Meta-evaluation of the Local Government Modernisation Agenda: Progress Report on Service Improvement in Local Government
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Preface

The 1998 and 2001 White Papers introduced more than 20 policies to modernise local government. These policies are collectively referred to as the Local Government Modernisation Agenda (LGMA). Many of these individual policies are the subject of large-scale evaluations charting progress since their introduction (as set out in the accompanying list). But what of the combined impact of the LGMA? Has the LGMA improved local government performance, enabled local government to work and interact better with its users or changed the way local government is viewed by the public?

In order to explore the potential combined impact of individual policies within the LGMA, the Office of the Deputy Prime Minister commissioned a meta-evaluation. Its remit is to identify the initiatives which have been key enablers of desired changes (as well as those which may have been counterproductive in their impact) and to explore whether the LGMA policies add up to more than the sum of their parts. The meta-evaluation brings together the findings from research into the individual elements of the LGMA and also draws upon the results of surveys and case studies undertaken specifically for the meta-evaluation.

The Evaluation Partnership, made up of all the evaluation teams undertaking research on the LGMA, is overseen by a steering group with members from the following organisations: Audit Commission, Employers Organisation, IDeA, LGA, ODPM and SOLACE.

The meta-evaluation explores the totality of the impact of the LGMA policies across five over-arching areas:

- Service Improvement.
- Accountability.
- Community Leadership.
- Stakeholder Engagement.
- Public Confidence.

Each of these areas is the subject of a Progress Report. This report focuses on service improvement and addresses the following key issues:

- Have local authority services in England been improving?
- Are improvements due to LGMA policies?
- What have been the key drivers of improvement?
- What are the implications of these findings for policy makers and practitioners at national and local government levels?
The research is being undertaken by a team led by the Centre for Local and Regional Government Research at Cardiff University which includes partners from Bristol Business School and Cities Research Centre (University of the West of England), INLOGOV (University of Birmingham), Local Governance Research Unit (De Montfort University), Local Government Centre (University of Warwick), MORI, PriceWaterhouseCoopers and York Consulting.

The views expressed in this report are those of the authors and do not necessarily represent the views of the Office of the Deputy Prime Minister.

Further information about the meta-evaluation can be found at:
http://www.clrgr.cf.ac.uk/lgma/index.html
The ODPM has commissioned a programme of evaluations of LGMA policies. This Progress Report draws upon evidence from a number of these studies as well as new primary data collected specifically for the meta-evaluation from a national survey of local authority officers and in-depth interview in six case study authorities.

The following studies are on-going:

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Acknowledgements

We are grateful to the research officers at the ODPM and our colleagues in other evaluation teams within the Evaluation Partnership for their comments on an earlier draft of this report and the local authority officers and elected members who have completed survey forms and/or been willing to be interviewed by the research team.

We also acknowledge the contributions of our colleagues at Cardiff. James Downe has managed the day-to-day running of the research and played a key role in survey design, case studies and data analysis. Tom Entwistle has led the case study research. Alex Chen has been responsible for data analysis.

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For further information about the research see www.clrgr.cf.ac.uk
Executive summary

1 Introduction

This report provides an initial assessment of the impacts of the Local Government Modernisation Agenda (LGMA) on service improvement in local government. It has been commissioned by the Office of the Deputy Prime Minister (ODPM) as part of the meta-evaluation of the LGMA, which is being undertaken by a team of researchers led by the Centre for Local & Regional Government Research at Cardiff University. The report draws on evidence from performance measures, CPA scores and residents' surveys, reports of evaluations of LGMA policies and new survey and interview data collected in summer 2004 by the meta-evaluation team.

2 LGMA policies and service improvement

There are currently eleven LGMA policies that might reasonably be expected to have a major impact on service improvement:

- The Beacon Council Scheme;
- The Best Value regime;
- Capital strategies and asset management plans;
- Capacity building;
- Comprehensive Performance Assessments (CPA);
- Electronic governance;
- Intervention and recovery support;
- Local Public Service Agreements (LPSAs);
- Local Strategic Partnerships (LSPs);
- The National Procurement Strategy; and
- powers to trade and other freedoms.
These are expected to lead to:

- improvements in the culture and capacity of local authorities;
- more effective local partnership working; and
- better central-local relations.

It is anticipated that these changes will in turn lead to:

- higher quality services;
- more cost effective services (improved value for money);
- more responsiveness services;
- more joined up services;
- improved access to services for all groups;
- increased user satisfaction; and
- increased staff satisfaction.

3 Have services improved?

The evidence suggests that overall there have been significant improvements in most services since 2000/2001.

The ODPM’s basket of indicators indicates that overall performance improved by 12.5% between 2000-2001 and 2003-2004. They show improvement across all authority types, all CPA categories and most services. Overall improvement has been most marked in district councils and authorities rated ‘poor’ in the 2003 CPA. There are large variations between services with the greatest overall improvements in culture and waste management services.

Like the ODPM’s basket of indicators, CPA scores suggest that overall local government performance has been improving, particularly among the poorest performers. 60% of upper tier and unitary councils moved up one or more CPA categories between 2002 and 2004, and the Audit Commission reports that most of the remainder achieved a net improvement in service scores. The greatest improvement was among those councils previously categorised as ‘poor’ or ‘weak’. All but one of those categorised as ‘poor’ in 2003 and more than half of those previously categorised as ‘weak’ moved up one or more CPA categories in 2004.

Surveys of officers over the last four years point to a similar picture to that suggested by the ODPM basket of indicators and CPA scores. A large majority believe that overall services have improved since 2001, although with significant variations between services within their authorities. Officers are not confident that services have become more efficient yet, but many believe this will become an increasingly important issue in the light of the Gershon Efficiency Review.
Public satisfaction with the overall performance of local authorities remains low compared to most other public service providers and has declined in recent years. User satisfaction BVPIs surveys indicate that there was a decrease from 65% to 55% between 2000/01 and 2003/04.

Fewer than half of residents believe that local authorities are efficient or provide good value for money, but net satisfaction with the overall quality of services is higher, particularly among service users.

Public satisfaction varies greatly between services and between different sections of the community (such as older and young people), but overall there is a relatively high and increasing level of public satisfaction with parks and open spaces, waste recycling and waste disposal, relatively high but decreasing satisfaction with libraries, household waste collection and the cleanliness of public land, and relatively low and declining levels of satisfaction with sports and leisure facilities. More residents believe that education provision has been improving in recent years than believe it has been getting worse.

4 Are improvements due to LGMA policies?

The evidence suggests that improvements have been facilitated by increases in resources but that key elements of the LGMA (in particular Comprehensive Performance Assessment, the Best Value regime, e-governance and the National Procurement Strategy) have been important drivers of improvement. Local authority officers highlight in particular the importance of more effective leadership and better performance management in enabling improvement.

LGMA policies have been widely implemented by local authorities and there is strong evidence that they have encouraged:

- a greater focus on improvement;
- more effective leadership by officers and executive members;
- increased engagement with users and frontline staff;
- more effective use of performance management in the day-to-day running of services; and
- increased working across departments and partnership working with other agencies.

There is some evidence that the LGMA has also encouraged the use of market testing and externalisation and outsourcing but this appears to be less widespread than other changes.
The LGMA appears to have had little impact on public satisfaction. This could be related to a number of factors including increases in council tax, the lack of priority given to services that are most important in driving public satisfaction with local government, rising expectations, inadequate communications with residents and a general decline of public trust in politicians and governments.

5 What have the main drivers of improvement been?

The evidence suggests that most of the key drivers of change that the Government has sought to encourage at local level through LGMA policies have led to service improvements.

Many authorities report that the quality of local leadership, performance management, engagement with service users, devolution to frontline staff and e-governance have all improved over the last three years.

The evidence suggests that leadership by officers and executive members has been important in driving improvements in CPA scores and is positively associated with reported improvements in service quality, value for money, and responsiveness to service users.

Increased use of performance management systems is linked to improvements in CPA scores, and reported improvements in service quality, value for money, responsiveness to users and access to services for all groups.

Partnership working with the private sector is associated with increased CPA scores. Partnership working with the private, partnership working with the public and partnership working with the voluntary sector are all associated with reported improvements in the provision of more joined up services.

Reported increases in the use of market testing are more common in authorities whose CPA scores have improved and positively associated with officers’ perceptions of improvements in service quality, value for money, responsiveness, access to services and user satisfaction.

Other important drivers of improvement include E-governance (which was particularly associated with reported improvements in service quality, responsiveness to users’ needs, the provision of more joined up services and increased access for all groups); increased user engagement (which was associated with reported improvements in the quality and responsiveness of services); and increased engagement of staff in decisions (which was associated with improved CPA scores and reported improvements in all of the main elements of service performance except for more joined up provision).
6 Do elements of the LGMA hinder improvement?

Overall LGMA policies do not appear to have hindered service improvement. But there is strong evidence (from our own case studies and those undertaken by other research teams working for the ODPM) of concerns about:

- ‘initiative overload’ (particularly among smaller authorities);
- what is seen as the increasing level of central control over local councils;
- the ways in which the provision of more joined up services is made more difficult by what councils perceive to be a lack of joined up working in central government and the inspectorates; and
- the costs of inspection.

7 Implications for policy and practice

The evidence suggests that LGMA policies have played an important role in improving services over the last three to four years. The broad thrust of current policies therefore appears to have been appropriate given the Government’s objectives, and there is no immediate need for a dramatic change in direction. However, there are a number of ways in which LGMA policies may need to be modified in order to build on the progress that has been made so far.

Implications for central government

UNLOCKING MORE FUNDAMENTAL CHANGES IN SERVICE DELIVERY

Much of the progress made so far has been achieved by encouraging poor performing authorities to conform to a model of ‘modern local government’ which involves adopting existing good practice – at corporate and service levels. Case studies undertaken by our own team and the individual LGMA policy evaluations suggest that bolder experimentation and innovation and more fundamental changes in cross-boundary working are needed to encourage more rapid improvement.

It is too early to tell whether Local Areas Agreements (LAAs) will provide opportunities for this but the recently commissioned evaluations of the LAAs pilot negotiations should provide evidence of this which will feed into the next stage of the meta-evaluation.

The in-depth interviews that we have undertaken with local authority officers and elected members have shown that many authorities are unsure about whether the all Government departments really do want to allow them greater freedoms and to encourage them to take more risks. There is, therefore, a need for a clear and
consistent message across Government as a whole that ministers wish to see authorities taking up new freedoms and flexibilities and making much greater use of the power of Well Being to develop new approaches to service delivery.

INCREASING EFFICIENCY

The evidence suggests that to date LGMA policies have given greater emphasis to raising service quality and performance than to increasing efficiency. Although the Government has introduced policies designed to improve efficiency (including LPSAs, the duty of Best Value, e-governance), local government has shown less appetite for some of the intended drivers of efficiency improvements (including the wider use of market testing and the development of a more mixed economy of provision) and to date LGMA policies appear not to have done much to encourage councils to take them on board. If the Government wishes to achieve major improvements in efficiency it may be necessary for the LGMA to provide greater incentives for authorities to consider new business models. The increased emphasis on efficiency in the CPA methodology may have this effect.

INCREASING ACCESS AND EQUITY

We have found almost no evidence about whether services are becoming more accessible. In our view more attention needs to be given to the impact of current policies on access to services for those most at risk of exclusion.

BALANCING LOCAL AND NATIONAL PRIORITIES

Our own research and other studies have shown that there is a widespread perception among local authority officers and elected members that current LGMA policies have increased central control and led to a focus on national priorities to the detriment of local issues.

In our view it will therefore be important for the Government to explore a more portfolio approach to achieving national priorities by setting stretch targets for those local authorities where these priorities are shared locally – e.g. in Local Area Agreements and second generation LPSAs. This may also help local authorities to improve their public satisfaction scores.

CENTRAL-LOCAL RELATIONS

Some of the case study authorities that we have examined in detail have suggested that what they see as the very ‘hands on’ approach embodied by the LGMA, which relies heavily on funding, targets and inspection regimes dictated by central government, may not be cost effective or sustainable in the longer term. If they are correct, more may need to be done to secure ‘improvement from within’ local government itself. This could build upon current moves by the Audit Commission towards a more risk based approach involving ‘strategic regulation’.
Implications for local authorities

EMBRACING MORE RADICAL BUSINESS MODELS

If the next phase of the LGMA is to give much more attention to unlocking and incentivising experimentation in order to achieve the next step up in terms of performance, authorities will need to be much bolder in developing new approaches to service delivery, to improve service quality and responsiveness and also efficiency.

