

## Report

**June 2017** 

# Sector-led improvement in 2016/17

This paper reports the achievements of the sector's improvement programme for 2016/17.

It explains how the Local Government Association (LGA) has used Department for Communities and Local Government (DCLG) grant in 2016/17 to help councils and to support improvement and innovation in the sector.

## Introduction and background

Sector-led improvement is the approach that councils and the LGA have put in place to support continuous improvement.

It is an approach developed by and delivered with the sector and is underpinned by the following key principles:

- councils are responsible for their own performance and improvement
- councils are primarily accountable to local communities
- councils have a collective responsibility for the performance of the sector as a whole
- the role of the LGA is to maintain an overview of performance and to provide tools and support.

The support 'offer' itself is based on what we have learnt works for improvement – strong political and managerial leadership, challenge from one's peers, the ability to benchmark performance against others through the use of comparable data and the sharing and spreading of good practice.

Councils can access the support through our team of regionally based principal advisers (PAs). PAs are the LGA's focal point for discussions with councils about their improvement needs and the support the LGA can make available. PAs work with colleagues from other regionally based improvement programmes, for example with the care and health improvement advisers funded by the Department of Health, to coordinate support and with other regionally based organisations supporting councils, for example London Councils and other regional LGAs.

The approach has been hugely successful.

- Residents remain satisfied and continue to trust their local council. 65 per cent of residents remain 'very' or 'fairly' satisfied with the way their local council runs things.
- Two-thirds of a raft of performance indicators commonly used by councils to assess their performance have improved.
- 87 per cent of leaders and chief executives say support from the LGA has a positive impact on their authority.
- 96 per cent of councillors say they feel more confident in their role having participated in our leadership programmes.
- The number of councils requiring DCLG to formally intervene in remains extremely low, with no councils entering formal intervention in the last financial year.

Our record over the last year, as illustrated in this report, shows yet again the critical role played by the LGA, in partnership with others including DCLG, in ensuring the performance of councils, addressing

those at risk of underperformance, driving improvement across the sector, supporting councils through significant changes and supporting strong local leadership.

#### **Programme delivery**

The programme for 2016/17 was based around four themes:

- Improvement through peer support
- Efficiency and productivity
- Strong political and senior officer leadership
- Strong communities with excellent public services.

Key highlights and deliverables from each theme are set out in the remainder of this report.

## **Overall highlights**

During 2016/17 the LGA:

- delivered 119 peer challenges to a wide range of councils
- developed over 700 councillors through participation in our various leadership programmes
- provided tailored support through the use of member/officer peers for a total of 193 councils
- helped councils save an estimated £13.2 million through the use of collaborative procurement frameworks and our deployment of commercial experts
- helped councils save in excess of £26 million through the deployment of our productivity experts
- created a new database for capturing and sharing innovative practice containing 1,000 examples
- supported 112 councils on a range of workforce issues
- helped councils identify savings in excess of £60 million through Local Partnerships
- supported the emerging combined authorities with bespoke support and through the creation of a network to share good practice.

Further details about our support offer are available here: www.local.gov.uk/our-support

## Improvement through peer support and challenge

Challenge and support from one's peers lies at the heart of sector-led improvement and underpins its success.

This is the theme under which the vast majority of our peer support and peer challenge work is covered.

Improvement support provided by one's peers is effective because peers bring with them their practical knowledge and experience of working in local government and the challenges councils are facing. This means that they are able (much more so than inspectors or private consultants) to:

- understand the challenges councils are facing and get to the heart of the issue
- challenge any misunderstandings or unrealistic expectations held locally
- provide practical advice based on real experience
- offer advice in a way that is sensitive to local dynamics.

And because the advice and support is perceived to be coming from people who know what they are talking about it is much more likely to be accepted and acted upon than if it was coming from those with little or no practical experience.

The peer based offer operates on a tiered basis, recognising that whilst most support offers will be universal (eg peer challenge, where there is an expectation that every local authority will have a corporate peer challenge or finance peer review (at no cost) at least every four to five years) some councils will sometimes face more significant challenges and will require a more bespoke package.

