Rural Services Network AUSTERITY BUDGETS Seminar

Sept 2010 – held in Cheltenham

This is a briefing on the content from what was an excellent event, with four specialist speakers. The Comprehensive Spending Review results have now been announced and its implications (for public Services Funding and Spending) are now just about complete. However the effects of this reduction in spending will still take several months before the results can actually be seen by all concerned, notably service users. The speakers all looked at the policies now in place, or to come, which will mitigate or provide replacement services or opportunities.

The consistent message was that communities can take on more responsibilities for themselves but that support will be needed. The obvious question of funding was highlighted but of more importance was helping communities and support organisations develop the best possible infrastructure and communications methods – to both their residents and to Public and Private Services management.

The following is a summary of three of the speakers' presentations. If you would like the complete versions, please contact me at your earliest convenience. The fourth speaker was Professor Glyn Owen who gave an analysis of the economic background of what happened in the recession and what is planned during the recovery.

Nick Chase – Head of Policy and Research at ACRE (Action with Communities in Rural England)

Web site - www.acre.org.uk/

Government's Big Society principles

- Re-balancing relationships, and expectations, between the state and civil society

- Local people taking action for themselves, replacing statutory services by voluntary action

- A focus on small neighbourhoods (parish or ward)

- Policy decisions to support bottom-up decision-making and responsibilities

- A shift from 'engagement' in shaping public services to empowering communities to deliver services

- Local government previously 'empowered' communities – it now has to enable communities **to empower themselves**

- The focus for engagement is now between **local government and individual neighbourhoods** not via area partnerships or committees

SO

- How does local government become **an 'enabler'** of community action?

- Does community action simply emerge?

- What positive or negative changes will have to be managed in relationships with communities?

- Are rural and urban differences in Big Society implementation likely to widen

Can local authorities capitalise on this?

Public sector cuts in a rural environment

- Rural service withdrawal occurs more rapidly

- Cuts happen 'tomorrow' without space for transition

- Innovative alternatives need start-up funding, but sources of investment are scarce

- Localism puts the onus on local government

- Some government policy proposals will support rural community action; others may create new hurdles.

BUT

- Rural culture already exists in 'filling the vacuum' via community action

- No shortage of good practice examples

Rural 'Big Society' in action

- Independent neighbourhood governance

- Most local community assets under local ownership

- Already delivering some 'public services'

- Culture of community-led planning to decide on local priorities

- Support systems for delivery well developed

- Rural innovation – integrated service delivery, cross sector partnerships

Government policy measures - strong rural 'Big Society' impact

- **Decentralisation of planning & New Homes Bonus**

- **Right to Build**

- **Right to Buy**

- **Right to Bid**

- **Council tax referendums**

- **Cutting red tape**

- Big Society Bank (?)

- Green Investment Bank (?)

Decentralisation of planning

- No top-down targets but payment by results to Local Authorities through New Homes Bonus

- Planning Inspectors deal only with process, not content (?)

- Impact of national planning framework?

- Local authorities set local planning policies

    – Communities that don't want housing will know LAs will benefit financially – expect NIMBY campaigns

    – Communities that do decide they need more housing will be arguing for their share of the New Homes Bonus

Right to Build

- **A community organisation that acquires land for development can gain planning permission**

    – Subject to certain requirements on governance

    – Community referendum to evidence support (80%+)

- **This will be 'outside' the planning system**

    – Limited number of statutory checks to pass re site suitability

- **Parish Councils do not qualify as community organisations**

- **No dedicated fund for Community Land Trust Development or building**

- **Potential impact on rural housing???**

Right to Buy

- A community can 'list' a site (private or commercial) if it is delivering a valued service – held by who?

- 'Listing' will prevent development through change of use, or sale on the open market

- Policy appears to be avoiding the Scottish Community Right to Buy, which requires referendums to evidence support

- Debate around what constitutes 'the community' and their wishes

- Requires current change of use categories to continue in the national planning framework.

Right to Bid

- Largely focused on development of cooperatives and mutuals, staff-takeovers.