The evidence from the case studies undertaken so far suggests that this will require culture change in many councils, a much greater willingness to accept the risks inherent in experimentation and innovation and a move away from short-termism in decision-making, both at political and officer level.

IMPROVED PARTNERSHIP WORKING

A number of the studies funded by the ODPM suggest that working with partners is now almost universally accepted as an important means of achieving service improvement, but most of our case study authorities concede that LSPs have not yet delivered significant service improvement and there is still relatively little increase in working with the private sector in some areas.

We believe that authorities therefore need to consider how to accelerate progress in partnership working, particularly at the operational level, which is likely to have the most tangible impact on services. There is also a need to develop better systems for measuring progress in dealing with cross-cutting and quality of life issues.

MAKING BETTER USE OF EXISTING POWERS

The evidence from our own and other research suggests that most local authorities still seem to be making only very limited use of their new powers of economic, social and environmental Well Being – they may need to be much bolder in exercising the autonomy which they have and more effective in making the business case for new freedoms.

RESHAPING RELATIONSHIPS WITH SERVICE USERS AND TAX PAYERS

Given current low levels of public satisfaction with local government, authorities need to give more attention to improving their relationships with the public. This might be achieved in a number of ways including:

- devolving decisions to the neighbourhood level;
- developing new forms of relationship with citizens and service users, based on citizen and user co-production and co-delivery of services;
- communicating more effectively with the public;
• convincing the public that they want to know, and will take account of their views;
• prioritising improvements in the services that the public care most about; and
• ensuring good customer care for those who contact them.

IMPROVING FROM WITHIN

The evidence from our research shows very clearly that much of the impetus for improvement in recent years has come from central government policies and inspection. In our view the current reliance on external targets, funding and inspection controlled by central government may not be cost effective or sustainable. Many of the officers and elected members whom we have interviewed believe that it is certainly not conducive to the development of vibrant, self-confident and self-sustaining local governance and local democracy. In our view individual authorities, and the local government community as a whole, must therefore develop a greater capacity for self-criticism, self-regulation and improvement from within.
Key findings

The ODPM’s basket of BVPIs, PAF scores and DfES indicators suggests that overall local authority services have improved by 12.5% since 2000/2001. CPA scores and the perceptions of local authority officers also suggest that there has been significant improvement.

In general, services in district councils and those authorities rated as ‘poor’ in the 2002 CPA have shown most improvement.

There is evidence of improvement in most services areas, and there have been particularly large improvements in the culture and waste management service blocks.

The evidence suggests that increases in resources have played a key role in facilitating the improvements shown by the ODPM’s indicators but that key LGMA policies have been important drivers of change.

Public satisfaction with the overall performance of local government is low compared to most other public service providers and has declined since 1997. Satisfaction with the value for money provided by councils has also decreased.

Public satisfaction with some services, including parks and open spaces, waste recycling and waste disposal, is high and has been increasing. Satisfaction with libraries, household waste collection and the cleanliness of public land is high but has been declining. Satisfaction with sports and leisure and cultural facilities was already low in the late 1990s and has declined further in recent years. More residents believe that education provision has been improving in recent years than believe it has been getting worse.

Service users and those who have most contact with authorities are most likely to be satisfied with their overall performance, but many residents have little understanding of or contact with local government services.

There is strong evidence that LGMA policies have helped to encourage internal changes in local authorities and service improvements over the last three years.

CPA, the Best Value regime and inspection have been important in improving service quality and responsiveness to users. E-governance has helped authorities to provide more joined up services. The national procurement strategy is having an increasing impact. Intervention and recovery support and the capacity building programme appear to have helped to improve the performance of authorities judged to be ‘poor’ in the first round of CPAs.

Some of the main drivers of public satisfaction have not been influenced by LGMA policies. One of the most important, perceptions of value for money, has been adversely affected by rises in council taxes in recent years.

The evidence suggests that most of the key drivers of change that the Government has sought to encourage through the LGMA have led to service improvement.
Many authorities report that the quality of local leadership, performance management, engagement with service users, devolution to frontline staff and E-governance have all improved over the last three years, and these are in turn associated with improvements in CPA scores and officers’ perceptions of services.

The evidence from large scale surveys of local authority officers shows that they believe that there has been less of an increase in partnership working with the private sector, market testing and outsourcing/externalisation, and that the impacts of these changes on service improvement has been mixed.

There is evidence that the volume of LGMA policies has been difficult for some smaller authorities to cope with. Many in local government believe that the LGMA has increased central control over their activities and that this has led to a neglect of local priorities and outcomes that are difficult to measure.

There is some evidence to suggest that LGMA policies have had different kinds of impacts in different authorities, but more work is needed in this area to establish whether it is important to customise policies to the particular issues confronting individual councils.

More work is also needed to establish the ways in which LGMA policies complement and/or cut across each other.
CHAPTER 1
Introduction

This report provides an initial assessment of the impacts of the Local Government Modernisation Agenda (LGMA) on service improvement in local government. It has been commissioned by the Office of the Deputy Prime Minister (ODPM) as part of the meta-evaluation of the LGMA, which is being undertaken by a team of researchers led by the Centre for Local & Regional Government Research at Cardiff University.

The meta-evaluation and this report draw upon a combination of secondary data from other studies, performance measures and primary data collected by the meta-evaluation team. The key data sources for this report are:

- Government documents relating to LGMA;
- published reports produced by research teams evaluating LGMA policies;
- an initial analysis of the public satisfaction Best Value Performance Indicators (BVPIs);
- an initial analysis of MORI’s ‘omnibus’ data on public satisfaction;
- the initial findings of the survey of local authority officers in English local authorities undertaken by the meta-evaluation team in July-September 2004; and
- in-depth interviews and focus groups with local authority officers, elected members, partner organisations and members of the public in six authorities undertaken between April and September 2004.

The reliance on other studies, and in particular on evaluations of LGMA policies commissioned by the ODPM, places a number of constraints on this first meta-evaluation report.

- Many of the key evaluations commissioned by the ODPM (including studies of procurement, community strategies, plan rationalisation and Local Area Agreements) are in the very early stages and have not yet produced evidence of impacts.

- The evaluations commissioned by the ODPM focus on the impacts of policy instruments (for example Best Value, LPSAs, electronic government) rather than upon the principles of public service reform (for example, increasing choice and personalised services, introducing contestability, devolving power to the frontline and decentralising services to neighbourhood level). Their findings are not therefore always directly related to current policy debates.
The evaluations of individual LGMA policies focus on the impacts of LGMA policies to date. They have much less to say about future prospects and implications for future policy.

However, the report brings together the growing body of evidence about whether improvements are occurring, what impacts the LGMA is having on service improvement and what is driving improvements.

The report is an interim assessment and its conclusions are therefore provisional, but are a useful starting point on which the next stages of the study can build. They also add value by identifying the key current policy issues about which there is insufficient evidence and about which we and/or other research teams will need to gather additional evidence in the next stages of the research.

The report is structured as follows:

- section 2 presents a model of the ways, in which the key LGMA policies that have been adopted to date, might be expected to lead to service improvement and describes their operation;

- section 3 analyses evidence of whether there have been improvements in local government services since the LGMA came into effect;

- section 4 examines whether the service improvements that have occurred are linked to LGMA policies;

- section 5 analyses the current evidence about drivers of improvements;

- section 6 examines whether LGMA policies have had any adverse impacts on service improvement;

- section 7 analyses whether there is evidence that the LGMA policies have different impacts on service improvement in different types of authorities;

- section 8 examines whether the policies and objectives of the LGMA are mutually supportive or cut across each other; and

- section 9 draws out the main implications for policy of the evidence that has been assembled to date and highlights key issues that need to be analysed in more detail in the next stages of the research.
CHAPTER 2
LGMA policies and service improvement

Service improvement model

A ‘theory of change’ has been developed for this study, i.e. a simplified model of how the LGMA might be expected to impact upon service improvement (see Figure 2.1). This model underpins the meta-evaluation.

The model was developed in consultation with the ODPM, the Audit Commission, LGA, IDeA and SOLACE. It is highly simplified; we know that in practice the impacts of LGMA policies will be more complex, non-linear and contingent that is suggested by Figure 2.1. But it provides a framework for identifying key issues and possible areas of change that the meta-evaluation should focus upon and identifies the kinds of data that we need to collect and analyse.

It highlights four main elements:

1. LGMA policies that might reasonably be expected to have a major impact on service improvement;

2. Activities that these policies are expected to encourage;

3. The effects that Government expects these activities to have – within authorities, on local partnerships and on central-local relations – and the impacts of these changes on approaches to the design and delivery of services; and

4. The impacts that changes in the cultures, processes, structures, and approaches to service delivery among local authorities, other local agencies and central government might be expected to have on service improvement.

LGMA POLICIES

There have been eight main elements of the LGMA that we believe are particularly likely to have played a significant role in promoting service improvement to date:

• the Beacon Council Scheme;

• the Best Value regime;

• Comprehensive Performance Assessments (CPAs);
• electronic government;
• intervention and recovery support;
• Local Public Service Agreements (LPSAs);
• Local Strategic Partnerships (LSPs); and
• the National Procurement Strategy and the Efficiency Review.

In addition there are at least three policies – capital strategies and asset management plans, the capacity building programme and powers to trade and other freedoms – that we believe have yet to make a significant impact but which might be expected to become increasingly important over the next two to three years. There are a number of broader developments that have influenced the overall context within which local authorities operate and are likely to have had a bearing on service improvement. These include levels of local government revenue expenditure, the deployment of floors and ceilings and the potential introduction of three year funding, as well as key principles such as greater choice, the introduction of more personalised services, greater contestability and devolution to neighbourhoods. At this stage it is difficult to assess the impact of these relatively recent developments, but some evidence of the impacts of these drivers is emerging.

**ACTIVITIES**

We do not expect LGMA policies to be of equal importance. They have the common purpose of improving services for local people but they draw on different strands of management thinking and practice and can be expected to operate in different ways. Several policies seek to promote more effective management practice and greater clarity about strategic priorities. The Best Value regime emphasises the importance of performance management, strategic planning, ‘business process re-engineering’, user focus, involvement and consultation. It also draws upon notions of partnering and effective procurement practices. Re-engineering services is also an integral part of current attempts to encourage the implementation of electronic government. Intervention and recovery support in many of the authorities judged to be ‘poor’ performers relies heavily upon improved management practices, for example, through the introduction of interim management and recovery planning. Notions of the importance of organisational learning, innovation and ‘technology transfer’ are implicit in the Beacon Council Scheme. LPSAs meanwhile appear to derive from notions of ‘stretch targets’ combined with service level agreements and performance linked ‘rewards’. These policies and the activities that they might be expected to encourage are analysed in greater detail below.
PROCESS CHANGES

The theory is that these different activities should work together to produce changes in intra-organisational and inter-organisational cultures, processes, structures and behaviours. Our model highlights four main kinds of change:

- Internal changes within local authority structures, processes and cultures that might be expected to lead to service improvement – for example more effective performance management systems, customer or citizen centred processes, a focus on improvement, the capacity to prioritise and focus resources on the issues that matter most to the public, devolving control to the frontline, a willingness to innovate, openness to partnership working, and improved procurement practice.

- Better partnership working between local authorities and other local agencies – for example the development of effective strategies with other agencies, and effective collaboration with the private sector, the voluntary sector and with other authorities in the delivery of services.

- Improvements in central-local relations – for example more proportionate inspection, an appropriate balance between central prescription and local discretion.

- Changes in the ways in which services are designed and delivered – for example giving local people more of a say in how services are delivered through user engagement or handing more control to the neighbourhood level – see in particular recent documents relating to the Government’s Local Government Strategy (ODPM 2005a; Aspden and Birch, 2005), re-engineering of internal business processes in line with good practice, the adoption of new technology, externalisation, contracting out or public-private partnerships.

IMPROVEMENT OUTCOMES

Whereas central government policies in the 1980s and early 1990s emphasised the search for efficiency savings, the current government has adopted a broader definition of service improvement. Economy and efficiency are still important and may once again take centre stage following the publication in July 2004 of the Government’s Efficiency Review (H.M. Treasury 2004). However, the last four years have seen significant real terms increases in spending on key local government services which are designed to raise service standards and to make services more responsive and accessible. Many of the key elements of the LGMA give at least as much emphasis to these aspects of service improvement as they do to the identification of efficiency savings and it is therefore important that the meta-evaluation reports on evidence of each of these different kinds of improvement.