## Some highlights for 2016/17

- Delivered 119 peer challenges.
- 70per cent of Corporate Peer Challenges (CPCs) delivered in 2016/17 were 'first time' CPCs.
- Secured 2,500 days from member and officer peers working in councils to support the peer challenge process.
- Delivered 17 peer training and development days, recruiting over 300 new member and officer peers.
- Provided 193 authorities with tailored support through the use of member and officer peers.
- Continued provision of intensive support to councils facing the most severe challenges, minimising the need for DCLG intervention.

Further details about our peer challenge offer, including the Cardiff evaluation, are available here: www.local.gov.uk/our-support/peer-challenges

Peer challenge lies at the heart of the sector's approach to improvement. During the year, 119 peer challenges were carried out with teams of peers from councils and also colleagues from other public sector organisations including the NHS, police and central government. Peers were also used from the voluntary sector and business community.

"The real sign of a mature organisation is one that continues to learn and welcomes challenge by others. The peer challenge is an absolutely critical element of this learning and it has helped us build confidence in our direction of travel and ability to deliver, as well as providing useful challenge and advice on areas where we could do more, for example creating space for innovation and being more open to taking risk."

#### **County Council Chief Executive (April 2016)**

We also commissioned an independent evaluation of the approach from the Centre for Local and Regional Government Research at Cardiff University to assess the effectiveness, impact and value for money of the CPC programme. The evaluation concluded that CPC remains a highly effective tool at the heart of the sector-led improvement programme, has a positive impact for participating councils and the sector as a whole, and provides value for money. It also provided a number of recommendations which we have implemented and which will inform the continued development of the peer challenge process.

#### **Findings from Cardiff University**

- Authorities gave very positive feedback about the quality of peer challenge teams.
- Corporate Peer Challenge
  - has a positive impact at a corporate level
  - provides reassurance for the council
  - o creates behavioural and organisational change within the council
  - o provides value for money.
- The process can be a trigger for a set of activities and support from the LGA that has further impact on improvement.
- The LGA's role in managing the CPC process is highly valued by councils.

Our change of control support and practical support to help councils manage and resolve issues between the political and managerial leadership are two examples of how we seek to prevent problems arising in the sector. Changes in leadership/political control and a lack of trust and confidence in relationships between leading members and senior staff are two of the factors that, when taken together with others, can signal potential risk and underperformance.

We seek to prevent that by providing mentoring support from experienced member peers for new leaders and cabinet members and acting as a trusted partner to resolve complex disputes between senior members and managers. Our advice and support enables the councils concerned to resolve issues quickly and discreetly, thus minimising any detrimental impact to service delivery or reputation.

During the course of the year we provided such support to 25 councils where there had been a change in political control or change in leader, and a further 10 councils which were experiencing significant governance issues.

Our support for the Centre for Public Scrutiny (CfPS) has enabled them to provide direct support to councils and councillors in developing scrutiny skills and expertise, holding both local government and other parts of the public sector to account as democratically elected local representatives. During 2016/17 CfPS provided support and advice to 46 local authorities.

Throughout 2016/17 we have continued to offer more intensive support to the small number of councils facing severe performance challenges and at potential risk of government intervention. Councils have access to a rapid response team of senior members/officers with the appropriate mix of skills and experience and an appropriate package of support. Our practical supports helps councils to turn things around and avoids the potential costs of intervention which we know can be significant.

"All councils face challenges. The LGA provides a safe place where those challenges can be discussed and aired. In our experience the support and guidance of the LGA has been very valuable in ensuring my council has the strong political and managerial leadership it needs to the benefit of our residents and businesses."

**District Chief Executive (May 2017)** 

## **Efficiency and productivity**

Increasingly councils are looking to the LGA for support in managing their costs and demand pressures and finding new ways of developing alternative income streams in order to reduce their financial dependence on government and their call on local taxpayers.

Councils have made great strides to reduce costs whilst, at the same time, maintaining the quality of service delivery; but providing value for money and improving efficiency and effectiveness remains as important today as it has ever been.

Our efficiency and productivity programme provides a range of support to help councils achieve this, grouped into three broad areas.