- Rural relevance is more likely to:

  - Be focused on offering a lower or different level of service through use of volunteer labour

  - Be a response to the withdrawal of a statutory service

  - Involve a rationalisation of community facilities

  - Require time and support to build capacity to deliver

Council Tax Referendums

- Consultation proposed this applied to parish & town councils (with de minimus rule)

- Claimed to have no 'rural proofing' implications

- The relevant local authority (ie parish, fire service) would be expected to pay the costs

- Binding on the relevant authority.

This could spell disaster for:

- Devolving services to parish & town councils

- Getting people to propose local initiatives that would require an increased parish precept

- Community cohesion and any efforts to build the Big Society

Tying it all together

- Rural communities can do this, but only if:

    - New policy hurdles are not imposed (referendums, ignoring the role of parish & town councils)

    - Local Planning Authorities work with rural stakeholders to create local plan policies that obviate the need to use the Right to Build

    - Future service delivery is negotiated between local government and individual communities (who does what)

    - Communities have a chance to plan their response to loss of services in a way that is comprehensive & sustainable

    - Implementation makes a virtue of the current culture and practice in rural communities

Community Led Planning

- Community organised, involving parish & town councils and all existing community groups

- Well developed, quality standards in development, strongest approach to inclusive, collaborative democracy

- 47% of actions taken on by the community themselves, generating thousands of local initiatives

- Sustainable outcomes

- Evidence that communities can come to collective decisions on complex issues (housing, development and services)

- Exciting interest within government, because of its potential and the results it has already achieved

Conclusion

- Rural communities can do this, but only if:

    - New policy hurdles are not imposed (referendums, ignoring the role of parish & town councils)

    - Local Planning Authorities work with rural stakeholders to create local plan policies that obviate the need to use the Right to Build

- Local authorities harness Community Led Planning to challenge communities, but using independent facilitation

- Local authorities enter into negotiation with individual communities to negotiate service delivery (who does what)

- Communities have a chance to plan their response to loss of services in a way that is sustainable

For more information -

www.communityledplanning.org.uk

Matthew Wheatley – Head of Economy & Skills – East Midlands Councils (the 'EMC')

(Please note that organisations – such as the Regional development Agency mentioned – and various strategies were then closed/completed over the short timescale during which this project was undertaken so the outline does refer to collaboration etc which will soon be redundant or changed significantly with the arrival of the new Local Economic Partnerships)

This presentation highlighted the methods used across the East Midlands to evaluate how to respond to the last Government's then proposals (for dealing with the recession), and then to the new Government's policies and changes to funding. The methodology chosen best suited the grouping s and types of organisations operating across the region (and how they were working), both pre and post the last election.

 The group formed was –

a) A collective body for all the Councils

b) To look at a single regional strategy

c) To provide HR and development support to members

d) To provide representation and advocacy for members

e) To develop a Business Plan

It was government funded

The key role for East Midlands Councils was to jointly develop and sign off a single regional strategy with the East Midlands Development Agency (EMDA), which would be a combination of the Regional Spatial and the Regional Economic Strategies.

Supporting local government to make a strong input to this strategy was a key motivation

'Roughly' this a gave the EMDA a half share in the spatial strategy in return for local government, through EMC, getting a half share in a regional economic strategy.

Whilst joint structures with the EMDA were developed, the clear need was for the East Midlands Councils (EMC) to be close to and very aware of the lead members and officers for economic development within Councils, their priorities and their activity, to make sure that local government had a strong influence in the Regional Strategy.

The new Government then

       Revoked Regional Strategies

       Funding was cut

       Redundancies had to be made

       'Fit for the Future' (the report produced by the EMC) – what was its future?

       Introduced new policy agendas -

              Deficit reduction

              Developing and supporting Localism

So what did the EMC do?

It produced a wide ranging report which considered -

       Member oversight

       The Impact of the recession

              Unemployment

              Impact of cuts

       A survey of Heads of Economic Development

       Partner interviews

The Councils' Corporate response was:

       To show the Impact on finances – real and anticipated

       To have more collaboration on procurement

       To get the best understanding of local economies

       To look at best Asset management and use of Total Place

Specific to Business, they looked at:

Procurement (again)

How to support individual business sectors

Help for Town Centres

Improving/Maximising Workspace provision

What support could be given for local businesses

Promoting Low Carbon opportunities

Specific to Communities and helping them recover they –

Developed Workforce strategies

Supported Business start up

Considered Skills – levels, needs etc

Looked at what could be done to prevent hardship

Overall findings were –

More than economic development needs to be considered

There has been an innovative and wide-ranging response from councils – from small projects to multi-agency partnerships