Our analysis of policy documents, guidance and White Papers suggests that the Government intends LGMA policies to encourage at least seven kinds of service improvement:

- higher quality services;

- more cost effective services (better value for money);
• more responsive services;
• more joined up services;
• better access for all groups;
• increased user satisfaction; and
• increased staff satisfaction.

We have therefore included all of these on figure 2.1 below and have sought to analyse available evidence about all of these kinds of impacts.

Beacon Council Scheme

The 1998 White Paper argued that ‘a fundamental shift of culture throughout local government is essential so that councils become outward looking and responsive’ (DETR, 1998: 6). The Beacon Council Scheme, established in 1999, is intended to improve services by publicly recognising councils that are judged to be performing particular functions effectively and providing incentives for them to share their ‘good practice’ with other councils (DETR, 1999b). The Government argues that this ‘will help councils to achieve continuous improvement in the quality of local
services which Best Value now demands of them’ (DETR, 2000c: 2). The research
team that undertook the process evaluation of the Beacon Council Scheme has
defined its overall aim as being:

‘to build up local capacity within local government to transform existing
organisational cultures so as to produce rapid improvements in service standards
and cost effectiveness’ (Hartley et al., 2000).

The scheme is intended to be applicable to all local authorities ‘whether high-
performing, aspiring or unsuccessful’ (Hartley et al, 2003), but ‘A particular concern
is how to improve the performance of the poor or mediocre performing councils’
(Hartley et al, 2000). Each year themes are established covering functions in which
Government wishes to encourage good practice. Authorities that believe themselves
to be performing well in these areas are invited to submit applications that are
judged by an Advisory Panel. To be successful applicants must be performing
reasonably well across all services and demonstrate a willingness to provide
‘learning opportunities through which all councils …. can seek to improve their
performance’ (DETR, 1999c: 5). Those designated as ‘Beacons’ disseminate their
‘good practice’ through a variety of different kinds of media including ‘roadshows’
and open days, site visits, exchanges of staff, web-based materials and consultancy.

Best Value regime

In July 1997 the Government set out the ‘twelve principles of Best Value’ emphasising
that Best Value was ‘a duty that was owed to local people’ and that authorities
would have to provide services at the quality and price that local people were
willing to pay. The consultation paper Improving local services through Best Value
(DETR, 1998a) gave more detail. It set out the ‘Best Value performance management
framework’. This required authorities to:

- Review all of their functions over a five-year period applying the ‘four Cs’-
  challenging the need and purpose of a service or function, comparing the
  performance of alternative providers, consulting with users and communities,
  and testing the competitiveness of different approaches to service delivery.

- Publish annual Performance Plans containing details of current performance and
  plans and targets for improvement.

- Submit performance plans to external audit and reviews to independent inspection.

In cases where auditors or inspectors believed there to be serious or persistent
failures to comply with the regulations and/or to secure improvement they refer
services (or whole authorities) to the Secretary of State who has powers to
intervene directly.

The 1998 White Paper Modern Local Government – In Touch with the People
(DETR 1998b) spoke of the need for local people to be given ‘a better deal’. 
A modern council – or authority – that puts people first will seek to provide services which near comparison with the best. Not just the best that other authorities provide but with the best that is on offer from both the public and private sectors. Continuous improvements in both the quality and cost effectiveness of services will therefore be the hallmark of a modern council, and the test of best value. (DETR1998b: para 7.1)

The Best Value regime would promote ‘competition that was fair to all sides’ (i.e. service users and staff). It would not be concerned simply with driving down costs but would require improvement in both service standards and cost effectiveness. Accordingly, Part I of the 1999 Local Government Act placed on authorities a statutory duty to ‘make arrangements to secure continuous improvement with regard to economy, efficiency, and effectiveness’ in consultation with users and others with an interest in the area, and to follow statutory guidance issued by Government. Performance was monitored through BVPIs (DETR, 1999a).

In 2002, just over a year after the introduction of the regime the Secretary of State announced a review of Best Value (DTLR, 2001a). This led to revised guidance in 2003 (ODPM, 2003a) which removed the requirement for authorities to review all of their functions within five years (DTLR, 2002). In addition councils judged ‘good’ or ‘excellent’ under the CPA (see below) can now published performance information in their corporate plan rather than a separate performance plan if they wish (ODPM, 2004a). Authorities judged to be ‘fair’, ‘weak’ or ‘poor’ still have to produce a plan but do not have to report their review activity; the Audit Commission no longer inspects the quality of Best Value reviews (DTLR, 2001b; Audit Commission, 2004a). Whilst section 5 of the 1999 Local Government Act, which requires that Best Value authorities conduct Best Value reviews of their functions, remains in force, many councils have scaled down their review programmes in light of guidance from Government which proposed fewer and more-cross-cutting reviews, and an increasing focus on priorities identified in CPAs.

Comprehensive Performance Assessments

CPAs were introduced following the 2002 White Paper Strong local leadership: quality public services (DTLR, 2002). They brought together for the first time the key information held by government departments, auditors and inspectors on each council into a single framework which provided an overall assessment of each councils’ current performance, its capacity for continuous improvement and its strengths and weaknesses. Authorities complete self-assessments prior to the corporate assessments made by the Audit Commission. In upper tier and unitary authorities, CPAs rated seven ‘key’ service areas (benefits, education, environment, housing, libraries and leisure, social care and use of resources). In district councils current performance was judged on information about four service blocks – benefits, culture, environment and housing services. In all councils, these service judgements (which relied substantially on previous inspection scores) were supplemented by a corporate assessment which was the most innovative element of the CPA. Each authority was given an overall CPA score which brought together the assessments of current performance and capacity for improvement and graded authorities on a five-point scale – ‘excellent’, ‘good’, ‘fair’, ‘weak’ and ‘poor’. Authorities judged to be ‘excellent’ and ‘good’ were given exemptions from inspection and promised a range of flexibilities and freedoms. Those judged to be ‘poor’ or ‘weak’ came under more intensive scrutiny and received support to assist them to improve.
From 2005 onwards a series of changes will be introduced into the criteria which will be used in forming the CPA judgement on the overall score for each authority and more attention will be given to partnership working and community leadership. The new CPA methodology will also seek to provide a more rigorous test of local authority performance in terms of the issues that matter most to local people, whilst reducing the overall burden of regulation, and judgements about the criteria employed to judge how well councils use resources. The Audit Commission also aims to bring the CPA methodologies for districts and for upper tier/unitary authorities more into line with each other (Audit Commission 2004b).

Electronic governance

The Government sees electronic information and communications technologies (ICTs) as one of the principal means of improving local authority services as well as local democracy (Enticott, 2003; Beynon Davies and Martin, 2004).

The national strategy for electronic local government in England is designed to encourage and assist authorities to exploit:

> the power of information and communications technology to help transform the accessibility, quality and cost-effectiveness of public services, and to help revitalise the relationship between customers and citizens and public bodies who work on their behalf (Local Government Association, 2002).

In the words of a DETR report:

> The Government is committed to ensuring that the UK is placed to become a world leader in the new electronic age. It is essential that public services play a full part in this digital transformation. All tiers of government must be able to provide services that take advantage of the improved speed and efficiency of new methods of delivery in line with heightened customer expectations (DETR, 2001a: 3).

There has been a particular emphasis on improving ‘back-office’ systems and procurement practices, providing more ‘joined up’ services (National Audit Office, 2002; Bovaird, 2003) and giving access outside of traditional ‘office hours’ (Cabinet Office, 1999). The Government also hopes that electronic governance can improve information flows within authorities and between local partners, lead to better financial management and more effective public participation.

E-government targets stipulate that by 2005 all interactions between the public and government agencies that are capable of being conducted electronically should be available ‘on-line’ (DETR, 2000b). Central government requires councils to produce performance information regarding their progress towards meeting targets and to prepare statements on their strategies for implementing ‘electronic government’ (IEG statements). The ODPM has provided £350m for local e-government initiatives which authorities have accessed subject to approval of their IEGs, and set aside £25m for ‘Pathfinder projects’ which have trialed new ways of working with the public, private and voluntary sectors, with the aim of delivering better services. The IDeA has also prioritised support to authorities to enable them to meet the 2005 target. Furthermore, a number of authorities have agreed with central government to meet e-government targets a year early within their LPSA agreements.
Intervention and recovery support

Using powers granted by the 1999 Local Government Act, central government has become directly involved in authorities judged to be ‘poorly performing’ by the CPA process. In most cases these authorities have been seen as suffering from a number of problems (including failures of political and/or managerial leadership and the absence of performance management systems). The assumption has been ‘that there is some kind of causal relationship between standards of governance and levels of service performance.’ (Skelcher, 2003), and ODPM involvement has usually therefore been intended to address weaknesses at the corporate level on the basis that this will ultimately lead to improvements in services. This approach has been championed in particular by the Audit Commission which has concluded that:

‘Top performing councils have …sound corporate performance management, commitment to improvement, sustained focus on top local priorities, the ability to shift resources and make difficult choices’ (Audit Commission 2002a: 30) and that ‘a serious and sustained service failure is also a failure of corporate leadership’ (Audit Commission 2002a: 19).

Authorities are allocated a ‘lead official’ – someone with senior local government experience retained by ODPM to challenge and advise the local authority and act as the link to central government in determining the intensity of engagement. This lead official chairs a government monitoring board, whose membership includes the Audit Commission relationship manager, representatives from other government departments and regulators with an interest in the performance of that council. The council is required to produce a recovery plan which specifies how it plans to address the weaknesses identified in the CPA, the support it will need in order to improve, the criteria by which its success will be measured and milestones. The recovery plan’s implementation and the extent of change in the council is reviewed by the government monitoring board, who may recommend to Ministers a change in the level of intensity of involvement, sometimes following an Audit Commission re-inspection of corporate performance. This may lead to an increase in CPA score and reduction in supervision, or an increase in ODPM involvement, possibly using statutory intervention. In some cases senior managers have been replaced and interim management teams brought in to authorities to oversee the recovery process. Political mentors have worked closely with members in some councils, preparing the foundation for increased commitment to change. The IDEa and other external agencies are closely involved in supporting aspects of recovery, sometimes with the use of the Capacity Building fund (see below).

Local Public Service Agreements

Local Public Service Agreements (LPSAs) are seen by central government and the LGA as a key means of improving local public services. They focus on agreed outcomes that are priorities for both central government and the authority entering into the agreement. Authorities commit themselves to deliver targets for key outcomes above and beyond those that it might be expected to achieve in line with the duty of Best Value i.e. improving more quickly or reaching a higher standard than would otherwise be the case (DETR, 2000). Authorities received pump priming funding (averaging £1 million per authority) up-front and a performance reward grand conditional on meeting the targets set out in their agreements. Some have also been given greater operational freedom.
Local PSAs were piloted by 20 authorities from 2000 onwards and extended to remaining upper tier authorities from September 2001 onwards. All but three authorities participated. Plans for ‘second generation local PSAs’ were announced in December 2003. These are intended to build upon the perceived strengths and to address some of the perceived weaknesses in the first round (ODPM, 2003b) and will give greater emphasis to local priorities for improvement and more attention to the need for co-ordinating the activities of local agencies.

**Local Strategic Partnerships**

Local Strategic Partnership (LSPs) are seen by central government as a means of encouraging local authorities and other agencies (from the public, voluntary and community and business sectors) to work together at a strategic level so that they are able to address ‘cross-cutting’ issues more effectively. They are also seen as a means of improving social cohesion and the relationship between statutory authorities and the communities that they serve.

The ODPM defines the core task of LSPs as providing a single co-ordinating framework to:

- prepare and implement a Community Strategy, with the aim of improving the economic, social and environmental well-being of an area;
- bring together local plans, partnerships and initiatives, improve linkages between them, simplify arrangements, and, where possible, reduce their number;
- in the 88 local authority areas receiving assistance from the Neighbourhood Renewal Fund (NRF), develop and deliver a Local Neighbourhood Renewal Strategy to secure more jobs, better education, improve health, reduced crime, and better housing/physical environment, narrowing the gap between deprived neighbourhoods and the rest and contributing to the national targets to tackle deprivation; and
- work with local authorities that are developing LPSAs and help devise appropriate targets.

While the LSP has the remit to enhance local governance in general, it is expected to accept a particular responsibility for mobilising and coordinating partners in improving local services.
National Procurement Strategy and Efficiency

Following on from the Byatt Report (2001) which emphasised the importance of more effective procurement, the ODPM and LGA launched a ‘National Strategy for local government procurement’ (ODPM 2003c: 1). This states that:

*The most innovative councils have already found ways to deliver significantly better services at lower costs. They have streamlined their procurement, worked in partnerships, redesigned the delivery of services, shared ‘back office’ systems and pooled their buying power. We want all councils to achieve these standards so that we see a step change in overall performance across the sector*.