- Transforming services: either to make them more efficient and less wasteful or to find more effective ways of delivering to meet local people's needs.
- Smarter sourcing: commissioning and buying the services, goods and works that contribute to local outcomes more effectively and, where possible, more cheaply, and managing the resulting contracts to optimise value from them.
- Generating income in order to maintain delivery in response to local priorities and reducing
  public finances. This can involve generating a greater proportion of funding locally, such as by
  commercialising the authority's existing skills, assets or commodities or investing to grow the
  local economy to generate wealth for the area.

## Some highlights for 2016/17

- Helped councils save an estimated £13.2 million through the use of collaborative procurement frameworks and our deployment of commercial experts.
- Launched our second programme with the Design Council, helping councils use design techniques to re-design service delivery to save costs and improve effectiveness; and supported seven local authority behavioural insights pilots working with the Behavioural Insights Team.
- Deployed productivity experts in 34 councils to deliver £26.5 million of efficiency savings.
- Hosted 65,965 visits to LG Inform our comparative data service, with 247,242 page views.
- Helped councils identify in excess of £60 million of savings through our support and joint work with Local Partnerships.

Further details about our efficiency and income generation offers are available here: www.local.gov.uk/our-support/efficiency-and-income-generation

We have continued to encourage councils to consider the potential benefits of shared service arrangements and during the year launched a shared services 'matchmaking' service to provide assistance to councils who wish to share services and/or management teams with other councils.

The offer includes access to funding for a dedicated shared service expert and/or paid-for external mediation advice and support. During the year we also updated and re-launched the popular interactive Shared Services map, which demonstrates that the vast majority of councils are involved in some form of shared service arrangements across the country. The 2016/17 refresh of the map identified 296 shared service arrangements contributing to £500 million of efficiency savings. The map is in the process of being updated and savings and partnerships are anticipated to be significantly higher than these figures.

In accordance with the National Procurement strategy for local government, we have continued to develop new category strategies in high spend areas which councils can use to procure more effectively.

Our new ICT Category strategy sets out how the sector can leverage this spend to enable real digital transformation - meaning councils can save significant amounts, not just in terms of IT expenditure, but more importantly deliver savings across their business operations. The procurement frameworks produced this year are estimated to have helped councils save in excess of £13.2 million.

Local government's interest in commercialisation and income generation has continued to grow throughout 2016/17. We launched the LGA Commercial Skills Procurement Solution (CSPS) to provide councils with a place to procure commercial skills at a competitive rate to make the delivery of commercial projects easier.

In partnership with the Institute of Directors (IOD) we also launched a new commercial skills training offer for senior officers, designed to equip officers with additional knowledge, expertise and commercial skills and help councils pursue appropriate and well considered commercial opportunities. In addition, experts have been commissioned through the LGA's Commercial Experts programme to work with 10 councils this year to contribute towards £12.2 million additional income for these councils.

## **Productivity Experts programme**

This programme provides an opportunity for councils to access expertise that will provide them with the skills they need to realise ambitious efficiency savings and income generation. During 2016/17 productivity experts worked with 34 councils to deliver £26.5 million efficiency savings. The experts provided support around a wide range of areas, including economic growth, procurement, asset management and specific service efficiency reviews.

An external evaluation of the Productivity Experts programme found that the programme had contributed to efficiency savings/income generation in the vicinity of £133 million.

#### **LG Inform**

LG Inform is our online data and benchmarking service, and continues to go from strength to strength. This free, online service allows anyone in councils and fire and rescue services to access and compare both contextual and performance data for their local area.

One hundred per cent of councils are signed up to LG Inform, which now has 4,806 registered users (an increase of 20 per cent in the past 12 months). Authority users can view data or pre-written reports, and create their own reports, using the most up to date published information.



During the year we added an additional 1,400 metrics to the database: which now contains 4,592 metrics in total. And we organised over 20 training events involving 370 delegates from over 100 organisations

Many more use the public version of the site without registering: in total there were 66,000 visits over the course of the year.

LGInform is accessible here: http://lginform.local.gov.uk

We recognise that sometimes other organisations are better placed to provide practical support. We have worked with CIPFA to develop a range of fraud awareness tools for elected members; we have supported the One Public Estate programme which is now working with 249 councils to deliver public land and property initiatives; and through our collaboration with Local Partnerships we have helped 53 councils deliver £25.5 million efficiency savings and identified a further £35 million of potential savings.