There is a wealth of good practice – not just a single approach Councils can/should follow

For the Future

There will be less money BUT more freedom from Government control

Council have a unique role, as 'community leaders' and 'place-shapers', a responsibility than no-one else has or is able to do

To continue to share good practice through information sharing about present and proposed plans and activities

And the Conclusions were -

Share information to learn from each other and support improved practice,

Achieve greater efficiencies and economies of scale, particularly in procurement, property and support services, and

Work flexibly with business and other partners to support businesses and communities to maintain their recovery from the recession.

Simon Lawrence from Leicestershire's Total Place Programme

This was a guide to Total Place and then how when implemented for specific service areas in the region, and the results produced. Much of the detail of the work in Leicestershire has not been included here but the notable management and functional problems are given

Total Place - achieving service improvement and cost reduction through collaboration

Key principles:

- Demonstrate through collaboration across partners that service enhancement and cashable savings can be achieved.

- Ensure recommendations are founded on customer insight

- Establish issues with local government funding

- Help government departments to understand the local pressures on service delivery

  Identify where changes to government policy and legislation can help deliver local improvements

Background:

- HM Treasury and Department of Communities and Local Government sponsored (2008-2009).

- In July 2009, 13 National Pilot invited to select 'deep dive' subjects.

- Final report issued in February 2010 setting out implementation proposals and saving predictions for both deep dives.

- Government response issued as part of budget announcement in March 2010

Quotes:

"Total Place is not about trying to deliver a single percentage or number on efficiency savings. It is an **approach** to improve value for money, where agencies work together better through collaboration and local leadership."

Rt. Hon. Alistair Darling MP

HM Treasury

April 2010

"I actually quite like the idea [of place-based budgets], the idea of one stop shops, single portals, service villages and the idea of using local authorities to be the facilitator, the organiser, the cheer leader, if you like, to bring these things together."

Rt. Hon. Eric Pickles MP

Dept Communities and Local Government

July 2010

"Total Place is not just another Whitehall initiative…. So the hope is that Total Place will provide good experience to share about service improvement, suggestions about cost savings and proposals for changes in Central Government. There is no time to lose!

Lord Bichard, Executive Director of the Institute for Government and Chair of the high-level officials' group

General (*an analysis of Leics*):

- Total public expenditure within 'our place' is just over £6bn

- 5 bodies accounted for 70% of public expenditure *(DWP, 2 LA's, NHS Trust, NHS Leicestershire & Rutland)*

- Funding maps highlighted complexity of funding flows from central government to local level

- Audit commission estimated loss at each organisational layer = 20%

- The cost of performance management in the place was over £7m a year

- The cost of being in business ranges from 6.3% to 25.7%

Access to services findings:

- Generally low satisfaction with public services in the place

- Access to services seen as difficult

- Lack of awareness of services provided and by whom

- Poor interaction between websites

- Need for more 'child-friendly' environments

- Focus on issues of confidentiality

- Too many telephone numbers, often not knowing where to go

- Frustration at being passed about and needing to 'repeat their story'

- Not feeling everyone is on the same side

- Visits to too many different buildings to resolve a single issue

- Nervous about telephone menu systems

Access to Services - Key Recommendations

Telephone Services

Reduce the number of telephone call centres

Significant reduction in marketed telephone numbers

Online

Retain existing main partner sites but introduce consistency of search function and how information is presented and linked.

Introduce more services online to increase more self service

Face to Face

Undertake all partner all asset challenge to identify where buildings can be shared and which can be disposed.

New solutions likely to focus on extended use of Libraries, Children Centres and regional hubs, Multi-Access centres.

Outreach

Coordinate outreach activity

Support emerging initiatives in Adults and Communities

Which then can be summarised as:

- Review all existing **customer service governance** arrangements

- Establish a **single customer service strategy** which reflects and responds to local circumstances

- Sharing of Service and Customer Data

- Customer Journey mapping

- Continuous engagement with users during access redesign

- Ensure flexibility of design to meet local needs

- Retain access channel choice but promote self service

- Focus on clusters of services based on customer need, not organisational delivery.