The strategy encourages authorities to make a series of cultural shifts and to develop the leadership capacity that it claims is necessary to develop good procurement practice. It sets specific targets relating to working in partnership with the public, voluntary and businesses sectors to improve procurement and stimulate supply markets. Regional centres of excellence have been established to increase councils’ collective buying power and in particular to help smaller district councils. A Local Government Procurement Forum has been established at national level to co-ordinate policy and to develop practical guidance on procurement for councils.

More recently, the Gershon Efficiency Review (HM Treasury, 2004) also focused on the importance of procurement, suggesting that local government, along with other parts of the public sector, can achieve efficiency savings and productivity improvements amounting to 2.5% per annum (a total of £6.45 billion) over the next three years. As mechanisms for achieving this, it particularly focuses on better procurement, the integration of ‘back office’ functions, more efficient transactions with service users and new powers and freedoms for authorities to trade.

Capital strategies and asset management plans

The 1998 White Paper outlined the Government’s proposals to modernise the capital finance framework for local authorities. The proposed mechanism would allow councils to take more responsibility for making decisions about their internal distribution of resources. Rather than allocating separate service-specific “pots”, a single cross-service allocation would be used for the bulk of central government support for councils (York Consulting, 2003).

The concept of the Single Capital Pot links closely with other elements of the LGMA, including consultation with the community regarding council plans and challenging the way in which buildings and other assets are used to deliver services (York Consulting, 2003). The Government sees four key benefits with the new system:

- better long term planning of capital investment;
- greater local decision-making and accountability;
• enhanced cross-service strategic working in partnership with other organisations; and

• the better use and management of assets.

Councils were asked to prepare their first corporate capital strategies and asset management plans, as a “dry run”, during 2000 in order to assess progress, identify practical problems and provide initial feedback on the strategies and plans.

The first allocations under the Single Capital Pot were those for 2002/03. Discretion was used to recognise and reward good performance based on a competitive assessment, within the regions, of the service delivery performance and corporate capital strategies and asset management plans of local authorities.

Following the “dry run”, final guidance on the Single Capital Pot was issued in two parts in 2001. Local authorities were required to submit their corporate capital strategies and asset management plans to the Government Offices which then assessed them as being “good”, “satisfactory” or “poor” on the basis of a number of primary and secondary assessment criteria. Authorities received a lump sum of £50,000 for a “good” capital strategy or asset management plan and £25,000 for each “satisfactory” document. “Poor” capital strategies and asset management plans earned no reward.

The capital strategy provides the policy framework for the operational work of asset management. The focus on capital strategies and asset management plans as part of the Single Capital Pot reflects the focus in the LGMA on encouraging local authorities to take a more corporate, strategic and long term view of their capital programmes in order to ensure greater effectiveness in the use of resources and better value for money from public expenditure, as well as the results of previous research (including “Hot Property” published by the Audit Commission in 2000).

Capacity building

The Improvement and Development Agency (IDeA), established in 1999 to assist in the ‘modernisation’ of local government, aims to build capacity in local government by disseminating good practice through training for officers and members, peer review, and support and advice on e-government. It runs a number of national infrastructure projects and its regional associates and strategic advisers provide advice and support in specific service areas.

In April 2003 the government and the LGA established a Capacity Building Programme with an initial annual budget of £34 million, some of which is channelled through the IDeA, with four key elements:

• a national capacity building programme developed to provide support for all councils seeking to improve the delivery and quality of the local services they deliver;

• a programme of pilot schemes designed to develop innovative ideas from individual local authorities;
• a programme of regional pilot projects led by the regional branches of the Local Government Association which are focusing on developing partnership approaches among the range of relevant regional organisations supporting local government improvement; and

• the on-going programme of support for authorities rated as ‘poor’ or ‘weak’ in the CPA (see above).

Powers to trade and other freedoms

The government anticipates that public-private partnerships will provide a particularly effective means of achieving service improvement (DTLR 2001c) and the ODPM established the ‘Strategic Partnering Taskforce’ to encourage councils to develop new public-private partnerships ‘as one of the principal options open to authorities in achieving step-changes in performance’ (DETR 2001c: 9). In order to widen the scope for and effectiveness of such partnership working, the Local Government Act 2003 gave authorities new freedoms and flexibilities including powers to charge for discretionary services and to trade in function-related activities. The Government also introduced changes to regulations relating to local authority borrowing including the new prudential borrowing scheme. The intention is that authorities and/or partnerships that prove successful in delivering particular functions are able to expand their operations by providing functions on behalf of neighbouring councils and/or other local agencies.

Role of the meta-evaluation

Studies commissioned by the ODPM are evaluating the impacts of some of these individual policies. The aim of this report from the meta-evaluation is to take a wider view and to provide an overall assessment of the current state of knowledge about the combined impact of these policies on service improvement, drawing on a range of data and evidence.

The remainder of this report therefore analyses whether there have been improvements, what role LGMA policies have played in driving improvement, what negative and unintended impacts they have had and how well different policies have worked together. It then draws out possible implications for policy.
CHAPTER 3
Have services improved?

The main sources of evidence about the performance of local government services are:

- national performance indicators;
- CPA scores;
- measures of the perceptions of local authority officers and elected members; and
- measures of public satisfaction.

National Performance Indicators

There are currently 97 BVPIs covering aspects of local government performance, excluding fire services. These superseded the Audit Commission performance indicators (ACPIs) that were first introduced in 1993. BVPIs are set by Government departments and widely used to monitor the performance – at local level by authorities in performance reviews and performance plans and at national levels by inspectors and central government.

In addition to BVPIs, the Department of Health (DoH) uses a number of additional measures, known as PAF scores, to monitor performance in social care, and the Department for Education and Skills (DfES) uses additional performance measures to monitor standards in education.

The current set of BVPIs measure a variety of different aspects of performance. Some measure inputs, some focus on activities and some on outputs. Those that measure outputs tend to focus on the quality, efficiency or effectiveness of services. Some of the indicators are well established and provide a longitudinal data set over several years. But others have been introduced relatively recently and some former ACPIs have been dropped in recent years as part of the Government’s commitment to reducing the burden on authorities. The current set of BVPIs does not therefore cover all of the dimensions of performance improvement shown in figure 2.1 equally well, nor do they provide an entirely consistent data set over time. But they have improved significantly in recent years (Boyne, 1997; 2002) and they do provide a reasonably good basis for monitoring performance change.
The most comprehensive analysis of improvement is provided by a sample of 63 measures including BVPIs, PAF scores and DFES indicators, which the ODPM refers to as the ‘Cost-effectiveness Basket of Indicators’. The indicators are arranged by service area and designed to provide a balanced picture of local government performance over time (Annex 2).

They suggest that overall performance has improved by 12.5% between 2000/2001 and 2003/2004, with improvements in all service areas, all authority types and all CPA categories.

District councils and authorities rated ‘poor’ in the 2003 CPA assessment improved most, with an overall improvement of 23% in districts and more than 20% in ‘poor’ authorities. Districts' performance in waste and culture services improved more rapidly than in other types of authorities. The performance of ‘poor authorities’ increased more rapidly than that of other councils in primary and secondary education, adult social services, benefits administration and community safety.

There were wide variations between services in the rate of improvement as measured by the ODPM's basket of measures, with particularly large improvements in waste management and culture (64% and 43% respectively). Improvement in waste management was much more rapid than in any other service area. There were more modest improvements in housing, culture, benefits administration and social services for children.

Some of the evaluations of individual LGMA policies also point to significant variations between services in the same authorities. The research on intervention and recovery support has, for example, shown that different services within the same authority are often at different stages in ‘internal performance cycles’ with the result that some that were already on or close to an upward trajectory have been able to improve since 2002, whilst some others have not made much progress (Hughes et al., 2004). Preliminary analysis of a sample of the BVPIs and PAF scores for the seven service blocks, that the evaluation of the Best Value regime has focused on, also suggest a mixed pattern of performance change between 2000/2001 and 2002/2003 (the latest year for which audited measures are currently available) with some measures indicating significant improvement, whilst others suggest little change or even a deterioration in services (Ashworth and Boyne, 2004).

So the evidence of the ODPM's basket of indicators is mixed. It suggests that improvement has been achieved in some services even when performance is deflated by expenditure, and that improvement has often been most marked among ‘poor’ authorities and district councils, which have previously been seen as lacking the capacity to improve (Audit Commission, 2002b). It is also encouraging for the Government that ‘poor authorities have been able to secure particularly rapid improvements in education and social services, which are key national priorities and weighted most heavily in CPAs. However, the ODPM's analysis also suggests wide variations between services and that increases in funding have played a key role in facilitating improvements.

This analysis highlights a number of areas in which we need to develop a more detailed understanding of the processes by which improvement is being achieved and the reasons for the differences between services. The evaluation of intervention and recovery support commissioned by the ODPM suggests that the support offered
to ‘poor’ authorities has helped them. The recently commissioned study of capacity building will add to our knowledge of this and will have produced some preliminary findings by the time of the next meta-evaluation report.

The reasons for the differences in rates of improvement between services merit much more detailed analysis than has been undertaken so far by any of the evaluations of LGMA policies (this is an area in which the ODPM and/or others might wish to consider undertaking or commissioning future research). But the evidence of the basket of indicators suggests a number of possibilities.

It seems that the greatest improvements have been achieved in services where there has been a combination of increased funding, a strong focus on improvement targets set at national level and scope for significant re-engineering of service delivery. All three of these conditions apply to waste management, the service in which the basket of indicators suggests there has been by far the greatest improvement. There have also been major attempts to re-engineer benefits administration and some library services (one of the two indicators in the ODPM basket to measure performance in cultural services relates to the use of libraries) – according to the BVPIs culture and benefits services have both improved though less markedly than waste management.

It should be emphasised that these are only possible explanations of the apparent differences in rates of improvement between services as measured by the ODPM’s basket of performance measures. We do not have sufficient evidence at this stage to test out these theories and more work is needed to do so.

**CPA scores**

Like the ODPM’s basket of PIs, CPA scores suggest that overall local government performance is improving, particularly among authorities that are the poorest performers.

Twenty-one upper tier and unitary authorities achieved an excellent rating in 2002 and therefore could not move to a higher CPA category. 60% of the remaining 129 councils moved up one or more CPA categories between 2002 and 2004 (Figure 3.1). Moreover, the Audit Commission reports that most of the councils that did not move up CPA categories had nevertheless achieved ‘a net improvement in service scores over the two years’ (Audit Commission, 2004c).

Twenty-six (17%) upper tier and unitary authorities moved up one or more CPA categories between 2002 and 2003 (two moved up two categories, 24 went up one category). The main movements were between the ‘weak’, ‘fair’ and ‘good’ categories.

Fifty-two (35%) councils moved up at least one category in 2004. This represents 42% of councils that were not already excellent and could not therefore move up a category, and is twice as many as went up one or more categories in 2003. Five authorities moved up two categories, five moved up at least one category for the second year in a row, and just two councils moved down a category (both from ‘fair’ to ‘weak’).
As in 2003, and consistent with the ODPM basket of PI s, the greatest improvement was among those councils previously categorised as ‘poor’ or ‘weak’. All but one of the councils categorised as ‘poor’ in 2003 and more than half of those previously categorised as ‘weak’ moved up.

![Figure 3.1 CPA categories 2002-2004 (upper tier and unitary authorities)](image)

The improvements in CPA scores in 2003 were largely due to changes in service scores rather than improvement in corporate assessments – net movement between categories in respect of service blocks was far more common than movement between categories in respect of corporate assessments (Table 3.1).