We have provided financial advice and assistance to 35 councils throughout the year ranging from our financial reviews and financial health checks to practical support on financial matters and governance. Since financial issues rarely stand on their own, this work is often part of a wider package of sector-led support. Additionally we have recruited a small number of finance improvement and sustainability advisers to enhance our capacity to support councils on financial matters. Advisers will work alongside our principal advisers to ensure we are able to be proactive in supporting councils with financial challenges.

We have delivered a comprehensive programme of support around better use of data and digital transformation including:

- developing two new data standards for elections results and local services
- supporting 176 authorities through events, webinars and e-learning modules, involving 530 staff
- providing data experts for eight councils
- supporting 15 councils as part of the Digital Transformation programme.

We have also set up the Local Government Cyber Security Stakeholder Group to widen digital and cyber resilience awareness across local authorities and highlight good practice and advice.

## Strong political and senior officer leadership

We know that local government is only ever as vibrant, effective and relevant as the people running it. So we have a duty to support and challenge the politicians of today to be the best leaders they can and to encourage and talent spot the best leaders for the future.

The LGA's Highlighting Leadership offer provides a range of programmes, events and resources aimed at supporting and developing councillors at all levels and helping them progress through the various stages of their political careers. Key programmes include:

- encouraging new talent into the sector through our 'Be a Councillor' campaign
- helping non-executive members develop in their roles as community leaders, facilitators and advocates
- supporting leadership development through the Leadership Essentials programmes and Leadership Academy
- the Leaders Programme designed specifically for council leaders.

## Some highlights for 2016/17

- 649 councillors participated in our leadership programmes.
- Recruited 64 participants to the Next Generation programme aimed at talented councillors across the political parties.
- Placed 94 graduates on the National Graduate Development Programme (ngdp).
- Supported 112 councils to help them transform their workforces and modernise the way they are managed.
- Launched 'Walk Tall: The 21st century public servant' and the 'Come back to social work' campaign.
- Increased the diversity of councillors who attend our programmes.

Further details about our political leadership offer are available here: www.local.gov.uk/our-support/highlighting-political-leadership Further details about our managerial leadership offer are available here: www.local.gov.uk/our-support/highlighting-managerial-leadership

During the year we undertook an evaluation of our political leadership programmes. A survey, based on our Political Skills Framework, was sent to all councillors who have taken part in one or more of our

programmes within the last two years with follow up interviews with a sample of respondents, to help gather more detailed and anecdotal feedback.

Headline findings demonstrate that:

- eight out of ten respondents who took part in our programmes did so to 'develop their capacity to lead' and 'to network and learn from other councillors'
- ninety five percent said their objectives had been 'fully achieved' or 'largely achieved' by the leadership programme(s) they attended
- ninety six per cent said they felt more confident in their role as a councillor either 'to a great extent' or 'to a moderate extent', having participated in our leadership programmes
- the diversity of attendees increased from 10 per cent of BAME (black, Asian and minority ethnic) delegates to 16 per cent.

The following word cloud has been created to illustrate the reported benefits of the programme with the size of the words reflecting the number of times it was used:



The results of the evaluation will be used to inform the development of our leadership programmes for 2017/18 and beyond.

During the year we have refreshed, updated and promoted the 'Be a Councillor' campaign, leading to increased take up locally. In particular, this year saw the first 'Be a Councillor' event held in partnership with a council (Isle of Wight), focused specifically on engaging more women in politics.



Attending our political leadership programmes gives councillors a unique opportunity to network with other members from different tiered authorities and usually across the political spectrum.

Our managerial leadership development programme starts by growing future talent with the National Graduate Development Programme (ngdp), through to opportunities for senior officers with the Institute of Directors. We also support councils on workforce issues and, new to the programme this year, work to support councils in delivering their apprenticeship targets.

As with all our programmes we have kept our e-learning offer under review to ensure it continues to reflect the challenges councillors are facing locally. In the last year new modules have been introduced on influencing skills, planning and 'what it's like to be a councillor', as part of the 'Be a Councillor' campaign. Recent revisions have been made to the Leadership and Engagement Workbook to take account of devolution and its effects on councils and communities. We now have over 8,000 registered members and the number of training options available continues to grow.

