community Strategy and the Local Development Framework
  - considering wider approaches to shared services, delivery mechanisms and procurement with other bodies to deliver efficiency savings and better services
  - completing the transition in social care and other services to focus on prevention and early intervention
  - reviewing the *Herefordshire Community Strategy*, the *Local Area Agreement*, the Corporate Plan and other Council plans in due course to take account of the promised reduction in the number of nationally required performance indicators and targets and the scope for local indicators and targets
  - considering how to respond when it becomes possible to ask the Electoral Commission to consider a move to single-member wards
  - considering budgets for individual councillors to use on small projects in their wards, neighbourhood/parish budgets and transferring to communities the ownership and running of local assets
  - the strengthening of the Council's capacity, with its partners, for self-challenge in preparation for the new Comprehensive Area Assessment, which will replace the present Comprehensive Performance Assessment, including the Joint Area Review of Children And Young People's Services and other assessments and inspections, from April 2009

- role of the Standards Committee to carry out the majority of code of conduct investigations locally rather than the Standards Board for England.

## **Financial Implications**

There are no immediate financial implications. These will become apparent in the light of the Government's response to Sir Michael Lyons's report on the future funding of local government and the outcomes of CSR07 more generally. There are likely to be resource implications for the Council in dealing with Community Calls for Action and support for Scrutiny. Local investigations carried out on behalf of the Standards Committee may require an increase in resource to conduct such investigations and for hearings and meetings of the Committee.

## **Alternative Options**

The Council has no alternative but to consider the implications of the White Paper and prepare to meet the statutory and other requirements.

## **Risk Management**

Careful preparation to respond to the White Paper must be integral to the Council's planning and performance management, including that for the Herefordshire Partnership.

## **Consultees**

None immediately, but the Council will need to work with partners and involve the public extensively as it implements the White Paper.

## **Background Papers**

The White Paper.