<table>
<thead>
<tr>
<th>Overall rating</th>
<th>2002</th>
<th>Service 2003</th>
<th>Change</th>
<th>2002</th>
<th>Corporate 2003</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>4</td>
<td>1</td>
<td>-3</td>
<td>12</td>
<td>13</td>
<td>+1</td>
</tr>
<tr>
<td>2</td>
<td>38</td>
<td>32</td>
<td>-6</td>
<td>48</td>
<td>47</td>
<td>-1</td>
</tr>
<tr>
<td>3</td>
<td>85</td>
<td>88</td>
<td>+3</td>
<td>69</td>
<td>68</td>
<td>-1</td>
</tr>
<tr>
<td>4</td>
<td>22</td>
<td>29</td>
<td>+7</td>
<td>20</td>
<td>22</td>
<td>+2</td>
</tr>
</tbody>
</table>
There are significant differences between services in improvement in CPA scores. Between 2002 and 2003 there were widespread improvements in scores for benefits administration, and a noticeable increase in the number of education services rated ‘excellent’. Changes in CPA scores for Social Care and Housing typically involved authorities moving from the ‘fair’ to the ‘good’ category. There was less change in respect of Libraries and Leisure. Most of the movements in these services were between ‘poor’ and ‘fair’ categories. Changes in scores for Environment services mostly involved movement in the opposite direction (Tables 3.2 and 3.3). In 2004 there were improvements in scores across all service areas except for benefits administration.

### OFFICERS’ PERCEPTIONS

Research in the private sector often relies on senior managers’ views of the performance of their organisations. However, there is evidence that their perceptions are not necessarily an accurate guide to actual performance (Mezias, and Starbuck, 2001) and that surveys involving multiple respondents from different parts of the same organisation are more robust (Walker and Enticott, 2004). In the summer of 2004 we therefore undertook a survey of more than 1,500 officers including senior corporate officers and service managers who are in closer touch but also day-to-day operations. This enabled us to gather a range of views from within each authority.
There are a number of reasons for believing that we can be reasonably confident that the perceptions of those who responded to our survey can be taken as a reliable indication of performance. There was a statistically significant correlation between their views and CPA scores for their authorities in relation to service quality, value for money and responsiveness to the needs of service users. The survey results also point to a very similar picture to that suggested by the ODPM’s basket of measures of cost effectiveness. Thirdly, the survey results mirror those of the annual surveys of local authority officers undertaken over the last four years by the team evaluating the long-term impact of the Best Value regime.

A large majority of respondents to the meta-evaluation survey believed that their authority’s services had improved over the last three years in terms of all of the key dimensions of improvement identified in figure 2.1 (Table 3.4). But service managers were more inclined to report increases in user satisfaction than corporate officers (77% believed that user satisfaction had improved compared to 56%).

<table>
<thead>
<tr>
<th>% respondents</th>
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<tbody>
<tr>
<td>Service quality</td>
</tr>
<tr>
<td>Value for money</td>
</tr>
<tr>
<td>Responsiveness to users’ needs</td>
</tr>
<tr>
<td>More joined up services</td>
</tr>
<tr>
<td>Access for all groups</td>
</tr>
<tr>
<td>User satisfaction</td>
</tr>
<tr>
<td>Staff satisfaction</td>
</tr>
</tbody>
</table>

Interviews in the case studies undertaken by the meta-evaluation team in 2004 also suggested that overall there had been improvements but, like the BVPIs, suggested a complex picture (Table 3.5).

Many interviewees in our six case studies believed that their local authority had been able to achieve improvements across most services since 2000/2001, and most councils were able to point to several services which they believed had improved significantly during that time.

In several cases access to services had been improved through the introduction of call centres, CRM systems and other new technologies, and many interviewees believed that services were beginning to be more ‘joined up’ because of better partnership working – in particular with the Police and Health services.

All the authorities had at least one service that was not performing well and had not improved significantly. One had good or excellent services across the board except for housing. Four had struggled to improve their social services in spite of a concerted effort to do so over the last 2-3 years. Several interviewees reported that environmental services had deteriorated, which they believed was because funding had been focussed on other services.
Very few interviewees were able to say whether services had become more cost effective. Some observed that the main focus of LGMA policies, in particular through the CPA and other inspections, had been on improvements in service quality rather than economy and efficiency. However, several believed that the emphasis was shifting and that cost savings were becoming an increasingly important part of central government’s agenda following a tight grant settlement in 2003/2004 and the recommendations of the Gershon Efficiency Review.

The meta-evaluation team also interviewed senior officers from other partner agencies, including the police and primary care trusts and representatives of the voluntary and community sector. Most believed that the level of partnership working in the local area had improved significantly in recent years and that this would contribute to service improvement.

The evaluation of the Best Value regime has undertaken annual surveys of large numbers of officers in a representative sample of 100 local authorities since 2001. Like the meta-evaluation survey, these show that officers believe that the quality and effectiveness of services have improved and that authorities have become better at promoting well-being and staff satisfaction (Martin et al., 2004). But respondents also report that customer satisfaction has decreased over the last three years. This perception is in line with trends in public satisfaction as measured by user satisfaction BVPIs and a range of recent surveys of residents (see below).

### Table 3.5 Case Studies Perceptions of Service Improvement

<table>
<thead>
<tr>
<th>Authority A</th>
<th>Authority B</th>
<th>Authority C</th>
<th>Authority D</th>
<th>Authority E</th>
<th>Authority F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have services improved?</td>
<td>Yes</td>
<td>Yes</td>
<td>Seen as an efficient (lean) authority starting from a high base performance in services but lacking corporate systems</td>
<td>Yes but not as fast as authority would like and some services (including social services and planning) continue to be problematic</td>
<td>Yes but tourism, highways maintenance and environment criticised by some interviewees</td>
</tr>
<tr>
<td>Services showing most improvement</td>
<td>Education</td>
<td>Social Services</td>
<td>Benefits</td>
<td>Education</td>
<td>Improvements in most areas but 'step change' in: Services for children leaving care Call centre Libraries</td>
</tr>
<tr>
<td>Evidence of improvements cited by respondents</td>
<td>Beacon status</td>
<td>Complaints</td>
<td>Feedback from members</td>
<td>BVPIs</td>
<td>CPA scores</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>GCSE results</td>
</tr>
</tbody>
</table>

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The meta-evaluation is currently undertaking a survey of elected members to gauge their perceptions of improvement. The results of this survey will be included in the next Progress Report.

Public perceptions

Interest in public perceptions of local authority performance has increased considerably over the last ten years, and there are now a variety of sources of evidence about service users' and residents' views including:

- BVPI user satisfaction surveys, conducted in 2000/01 and 2003/04 and covering more than 539,000 respondents in 2001 and 576,000 in 2003. These represent by far the most comprehensive national data set about public perceptions of the quality of life; satisfaction with the information provided by authorities; overall satisfaction with the performance of the authority as a whole; satisfaction with the ways in which authorities handle complaints, and perceptions of the performance of a range of local authority services.

- A range of national surveys undertaken for the People’s Panel, evaluations of the Best Value pilot programme and the on-going evaluation of the Best Value regime, and the Survey of Housing Conditions. These provide valuable longitudinal data about some aspects of performance over a longer time period than the user satisfaction BVPIs.

- MORI’s normative database of the aggregated findings of almost 200 surveys undertaken for individual authorities since 1997. MORI’s clients are a self-selecting group which is not representative of English local government as a whole. However, the normative data are consistently in line with the results of national surveys, and can therefore be considered to be a reliable guide to national trends.

OVERALL SATISFACTION

Perceptions of the overall performance of local authorities starts from a low base compared to almost all other public services. A survey of the People’s Panel in 2002 found that fewer respondents would speak highly of their local council than any other public service except local rail companies (Figure 3.2).

---

1 People’s Panel Wave 6. Findings were based on face-to-face interviews with 1,044 recruited panel members between 2nd March to 7th May 2002 across the United Kingdom.
Moreover, the user satisfaction BVPIs surveys indicate a significant decline in public satisfaction with overall local authority performance between 2001 and 2003 (ODPM, 2004b). On average the percentage of respondents who reported themselves satisfied with 'the way in which the local authority runs things' declined from 65% to 55%.

In 2001 levels of public satisfaction were highest in relation to districts. However, the gap between them and other authorities narrowed between 2000/01 and 2003/04 as satisfaction with districts declined more steeply than with other kinds of authorities except unitaries. Conversely, London boroughs, which had by far the lowest levels of satisfaction in 2000/01, witnessed only a relatively modest (3%) decrease in the proportion of respondents who were satisfied with their overall performance between 2000/01 and 2003/04.

The user satisfaction BVPIs also indicate that satisfaction with the ways in which authorities handle complaints declined between 2000/01 and 2003/04, particularly in London Boroughs.

These findings mirror the results of other analyses (Table 3.6). The People’s Panel surveys found that the percentage of respondents who reported themselves satisfied with local government declined from 53% in 1998 to 50% in 2000 and 47% in 2002. Surveys of 2,500 residents in Best Value pilot authorities in 1998 and 2000 showed a 2% decrease in the percentage of residents who were satisfied with the way in
which ‘the authority was running the area’ (Martin et al., 2001). Surveys undertaken in 1999 by the NCSR and the surveys of Best Value pilot authorities point to the relatively high levels of satisfaction with districts at that time. This was also reflected in the BVPI user satisfaction surveys undertaken in 2000/01. Surveys undertaken for the Beacon Council scheme selection reveal similar trends in overall satisfaction.

The MORI normative data confirm the overall trends suggested by national surveys. The average percentage of respondents reporting themselves satisfied with the way in which their local authority is running the area declined from 66% in 1997 to 56% in 2002 (Figure 3.3). There have been signs of a possible upturn in satisfaction in 2003 and 2004, but these results are based on a small number of surveys – just eight in 2003 and five in 2004 compared to more than 20 in previous years – and they may not therefore be representative of public perceptions about English councils as a whole.

### Table 3.6 Public satisfaction with how local council is running things

<table>
<thead>
<tr>
<th></th>
<th>People’s Panel</th>
<th>Best Value pilots</th>
<th>BVPIs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfied</td>
<td>53</td>
<td>50</td>
<td>47</td>
</tr>
<tr>
<td>Dissatisfied</td>
<td>18</td>
<td>23</td>
<td>21</td>
</tr>
<tr>
<td>Net satisfied</td>
<td>+35</td>
<td>+27</td>
<td>+26</td>
</tr>
</tbody>
</table>

The MORI normative data confirm the overall trends suggested by national surveys. The average percentage of respondents reporting themselves satisfied with the way in which their local authority is running the area declined from 66% in 1997 to 56% in 2002 (Figure 3.3). There have been signs of a possible upturn in satisfaction in 2003 and 2004, but these results are based on a small number of surveys – just eight in 2003 and five in 2004 compared to more than 20 in previous years – and they may not therefore be representative of public perceptions about English councils as a whole.
EFFICIENCY AND VALUE FOR MONEY

The MORI normative data (which include 132 local surveys that have included questions on perceptions of value money) suggest that overall the proportion of respondents who believe that their authorities provide good value for money declined from 49% to 37% between 1997 and 2002 (Figure 3.3).

The only national survey to date to examine residents' perceptions of the efficiency of their council found that 51% of respondents believed that their council delivered services efficiently and 21% believed it did not.

A national survey undertaken in 2001 as part of the evaluation of the long-term impact of the Best Value regime found that 38% of residents believed that their authority provided good value or money.

The MORI normative data and national surveys both suggest that the proportion of residents who believe that their councils provide good value for money is highest in areas served by two-tier local government.

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2 As with overall satisfaction, the results for 2003 and 2004 are an unreliable guide to national trends because the numbers of surveys undertaken have been very small.

3 The survey was undertaken as part of the evaluation of the Best Value regime in 2001.
SATISFACTION WITH SERVICES

Overall satisfaction
Perceptions of the overall quality of local government services have consistently been higher than perceptions of value for money, but surveys indicate that the overall level of satisfaction declined by 10% between 1997 and 2002 (Figure 3.3). In contrast to overall satisfaction and perceptions of value for money, satisfaction with the quality of some services has increased over the last three years.

People living in areas served by county and district councils are more likely to believe that the overall quality of services is good. Those living in London Boroughs are the least likely to do so (Table 3.7).

Variations between services
User satisfaction BVPIs show considerable variations between services with:

- high and increased levels of public satisfaction with parks and open spaces, waste recycling and waste disposal;
- high but decreased levels of satisfaction with libraries, household waste collection and the cleanliness of public land; and
- relatively low and decreased levels of satisfaction with sports and leisure facilities, museum and galleries and theatres and concert halls (although the decrease in satisfaction with sports and leisure facilities was small) (Table 3.8).

Only four surveys undertaken in 2003 asked this question and the results may not therefore be a reliable guide to national trends.
Variations between respondents
There are also variations between different sections of the population. Users of services consistently rate services more highly than non-users, and those who perceive themselves to be better informed about council performance are more likely to report being satisfied. Satisfaction with public transport is much higher among older people than younger people.