The National Graduate Development Programme (ngdp) has continued to grow in popularity and success, with more councils taking part in the scheme and an increase in application numbers. We placed 94 graduates with councils this year. As part of the programme we are also exploring secondment opportunities across different sectors, for example with the Civil Service fast track scheme.

Working with SOLACE and a range of partners we have collaborated to run IGNITE – a new training and development programme for chief executives.

We have supported councils to increase the opportunities for apprentices by sharing good practice at regional workshops, running a Knowledge Hub group and through our regular Workforce Bulletin with a readership of over 14,000.

We have continued to develop and provide tools to help councils with workforce planning. Our Decisions Making Accountability (DMA) tool helps establish the number of layers of management that each council needs, and the amount of decision-making responsibility that managers at each layer need to feel empowered to do their jobs well.

## **Decision Making Accountability (DMA)**

"The review was delivered on time and within budget, and the LGA delivery team kept everyone informed and were positive, efficient and accessible. DMA provided a 'reset button' for the council to press and move forward.

On top of this the changes did deliver savings of more than £100,000 a year. These are now being used to help protect front line services to the benefit of our residents."

Leader, Borough Council (September 2016)

## Strong communities with excellent public services

Central and local government are both committed to creating the right conditions to deliver strong local economies with local authorities delivering high quality, value for money services.

To secure the best possible outcomes there needs to be a shift in power from central to local government. The government has embarked on a journey that will bring power close to local communities. Our offer is to help councils on this journey. For those with devolution deals already agreed, it will involve helping them with implementation. For those that are just embarking on the journey, it will involve help to establish the meaningful partnerships required to sustain any deal.

In addition, we work with councils on a range of other thematic or service specific issues including improvement support for flooding, housing and community cohesion. The LGA also provides support on all the machinery associated with the pay negotiations.

## Some highlights for 2016/17

- Provided a range of national level support, plus more tailored support to specific areas on devolution and established the combined authority chief executives network.
- Ran a series of regional workshops to strengthen taxi and PHV licensing arrangements attended by over 200 councillors and officers; updated our taxi and PHV licensing handbook.
- Produced a series of publications and held events to help councils deliver their public health responsibilities.
- Completed a two year deal on pay and agreed terms of reference with the trade unions to enable negotiations to start on changes to the national pay spine in light of the new National Living Wage.
- Launched the 'Come Back to Social Work' pilot in September, to select and train 30 experienced social workers to return to local government employment.
- Supported councils to strengthen community cohesion, including an online resource with guidance, case studies and toolkits.

We provided a wide-ranging programme of support to the devolution agenda in 2016/17. We have worked with all combined authority/devolution deal areas and also with aspiring areas to provide direct support. This bespoke support has varied from place to place but has tended to focus around implementation of deals, negotiation with government, leadership development, governance, constitution and governance support, completion of assurance frameworks, communications and civic and democratic engagement and practical policy support.

In addition we have produced a range of widely available material, including:

- developed and tested a combined authority self-evaluation diagnostic to help the sector reflect upon progress to date, consider areas for improvement, and identify where external support would be helpful
- commissioned and launched a new tax and spend tool (ESPRESSO) to help local authorities understand the scale and distribution of tax recuperation and expenditure on public services
- refreshed and redesigned our online devolution hub as the first point of reference for the sector on devolution and the support available.

Further details are available here: www.local.gov.uk/devolution-support

Our work on supporting community cohesion has come into sharp focus as a result of events during the year. We have created an online resource for councils setting out case studies, guidance and toolkits on building community cohesion and tackling hate crime and work is underway to update LGA guidance on building community cohesion. We are continuing to work with Luton, DCLG and the Home Office on a special interest group to enable councils to share good practice around tackling extremism, have created a group on the Knowledge Hub to facilitate this and have advised on the content of a resources guide for practitioners. We have commissioned a councillor's guide on scrutiny of counter-extremism and Prevent work and we are organising leadership essentials programmes on prevent and counter-extremism.

In December 2016, following extensive engagement with the sector, the LGA launched the final report of the LGA Housing Commission making a number of recommendations for how local and national government can work together: to build more of the right homes in the right places; to create prosperous and well-functioning economies; to help more people into work and to increase their earnings, and; to better meet the housing needs of our ageing population. This work provided a renewed emphasis on our support to councils: to share learning and experiences in delivering housing growth in their areas, with a range of good practice captured and promoted including innovating to increase housing supply; to reduce demand on temporary accommodation; and to meet the health and housing needs of an ageing population.

The LGA workforce offer of support helps councils modernise and develop their workforce in the drive to deliver more for less. During the year we completed a two year deal on pay, delivered within the parameters set through our consultation with councils, and have agreed terms of reference with the trade unions to enable negotiations to start on changes to the national pay spine in light of the new National Living Wage by 2020. This has been supported by the collection of comprehensive data on employee numbers and pay rates from councils. Undertaking this activity at a national level is a cost effective approach for the sector. Further details about our workforce and HR support offer are available here: www.local.gov.uk/our-support/workforce-and-hr-support

#### Sector-led improvement: some reflections

Over the last year the sector has invested considerably in its own improvement, supported by DCLG grant funding. Feedback demonstrates that the support provided is valued; leaders and chief executives report that it has a positive impact and take-up across the sector is high.

Looking back over the year we are uniquely placed, as a result of our engagement with councils over the year, to offer some high level insights about the sector and the challenges it faces as we move into 2017/18:

- Perceived uncertainties around devolution (eg what would be available to an area that didn't want a mayor) and unitary local government have not been helpful. In particular uncertainty on local government reorganisation has taken up time and energy and, in some areas, had a negative impact on relationships.
- More councils seem to be grappling with significant overspends this year, with the main areas being adults, children's, homelessness and non-delivery of transformation programmes – leading to short-term measures to balance the books: things that are either 'one off' fixes or effectively transfer costs and risks to future years.
- Councils have devoted significant time and effort seeking to be equal partners in sustainability and transformation plans which haven't always led to outcomes, and there is frustration in the sector about this and concern at the delay in moving to new ways of working – not helped by delays in the Better Care Fund guidance.
- Demand pressures particularly on children's and adult social care have become much more noticeable. An increasing number of councils are also reporting budget pressures on their temporary accommodation budgets.
- Cuts to partner funding, eg police and fire and rescue services and reorganisations in health are having a big impact on the ground and impacting partnership activity, for example police and health capacity to attend safeguarding meetings and police attendance at multi-agency safe-guarding hub (MASH) sessions.
- An increasing number of councils that took out layers of management in previous years are now struggling with capacity.
- There is a strong interest in the sector about exploring appropriate commercial opportunities and lots of interest in the commercial skills training that we have offered and requests for 'commercial' councils to share their expertise and knowledge – although commercialisation and income generation are much more popular in less deprived councils.
- Housing growth is still a big issue. The length of time waiting for the housing white paper made preparation of budgets and prioritisation of actions difficult. Councils are continuing to explore new vehicles to build homes.

Whilst the sector supports a sector-led approach to improvement we know that some national commentators have, in the past, criticised its voluntary nature and therefore the ability of the sector to manage risk and also a supposed lack of transparency. Neither criticism bears much scrutiny.

In the past sector-led improvement has been criticised because stakeholders have felt less well informed about local authority performance than under previous regimes. They have felt uninformed about the sector's approach to managing risk and, because sector-led improvement is voluntary, poor performers, it is suggested, can avoid engaging.

Of course sector-led improvement is voluntary but that does not mean that councils don't participate. As our take-up analysis demonstrates (see Annex A) there is strong take up across the key offers. The analysis is used to assist in further promotion of the offers and to target areas where there is considered to be under-representation.

And as part of the approach the sector has agreed that one of the LGA's roles is to maintain an overview of the performance of the sector in order to identify potential performance challenges and offer support on a proactive basis. Working with the sector we have developed an approach to managing risk with our regionally based team of principal advisers playing a pivotal role (supported by member peers). Principal advisers seek to draw together qualitative information about the performance of councils in their areas with quantitative performance data and analysis from LG Inform, combined with feedback from our wider engagement with councils and any regionally based improvement bodies. Where the information and intelligence gathered appears to identify councils facing significant performance challenges and a potential serious concern, the principal adviser will make contact at the earliest opportunity with the authority involved to explore potential support needs. Whilst much of this activity is 'under the radar', the approach has operated well and has minimised the need for government intervention.