Public perceptions of improvement
Overall the public believes that there have been improvements in waste management and libraries, and a small majority of the public also believe that parks and open spaces, theatres/concert halls, sports and leisure facilities, museums/galleries have improved. More respondents believe that education provision has been improving in recent years than believe it has been getting worse. On the other hand, most respondents believe that road and pavements repairs, household waste collection and the cleanliness of streets, and a number of important measures of overall ‘quality of life’ have all got worse in the last three years (Table 3.9).

The meta-evaluation research team undertook a series of focus group discussions with local residents of six authorities in the summer and autumn of 2004. Most of those who participated in these focus groups had not noticed any major improvement in terms of their council’s overall performance, although those in two areas suggested that there had been gradual improvement.

In some cases residents believed that community safety and environmental services had improved in recent years, but they often believed that there was a need for further improvement. Local residents in one area were very proud of the regeneration that had been achieved and credited the council with having facilitated this. Some young people believed that education services were improving; few residents seemed concerned about or to have a view on standards in social care.

### Table 3.8 Satisfaction with services

<table>
<thead>
<tr>
<th>Service</th>
<th>2000/01</th>
<th>2003/04</th>
<th>Net change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks and open spaces (BVPI119e)</td>
<td>63</td>
<td>71</td>
<td>+8</td>
</tr>
<tr>
<td>Waste recycling (BVPI90b)</td>
<td>66</td>
<td>68</td>
<td>+2</td>
</tr>
<tr>
<td>Waste disposal (BVPI90c)</td>
<td>71</td>
<td>75</td>
<td>+4</td>
</tr>
<tr>
<td>Sports and leisure facilities (BVPI119a)</td>
<td>53</td>
<td>54</td>
<td>+1</td>
</tr>
<tr>
<td>Libraries (BVPI19b)</td>
<td>70</td>
<td>67</td>
<td>-3</td>
</tr>
<tr>
<td>Cleanliness of public land (BVPI89)</td>
<td>63</td>
<td>60</td>
<td>-3</td>
</tr>
<tr>
<td>Theatres and concert halls</td>
<td>52</td>
<td>47</td>
<td>-5</td>
</tr>
<tr>
<td>Museums and galleries</td>
<td>49</td>
<td>42</td>
<td>-7</td>
</tr>
<tr>
<td>Household waste collection (BVPI90a)</td>
<td>86</td>
<td>84</td>
<td>-2</td>
</tr>
</tbody>
</table>

1 % respondents satisfied.
In two councils, where there was strong pressure for new housing developments, residents were dissatisfied with planning services, which they believed were allowing too many new developments. They believed that their planning authorities had little choice but to approve applications because of Government planning guidance, but they felt that these decisions tarnished the council’s image locally.

| Table 3.9 Public perceptions of service improvements1 |
|---------------------------------|-------|-------|------|
| The level of traffic congestion | 3.4   | 68.3  | -64.9|
| The level of crime              | 5.1   | 57.5  | -52.4|
| Wage levels & local cost of living | 2.6   | 54.7  | -52.1|
| Affordable decent housing       | 6.6   | 55.3  | -48.7|
| Road and pavement repairs       | 9.8   | 46.2  | -36.4|
| The level of pollution          | 4.8   | 38.6  | -33.8|
| Activities for teenagers        | 8.0   | 39.7  | -31.7|
| Collection of household waste   | 8.0   | 32.3  | -24.3|
| Job prospects                   | 5.1   | 20.8  | -15.7|
| Public transport                | 13.8  | 29.4  | -15.6|
| Clean streets                   | 14.0  | 27.6  | -13.6|
| Health services                 | 14.2  | 24.6  | -10.4|
| Facilities for young children   | 14.0  | 22.9  | -8.9 |
| Race relations                  | 7.7   | 16.4  | -8.7 |
| Community activities            | 9.8   | 15.0  | -5.2 |
| Keeping public land clear of litter and refuse | 19.9 | 23.8 | -3.9 |
| Local bus service               | 18.9  | 22.3  | -3.4 |
| Local transport information     | 14.8  | 16.4  | -1.6 |
| Cultural facilities             | 14.5  | 16.1  | -1.6 |
| Shopping facilities             | 18.7  | 18.4  | 0.3  |
| Education provision             | 15.7  | 13.7  | 2.0  |
| Parks and open spaces           | 15.5  | 13.1  | 2.4  |
| Theatres/Concert Halls          | 11.9  | 7.7   | 4.2  |
| Parks & open spaces             | 17.3  | 13.0  | 4.3  |
| Sports & leisure facilities     | 16.1  | 11.7  | 4.4  |
| Museums/galleries               | 11.9  | 5.7   | 6.2  |
| Access to nature                | 13.7  | 6.4   | 7.3  |
| Libraries                       | 22.2  | 5.1   | 17.1 |
| Local tips                      | 27.5  | 8.4   | 19.1 |
| Local recycling facilities      | 42.0  | 6.1   | 35.9 |
| Doorstep collection of items for recycling | 50.4 | 8.8 | 41.6 |

1 Respondents to the 2003/04 BVPI user satisfaction survey Q24 has the service ‘got better or worse over the last three years, or has it stayed the same?’
Council tax increases clearly had a significant impact on residents' view of their council’s efficiency and effectiveness but in at least one case study residents suggested that these increases were probably dictated more by central government than by local authorities.

**Public expectations**
The national survey undertaken as part of the evaluation of the Best Value regime in 2001 examined the extent to which services met the public’s expectations.

This showed that more than half of respondents felt that services met or exceeded their expectations. It confirmed the high levels of satisfaction with household waste collection – 29% of respondents said this exceeded service their expectations and a further 52% that it met their expectations.

<table>
<thead>
<tr>
<th>Service users</th>
<th>All respondents</th>
<th>Difference net users vs. non-users</th>
</tr>
</thead>
<tbody>
<tr>
<td>% meet or exceed expectations</td>
<td>% meet or exceed expectations</td>
<td>Net</td>
</tr>
<tr>
<td>Social services for children</td>
<td>71  +57</td>
<td>24  +16</td>
</tr>
<tr>
<td>Education</td>
<td>67  +45</td>
<td>47  +31</td>
</tr>
<tr>
<td>Council housing</td>
<td>62  +33</td>
<td>29  +14</td>
</tr>
<tr>
<td>Leisure and cultural services</td>
<td>57  +28</td>
<td>55  +29</td>
</tr>
<tr>
<td>Planning</td>
<td>56  +32</td>
<td>37  +21</td>
</tr>
<tr>
<td>Household waste collection</td>
<td>81  +67</td>
<td>n/a</td>
</tr>
<tr>
<td>Council tax collection and administration</td>
<td>73  +62</td>
<td>n/a</td>
</tr>
</tbody>
</table>

The survey also showed that users were more likely to have a view about services. A higher proportion that non-users reported that services exceeded or met their expectations and a higher proportion reported that they fell short of their expectations (Table 3.10).

Not surprisingly, non-users were far more likely not to express a view either way. This was especially true of social services for children and planning.

---

5 The survey included both users and non-users of services.

6 Difference between % users who report that services exceed their expectations and % who report that services fall short of their expectations.

7 The survey is due to be repeated in 2005, as part of the final stages of the evaluation of the evaluation of the Best Value regime. The results will provide a useful picture of changes in the extent to which services have met public expectations over the last four years and will be included in the next report from the meta-evaluation.
The national survey undertaken as part of the evaluation of the Best Value regime in 2001 examined the extent to which services met the public’s expectations. This showed that more than half of respondents felt that services met or exceeded their expectations. It confirmed the high levels of satisfaction with household waste collection – 29% of respondents said this exceeded service their expectations and a further 52% that it met their expectations.

**Issues that matter most to the public**

Local residents who participated in focus groups undertaken by the meta-evaluation research team highlighted community safety, environmental services and leisure as being particularly important to them. Most groups spoke of the importance of:

- effective policing;
- public parks and other open spaces;
- road maintenance;
- refuse collection and waste management services; and
- leisure and libraries.

Not surprisingly, young people in these focus groups emphasised the importance of leisure facilities – many felt that there was ‘not enough to do’ in their area – and public transport. Both older and young people emphasised the importance of community safety and drug related issues.

---

8 The survey included both users and non users of services.
CHAPTER 4
Are improvements due to LGMA policies?

Internal changes

There is strong evidence that LGMA policies have produced the kinds of internal changes that they were intended to according to Figure 2.1 (see Theory of Change, Chapter 2).

The meta-evaluation survey and the annual surveys conducted by the evaluation of the Best Value regime have both found that officers report significant internal improvements in their authorities.

Most respondents to the 2004 meta-evaluation survey reported that over the last three years there had been significant improvement in their authorities in:

- the use of performance management systems (92% of respondents);
- working across departments (87%);
- leadership by officers (81%); and
- leadership by elected members (78%).

A large majority (84%) reported that service improvement was a higher priority for their authorities than it had been three years ago. They also reported that there had been:

- increased awareness of and a greater willingness to admit to underperformance;
- greater clarity about corporate objectives and priorities; and
- a much greater emphasis on performance management in the day-to-day running of services.

Just under three quarters (73%) reported that front-line staff had been more engaged in decision making, more than half (59%) reported increased use of market testing and increased use of outsourcing of services (54%).
The annual surveys undertaken by the team evaluating the long-term impact of the Best Value regime also provide strong evidence that local authority officers believe that the internal cultures of their authorities have been changing in the way that the LGMA is intended to encourage (Figure 4.1). Like the meta-evaluation survey, they suggest a significant increase in the numbers of authorities that are focusing on improvement – the proportion of respondents who reported that there was a strong focus on improvement in their authorities increased from 82% in 2001 to 92% by 2003. This and increases in the proportions of respondents reporting that their councils cared about staff, were open to public-private partnerships, willing to take risks and embracing innovation were all statistically significant at 1% confidence (i.e. it is extremely unlikely that this level of change has occurred by chance).

These changes have occurred during a period in which most officers report that their authorities have adopted almost all LGMA policies (see Table 4.1) – the exceptions are new freedoms and flexibilities and intervention and recovery support (both of which have been available to only a minority of authorities) and the Beacon Council scheme. The survey undertaken in 2004 by the team evaluating the Beacon Council Scheme found that only 45% of respondents had attended Beacon Council events (Rashman et al., 2004), a finding which backs up the responses to the meta-evaluation survey.
The case study interviews undertaken by both the meta-evaluation and the Best Value evaluation teams suggest that most changes have been encouraged by the LGMA and some would not have occurred at all in the absence of it.

Service improvement

Most respondents to the meta-evaluation survey believed that in addition to encouraging changes in internal culture, LGMA policies have been significant drivers of service improvement in their authorities.

The surveys undertaken as part of the evaluation of the Best Value regime have consistently shown that officers and elected members believe central government policies to be a key driver of improvement in their councils (Figure 4.2).

Very large majorities of respondents highlighted CPA, the Best Value regime, E-governance and the national procurement strategy (Figure 4.3) as having had a strong positive impact on improvement in their authorities.

Interviews in the case studies corroborated these findings. Most reported that Best Value reviews, CPA and service inspections have been important. Some saw the next round of LPSAs as having considerable potential to drive improvement, even though some were critical of the first generation agreements (Table 4.2). Several also highlighted the appointment of new senior officers as having been important.

<table>
<thead>
<tr>
<th>Table 4.1 Implementation of LGMA policies¹</th>
<th>Implemented</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPA</td>
<td>97%</td>
</tr>
<tr>
<td>Best Value regime</td>
<td>95%</td>
</tr>
<tr>
<td>National Local e-Government Strategy</td>
<td>93%</td>
</tr>
<tr>
<td>National Local Government Procurement Strategy</td>
<td>92%</td>
</tr>
<tr>
<td>Local Strategic Partnerships</td>
<td>92%</td>
</tr>
<tr>
<td>Local Public Service Agreements</td>
<td>78%</td>
</tr>
<tr>
<td>Local government finance reforms</td>
<td>75%</td>
</tr>
<tr>
<td>Capacity Building Programme</td>
<td>64%</td>
</tr>
<tr>
<td>Freedoms and Flexibilities</td>
<td>52%</td>
</tr>
<tr>
<td>Beacon Council Scheme</td>
<td>50%</td>
</tr>
<tr>
<td>Intervention and Recovery Programme</td>
<td>31%</td>
</tr>
</tbody>
</table>

¹ % of respondents who reported that their authority/service had implemented LGMA policy in full.
Figure 4.2  Perceptions of drivers of improvement

- User demands
- Central Government
- Audit/inspection
- New technologies
- Professional networks
- Activities of other LAs
- Competition

2003
2002
2001
Figure 4.3 LGMA policies that have driven improvement

- CPA
- Best Value
- E-Government
- National Procurement Strategy
- LSPs
- LPSAs
- Finance reforms
- Capacity Building
- Beacon Council
- Freedoms/flexibilities
- Intervention/recovery

Driven improvement
Implemented

Are improvements due to LGMA policies?
Analysis of the meta-evaluation survey results demonstrated that authorities that reported being very engaged with the CPA and the capacity building programme, were more likely to have improved CPA scores between 2002 and 2004 (Figure 4.4). In those authorities that had received it there was also an association between their level of engagement with intervention and recovery support and improvement in their CPA scores.

<table>
<thead>
<tr>
<th>Authority A</th>
<th>Authority B</th>
<th>Authority C</th>
<th>Authority D</th>
<th>Authority E</th>
<th>Authority F</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Main drivers of improvement</strong></td>
<td>Increases in funding (significant increase in council tax in 2002/03)</td>
<td>Best Value reviews seen as very important and the council is continuing to undertake reviews</td>
<td>Best Value reviews</td>
<td>New chief executive</td>
<td>E-Governance</td>
</tr>
<tr>
<td></td>
<td>Increased devolution of budgets to service heads</td>
<td>Inspection seen as positive</td>
<td>CPA</td>
<td>CPA ‘was brilliant’</td>
<td>LPSAs</td>
</tr>
<tr>
<td></td>
<td>New senior appointments including chief executive</td>
<td>LPSAs (although some reservations about first generation agreements)</td>
<td>Joint reviews</td>
<td>Strong staff commitment</td>
<td>Best Value reviews</td>
</tr>
<tr>
<td></td>
<td><em>Best Value reviews crucial to improvements in some services including benefits</em></td>
<td>Beacon council scheme when linked to Best Value reviews</td>
<td>Expect second generation LPSAs to be a catalyst for improvement</td>
<td>Strong departmental structures lead to good basic operations</td>
<td>CPA highlighted problems in social services</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Authority A</th>
<th>Authority B</th>
<th>Authority C</th>
<th>Authority D</th>
<th>Authority E</th>
<th>Authority F</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overall impact of LGMA policies on improvement</strong></td>
<td>Best Value reviews in particular seen as having created a climate in which improvement had been achieved</td>
<td>Widespread view that the authority would have achieved improvements with or without LGMA policies</td>
<td>Overall feeling that improvements were primarily driven from within the authority by senior officers but that CPA had helped to highlight areas that were under performing and needed attention</td>
<td>Authority had tried to respond fully to LGMA policies. Political and managerial leadership very sympathetic to Government’s objectives, but have made less progress than hoped. Failure of PPP has been a major set back</td>
<td>LGMA policies seen as having increased importance of performance management which had led to focus on improvement</td>
</tr>
<tr>
<td></td>
<td>Interviewees believed that it was doing many of the things required by LGMA policies before they were introduced nationally</td>
<td></td>
<td></td>
<td></td>
<td>Politicians reluctant to accept that LGMA policies had helped. But officers believed that Best Value and CPA had highlighted underperformance that would not otherwise have been addressed</td>
</tr>
</tbody>
</table>
Face-to-face interviews with officers, elected members and representatives of key partners undertaken in 2004 by the meta-evaluation research team indicated that CPAs, the Best Value regime and inspection were seen as having been particularly important in driving improvements at service level.

Several of the interviewees in the authorities studied by the meta-evaluation team in 2004 pointed to specific services which they believed had improved significantly as a result of Best Value reviews (examples included social services, benefits and revenues and leisure). The original five-year programmes of Best Value reviews that authorities had been required to undertake from 2000 onwards had been all but abandoned by 2004. But in some authorities review methodologies and performance planning had passed into ‘mainstream management’ practices, often under the label of ‘service improvement’ programmes, and some councils were giving more weight to cross-cutting issues and area-based approaches. These findings echo those of the case studies undertaken by the evaluation of the Best Value regime (Martin et al., 2005).
The Best Value evaluation found that there were statistically significant associations between performance planning and inspection and changes in authorities’ internal culture, structures and processes (Walker et al., 2004), and statistically significant relationships between some of these internal changes, in particular changes in the ways in which services are delivered, and improvements in BVPIs and PAF scores.

Analysis of 52 Best Value reviews in 11 case study authorities has shown that many reviews had also acted as catalysts for change. Some had led to improvements that would not otherwise have taken place. Some had accelerated the pace of change. Some had led to changes on a larger scale than would otherwise have occurred (Entwistle et al., 2003).

Many interviewees had doubts about service inspection. Some believed that some inspectors lack the necessary experience and there were concerns about the differences of approach employed by different inspectorates. Similar findings have been reported in a recent report on the impacts of inspection (Davis et al., 2004) and surveys undertaken as part of the evaluation of the Best Value regime. But inspections were widely seen as helping councils to focus attention on improvement and most interviewees said that they had adopted a policy of working with and learning from inspection.

Some interviewees mentioned e-government as a significant driver of improvement, but many saw this as a technological driver rather than a Government policy, and did not therefore necessarily associate it with the LGMA. Asset management plans and the Beacon Council Scheme were both mentioned without prompting in one of the six case study authorities.

The evaluation of electronic service delivery found that 76% of local authorities believed that e-government was improving the quality of information available to users and access to this information (CURDS, 2003a). Three quarters (78%) of authorities reported an increase in the level of take up of information provided electronically and 53% increased take up of e-enabled services. Just under a fifth (18%) reported that this had led to reductions in the amount of staff time needed to process transactions with the public, although few expected this to lead to cost savings (CURDS, 2003b).

When prompted, some interviewees said that LPSAs and LSPs had contributed to service improvement, but most believed that whilst LSPs had begun to bring agencies together they had not yet achieved much in terms of service improvement.

Preliminary analysis of a survey undertaken by the team evaluating LPSAs suggests that a large minority of respondents believed that their targets were innovative – either because they have attempted something completely new or because the authority was believed to be a national leader in its approach.

The evaluation of intervention and recovery support has found that most of the key elements of the process have been useful. Recovery plans have helped to identify the capacities that authorities lack. Lead officials have played an important and valuable role. The stock-take process and government monitoring boards have generally been effective in monitoring progress. The appointment of new chief executives and of interim managers has brought in new technical resources and in some cases renewed commitment to improvement. Capacity building funds have
been valuable, adding to councils’ capacity from outside and helping to legitimate capacity building activities. Peer support from other councils has usually been effective where it has been called on. CPAs have stimulated change in some but not all ‘poor’ authorities. They have provided an added impetus for change in councils that were already ‘climbing out of the trough in the performance cycle’, but had less impact in councils that lacked an ‘achievement culture’ or which initially refused to accept that their CPA score was an accurate reflection of their performance (Hughes et al., 2004).

As suggested by the survey findings, shared priorities, finance reforms and freedoms and flexibilities, all of which might be expected to encourage service improvement, were not seen as significant drivers of change, even when interviewees were prompted. Many believed that freedoms and flexibilities had been illusory. None of the six authorities had direct experience of intervention and recovery support.

Although many respondents did not see the Beacon Council Scheme as a major driver of improvement, there is evidence that Beacon Council events lead directly to improvements. The process evaluation of the scheme found that half of the respondents who had attended events had already made changes or intended to do so in the future because of information they had gained at the event (Hartley et al., 2003). In a second survey (in 2004), 83% of respondents believed that the scheme informs best practice, 75% that it encourages networking with peers and 69% that it provides models for improving performance. A large majority (83%) of respondents from former Beacons reported that Beacon status had raised their council’s profile and 80% that it had boosted staff morale, although fewer than half (48%) believed that it had lasting benefits, and almost as many (46%) reported that being a beacon took resources away from service delivery.

Public satisfaction

Whilst there is strong evidence that some elements of the LGMA have played an important role in encouraging service improvement (in terms of BVPI, CPA scores and officers’ perceptions), it is clear that it has had much less impact on public satisfaction. This is partly because not all of the public have an accurate view of how well services are performing and partly because satisfaction with local authority performance is driven by a range of other factors in addition to perceptions of services.

User satisfaction BVPIs show that service users are more likely than non-users to be either satisfied or dissatisfied with the authority overall and with individual services. They are also more satisfied with the overall performance of local government. Regular users are more likely to be satisfied than irregular users, and the more services that residents have contact with the more likely they are to be satisfied (Figure 4.5). The fewer services they have contact with the more likely it is that they report being ‘neither satisfied nor dissatisfied’. The number of contacts seems to have no impact on the proportion of respondents who are dissatisfied with their local authority’s overall performance (ODPM, 2004c).
A number of studies have shown that there is widespread confusion and misunderstanding about which services local authorities actually provide and how they are funded (NOP, 2003; BMG, 2004). Whilst the perceived quality of local service provision is a key determinant of public satisfaction, because relatively few people have direct contact with their council, their perceptions are typically based on experiences of a small number of highly visible services. As a recent study for the ODPM has shown, ‘For most people, local authority service provision means, above all, refuse collection and recycling, followed by leisure, sporting and recreational facilities, parks and keeping the streets clean’ (BMG, 2004). These services have been lower priorities for the Government than education and social services, which have less of a direct impact on public perceptions of local government. They have therefore received smaller increases in funding, been weighted as less important in CPAs and often received less attention from authorities in recent years.

Meanwhile public perceptions of overall quality of life and how well the council runs things are influenced by a range of ‘cross-cutting’ issues, such as anti-social behaviour and levels of employment, over which authorities have little direct control.
There is also evidence that the level of customer care has been increasing in many services. But again this is important only to the minority of residents who have direct contact with council staff and is not therefore reflected in perceptions of overall performance.

Recent analysis of drivers of public satisfaction based on respondents to the residents’ survey undertaken for the long-term evaluation of the Best Value regime (LGA, 2004) showed that seven key factors are most important. These are ranked in the following order:

- perceptions of service quality;
- perceptions of whether councils provide good value for money;
- the socio-demographic characteristics of an area;
- media coverage;
- the level and type of councils’ direct communications with the public;
- the quality of high visibility ‘street scene’ services and development control; and
- customer care – residents’ own direct experience of contacting a council.

Analysis of the user satisfaction BVPIs has also highlighted the importance of perceptions of improvements in cultural and recreational services and environmental services and of frequency of contact with local government services, and suggests that public perceptions of improvements in transport services are also important (ODPM, 2004d).

At the whole authority level there is only a weak correlation between public satisfaction and the actual levels of council tax charged by an authority or the level of recent increases. But recent research at the ward level suggests that the relationship may be significant (MORI, 2004) and, in any case, concern about recent council tax rises has undoubtedly influenced perceptions of the value for money provided by councils, which is in turn a strong driver of public satisfaction.

In addition there has been a general decline in satisfaction with public services as a whole and in expectations of future improvements (Table 4.3 and Figure 4.6).
The combination of relatively large and widely publicised increases in council tax, the lower priority given to services which are most important in driving public satisfaction with local government and a decline in trust in government at national as well as local level have therefore driven down satisfaction at a time when there have been real improvements in many services.

The implication is that if the LGMA is to lead to improvements in public satisfaction it may be important for local and/or national policies to pay more attention to:

- communicating with the public about the value for money provided by local authorities and the reasons for recent increases in council tax;
- giving the public a greater sense that authorities are interested in and taking account of their views;
- securing tangible improvements in the services that have the greatest impact on public satisfaction; and
- providing good customer care for those who contact authorities.

### Table 4.3 Expectations of improvements in public services

<table>
<thead>
<tr>
<th>Date</th>
<th>Base</th>
<th>% Agree</th>
<th>% Disagree</th>
<th>Net agree</th>
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<tr>
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<td>54</td>
<td>32</td>
<td>+22</td>
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<td>17-20 September 2004</td>
<td>964</td>
<td>35</td>
<td>54</td>
<td>-19</td>
</tr>
</tbody>
</table>

1 MORI polls with responses to the question: ‘On balance, do you agree or disagree with the statement that “in the long term, this government’s policies will improve the state of Britain’s public services”? ’
The ODPM has commissioned surveys of 4,000 residents to track user satisfaction in February and September 2005. It is also undertaking a series of thematic papers that will explore sections of the data from the user satisfaction BVPIs in detail. They will profile satisfied residents, examine the anti-social behaviour questions in detail and the impacts of information provision. The results of these surveys and the thematic papers will be reflected in future reports of the meta-evaluation.
CHAPTER 5
What have the main drivers of improvement been?