In terms of transparency, whilst it is the case that sector-led improvement does not deliver a simple and easily comparable 'score' for council performance such as CPA, there has certainly been no diminution in the availability of comparative performance data. Councils are still required to provide a wealth of comparable data to central government, as defined in the single data list, outputs from sector-led improvement are published as a matter of routine, and of course councils continue to publish a wide range of locally relevant information and data about their priorities and performance. LG Inform, which is available to the public, draws together published data and provides the opportunity to make a much more targeted comparison of performance across a wide range of services of importance to the public.

In terms of the future we undertook an extensive programme of engagement during the year with the sector about their anticipated support needs. This has informed our discussions with DCLG about the shape of the programme of support for 2017/18. It was clear that councils want continued support in the key areas that we provide. Peer challenge and support, the leadership work developing councilors, and specific support to help councils to deliver savings continues to be highly thought of and considered to be at the core of the improvement offer going forward.

In terms of new offers, a number of councils came forward to suggest that there is a need to develop an enhanced offer around housing, particularly the challenges around delivery and the rising cost of temporary accommodation in councils facing an increase in homelessness.

It is also the case that an increasing number of councils are looking for support around children's services – both in terms of service performance but also cost as demand pressures are impacting on many councils' budget position. The absence of a programme of sector-led support in children's services is noticeable. In light of the National Audit Office report on children in need of help or protection, which commented on the ineffectiveness of DfE's approach, we have held discussions with DfE officials on a proposed programme of council-led support that seeks to utilise the expertise of the sector to improve children's services 'upstream' of an inadequate Ofsted judgement.

Finally, in terms of our approach to delivering support, we are committed to maximising the value for money of the grant we receive on behalf of the sector to support improvement. We will continue to keep the programme of support under review to ensure that it meets the sector's needs; we will continue to look for opportunities to reduce our costs and become as efficient as possible; and we will continue to work with and through other organisations that may be better placed to provide the support that councils need.

#### ANNEX A

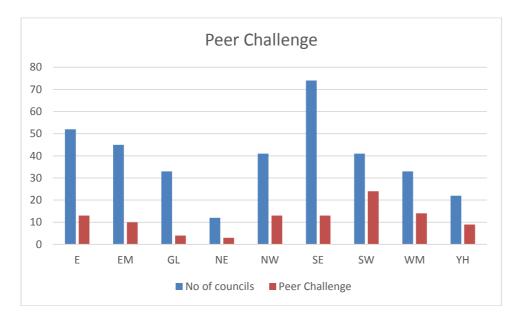
## Sector-led improvement: take-up

The LGA regularly monitors the take up of key elements of our support offer as part of our business planning process. This helps to demonstrate that support is being taken up by local authorities from different UK regions, different political compositions and different authority types.

This annex summarises the take up of the various parts of the offer in 2016/17. It provides a snap shot for the year. It is not exhaustive. Councils engage with the LGA at a number of levels and through a variety of channels, not all of which are captured in this analysis.

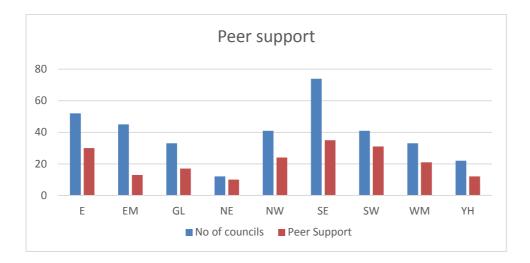
Some of the key elements and take up of the offer are summarised below.

Over the last 12 months, 119 peer challenges were delivered. Take up was highest proportionately in the South West and lowest in London – although we would expect take up to be lower towards the end of the electoral cycle.



When looking at the take up across types of councils, there was a higher take up from unitary authorities (52 per cent), metropolitan authorities and counties (both 48 per cent) than districts (20 per cent). In terms of political control Liberal Democrat controlled councils had the higher percentage at 43 per cent compared to 27 per cent of Conservative controlled councils.

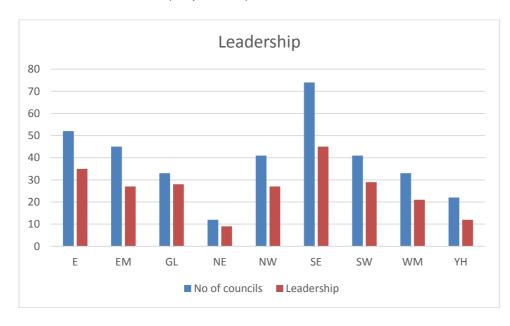
Looking at the wider peer support offer, including mentoring for leaders, portfolio holders and others, the North East as a region received the most support (proportionately) with the East Midlands the lowest.



When looking at the take up of peer support across types of councils, there was a higher take up from county authorities at 78 per cent, falling to just below 50 per cent for district councils. In respect of political control, most support was provided to councils with no overall control (81 per cent).

Governance support from the Centre for Public Scrutiny, which provides specialist training and consultancy to individuals and organisations looking to improve their governance and scrutiny skills, culture systems and processes was provided to 54 (15 per cent) of councils.

Over the year 233 councils participated in our leadership programmes. Regionally, London saw the highest proportion of take up with 85 per cent of councils and Yorkshire and Humber was the lowest but still more than half (55 per cent) of councils were involved.



We have worked directly with over 70 councils through the **productivity programme**, including, for example, 25 councils who worked with productivity experts and 26 councils who received support on digital.

A revised and extended **finance support** offer was provided to 20 councils which was in addition to the nine councils which undertook a finance peer challenge.

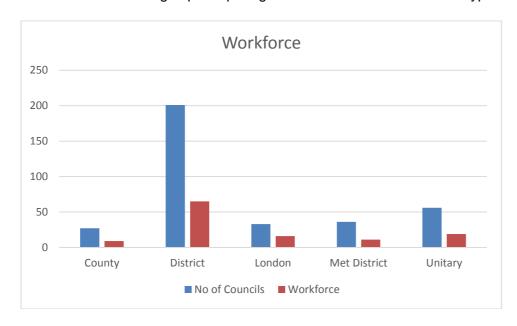
All councils use **LG Inform** the LGA's online data service.

**One Public Estate** provided support to 214 councils (61 per cent) to work collaboratively with other public bodies on public land and property initiatives that deliver efficiencies (capital receipts and reduced running costs), support local growth (new homes and jobs) and more customer focused integrated services.

122 councils (35 per cent) participated in one or more projects run by **Local Partnerships**, the joint venture between HM Treasury and the LGA that helps the sector deliver major projects and change.

Fourty-seven councils also received support in the development of plans for **devolution**.

A total of 120 councils received support from our workforce team during the year, with almost 50 per cent of London boroughs participating and around a third of all other types of councils.



#### **ANNEX B**

The Memorandum of Understanding between DCLG and LGA/IDeA regarding sector led improvement contained a commitment that ..... "The programme of sector improvement support set out in Annex A and funded through grant in 2016-17 will help to deliver at least £210 million of savings in local authorities".

Programme area	Estimated saving (£ millions) <sup>1</sup>
Peer support and challenge	24.5
Productivity and Efficiency	71.2
Audit	12.0
Data and Digital	7.9
Working through partnerships	63.9
Leadership	5.3
Workforce	35.1
Total	219.9

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<sup>&</sup>lt;sup>1</sup> Cost/savings figures provided in this report have either been provided by external consultants or from local authorities, or estimated on the basis of sample projects

#### **ANNEX C**

## Accessing the improvement offer: the role of LGA principal advisers

Principal advisers are the LGA's focal point for discussions with councils about their improvement needs and the support we can make available – working with existing sector-owned improvement bodies at sub-national level and with regionally based colleagues supporting other programmes, such as the Care and Health Improvement Programme.

Principal advisers also have a key role in identifying good and innovative practice, which is fed back into the LGA to inform the wider improvement offer to the sector.

Each principal adviser is responsible for one or more regions. Principal advisers have extensive experience of working at a senior level in local government and the wider local public sector.

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