Introduction

For the most part the officers and elected members interviewed by the meta-evaluation team in 2004 believed that LGMA policies had worked in tandem with changes that authorities had themselves instituted, and in many cases LGMA policies were seen as something that authorities had been able to harness to make improvements that they wished to.

Some saw LGMA policies as essentially drawing on existing good practice in local government, and therefore believed that their authority would have been able to make improvements without central government encouragement to do so. Some also pointed to elements of the LGMA that they believed had been unnecessary or had imposed excessive burdens on them – in particular inspection and new council constitutions (section 6). But most saw LGMA policies as having encouraged a greater focus on the need for improvement. In some cases they had forced councils to recognise and address areas of underperformance.

The meta-evaluation and the evaluations of individual LGMA policies are focused primarily on policies rather than drivers of improvement. However, they do provide some evidence about the impacts of many (though not all) of the key drivers that are likely to be important in the government’s thinking about the strategy for local government.

Respondents to the meta-evaluation survey were asked to rate the impact of a series of drivers on the performance of their authority over the last three years. Their responses suggest that many of the drivers that LGMA policies seek to encourage are perceived to have been important in driving improvement in local government (Figure 5.1).
Leadership

A number of LGMA policies are designed to encourage more effective local leadership and this is a key theme of the Government’s Ten Year Strategy for Local Government (ODPM, 2005b). The CPA has focused attention on the importance of corporate strategic leadership, and recovery plans developed by authorities designated as ‘poor’ in 2002 and 2003 have often involved attempts to improve corporate leadership by, for example, the appointment of new chief executives and other senior managers. From 2005 onwards the CPA will also include assessment of ‘community leadership’ (a subject which is considered in detail by another of the Progress Reports produced by the meta-evaluation team).

Evidence from a number of evaluations of LGMA policies confirms the importance of leadership to achieving service improvement.

The second interim report of the evaluation of intervention and recovery support (Hughes et al., 2004) found that dysfunctional leadership was one (of a number) of the causes of poor performance. It found evidence that ineffective political arrangements limited members’ capacity to exercise effective leadership and that overactive or weak leadership by managers both led to failures to identify or respond to performance problems in the organisation. Improvements in ‘poor’ councils has often depended part on the existence of recovery-oriented leaders who have mobilised the necessary resources and techniques.
The 2003 Local Government Workplace Frontline Staff Survey (Gould Williams, 2003) found that frontline staff in ‘poor’ and ‘weak’ authorities were significantly more likely than those in ‘good’ or ‘excellent’ to report that their service needed better leadership by members and senior officers if they were to improve.

The evaluation of new council constitutions and the new ethical framework has reported a positive, statistically significant relationship between CPA scores and some measures of the effectiveness of an authority’s leadership and scrutiny and overview processes (John and Gains, 2004).

This link reflects the criteria used in CPAs, and is not necessarily evidence that leadership (or scrutiny and overview) lead to service improvement. However, the annual surveys undertaken as part of the evaluation of the Best Value regime have consistently shown that local authority officers and elected members believe that leadership has indeed been a key driver of improvement. They report that leadership by managers is the most important factor in securing improvement, and over time an increasing proportion of respondents have rated it as a significant driver (up from 88% in 2001 to 96% by 2003).

The meta-evaluation survey in 2004 backed up these findings:

- 90% of respondents reported that leadership by officers had had a positive impact on performance improvement in their authorities over the last three years (23% thought it had had a very important positive impact); and

- 71% believed leadership by executive councillors had had a positive impact (10% saw this as having been a very strong driver of improvement).

Analysis of changes in CPA scores and meta-evaluation results shows that:

- Respondents from (upper tier and unitary) authorities whose CPA scores improved between 2002 and 2004 were significantly more likely to report that leadership by officers had got better over the last three years than their counterparts from authorities whose CPA scores had not improved.

- They were also significantly more likely to report that leadership by executive councillors had improved since 2001.

- But there was no link between perceived improvements in the effectiveness of scrutiny and improvement in CPA scores.

A similar pattern emerged with respect to officers’ perceptions of service improvement:

- Respondents who reported that leadership by officers had got better were significantly more likely to report that there had been improvements in service quality, value for money, and responsiveness to service users.

- Leadership by executive members was positively associated with more joined up services, but none of the other measures of perceptions of service improvement.

- Again, improvements in overview and scrutiny were not linked with service improvement.
Further evidence of the importance of leadership came from the interviews with the case study authorities visited by the meta-evaluation research team. One authority had replaced its chief executive because he was seen as being unlikely to implement policies that were seen as necessary to secure the kinds of improvements sought by the LGMA. Two authorities had recruited new chief executives specifically because they were seen as ‘modernisers’ who were in tune with central government policies, and most interviewees saw the chief executive of their council as a key influence on improvement.

**Performance management**

The CPA and the Best Value regime encourage more effective performance management by authorities. This, in turn, is seen as an important contributor to service improvement.

The annual surveys undertaken for the evaluation of the Best Value regime show that most local authority officers believe that their authorities’ performance management systems have improved since 2001 and that they are making more effective use of performance information (Figure 5.2).

The meta-evaluation survey suggested that these improvements were linked to improvements in both CPA scores and perceptions of services.

- Respondents from CPA improvers were significantly more likely than their counterparts from non-improvers to report that performance management systems had had a positive impact on services since 2001.

- Those who reported that performance management systems had had a positive impact on services were significantly more likely to report improvements in service quality, value for money, responsiveness to users and access to services for all groups. They also performed significantly better than other councils in terms of the 2003 user satisfaction BVPI relating to satisfaction with the way in which complaints were handled.
Partnership working

The evaluation of the Best Value regime and the meta-evaluation both suggest that overall there has been an increase in partnership working between authorities and other agencies since 2001.

The annual Best Value surveys have shown that there has been a statistically significant increase in the proportion of respondents who have reported that their authority ‘welcomes partnership with the private sector’. The study also found that the number of authorities which explored opportunities for strategic alliances and partnership increased rapidly between 2001 and 2002, although it fell back over the following twelve months.

The meta-evaluation survey found similar evidence of increased partnership working:

- 84% of respondents reported an increase in partnership working with other public sector bodies;
- 71% reported an increase in partnership working with the private sector since 2001; and
- 71% reported an increase in partnership working with the voluntary sector.
However, only a small proportion of respondents reported that these increases had been significant. Just 11% reported ‘significant increases’ in partnership working with other public sector agencies, 9% with the private sector and 5% with the voluntary sector.

Analysis of the meta-evaluation survey suggests a mixed picture in respect of the impact of partnership working on service improvement.

- There was a positive, statistically significant link between increased partnership working with the private sector and improvements in CPA scores, but no link between improvement in CPA scores and increases in partnership working with public or voluntary sector agencies.

- Authorities that had worked more closely with the private sector since 2001 were more likely to be perceived to be providing more joined up services than three years ago, but there were no significant links to other elements of improvement.

- The same was true of authorities whose officers reported increased partnership working with other public sector agencies.

- By contrast in authorities where partnership working with the voluntary sector had increased, services were seen as having improved in terms of all of the seven dimensions of improvement identified in figure 2.1 (see Theory of Change, Chapter 2).

- There was no evidence of any significant link between increased partnership working with any sector and an authority’s performance in terms of the 2003 user satisfaction BVPIs.

Markets

The Government sees the encouragement of a more mixed economy of provision and new approaches to procurement as an important means of improving local government services. The ODPM has commissioned an evaluation of the local government procurement agenda and a separate study on markets. These are exploring in detail changes in these key areas but are at a relatively early stage and neither has reported any findings. The current picture is therefore incomplete and future reports of the meta-evaluation will be able to draw on a lot more evidence than is currently available.

At this stage the evidence suggests that attempts to encourage a more mixed economy of provision have been partially successful, but as not effective as most of the other key elements of the LGMA. The evidence about whether this has driven service improvement is mixed.

The evaluation of the Best Value regime has shown an increase in the use of rigorous competition in reviews between 2001 and 2002, but that this declined the following year. It also suggested that there was a slight decline in externalisation and outsourcing between 2001 and 2003 (Figure 5.3). More than half (59%) of respondents to the meta-evaluation reported that their authorities’ use of market testing had increased since 2001 and 48% believed that this had had a positive impact on performance. However, only 47% believed that outsourcing had had a positive impact on performance.
There is evidence of a positive association between performance (measured in terms of BVPIs and CPA scores) and approaches to procurement (measured in terms of CPA reports and officers’ perceptions of the extent to which their authorities’ Best Value reviews involved rigorous processes of competition, comparison and challenge) (Walker et. al. 2004b). Allowing for the different contexts in which authorities operate, the research indicates that the more authorities had applied competitive procurement practices the more likely they were to have higher CPA scores. Whilst more analysis needs to be done and these practices are only one of many contributory factors to performance, this does indicate the importance of procurement as a means of achieving improvement. The ODPM has commissioned an evaluation of the impact of procurement which will be examining the impact of competitive procurement practices on improvement in more detail. It is also one of the issues that will be analysed further in the next stage of the meta-evaluation.

There is evidence from surveys of officers that reported increases in the use of market testing are also positively associated with reported improvements in all of the dimensions of performance listed in figure 2.1 except for more joined up provision and staff satisfaction. By contrast there is no evidence of a link between officers’ perceptions of their authorities’ use of outsourcing and reported service improvement.

Figure 5.3  Trends in the use of market mechanisms

As measured by survey and CPA data on the use by local authorities of competition, comparison and challenge in service reviews.
Electronic government

As noted in chapter 2 above, the evaluation of electronic service delivery suggested increasingly widespread adoption of electronic information and communications technology.

The meta-evaluation survey found no statistically significant difference between the extent to which CPA improvers and non-improvers have adopted e-government. But the increased use of e-government was strongly and positively associated with improvements in officers' perceptions of improvements in service quality, responsiveness to users' needs, providing more joined up services and access for all groups. As suggested by the evaluation of electronic service delivery, increased use of e-government was not seen as having improved value for money.

The adoption of e-government was one of the few drivers of change that was positively associated with better performance in terms of user satisfaction BVPIs. Authorities whose officers reported increased adoption of e-government were seen by residents as being significantly better at keeping them informed about the benefits and services they provide.

Choice and personalised services

The role of user choice, more personalised services and devolution to the neighbourhood level are key elements of the Government's Ten Year Strategy for Local Government (see ODPM 2005a for example). However, they have not been seen as key features of LGMA policies to date and the evaluations commissioned on the LGMA have not therefore focused directly upon them. However, the evaluation of the Best Value regime and the meta-evaluation have examined the degree to which authorities have engaged with users, see themselves as having become more user-focused and the role which users' demands have played in driving improvement. The results suggest that local authority officers (particularly service managers) believe that their authorities have become more customer-focused and that engagement with users is an important driver of improvement.

The annual surveys undertaken as part of the evaluation of the Best Value regime have consistently shown that a large proportion of respondents believe user demands to be a significant driver of improvement. Three quarters of respondents believed this to be the case in 2001, and there was a small increase in 2002 and 2003 (Figure 5.4). These findings are backed up by the meta-evaluation survey (see Figure 5.1).
The Best Value surveys also indicate an increase between 2001 and 2003 in the proportion of respondents who believed that their authority/service was 'user focused' and in the proportion of Best Value reviews that consulted service users and the wider public.

Analysis of the Best Value survey data for 2001 and 2002 has shown positive statistical associations between increasing user focus and service improvement. As might be expected, increased engagement with users is linked in particular to improvements in the responsiveness of services, but the Best Value surveys suggest that it also helps to improve service quality. However, initial analysis of the meta-evaluation survey results did not reveal any link between increased user focus and improvement in CPA scores, officers’ perceptions of service improvement or higher user satisfaction BVPI scores.
Residents’ surveys have consistently shown that only about a fifth of the public want to become more actively engaged with their local authority (Martin et al., 2001). But both the Best Value evaluation and meta-evaluation have shown that there has been an increase in the level of engagement between local authorities and other stakeholders in recent years. This is examined in detail in a separate Progress Report on Stakeholder Engagement with Local Government produced by the meta-evaluation research team.

Devolution to the frontline

One of the four principles of public services reform emphasised by the OPSR is devolution to the frontline. The Byatt report and the 2003 Best Value circular both pointed to the role of staff in delivering quality services.

The evaluation of the Best Value regime has shown that between 2001 and 2003 authorities increasingly engaged with frontline staff and trades unions in the course of Best Value reviews, and that officers believe that more power has been devolved to frontline staff over the last three years. Similarly, almost three quarters (73%) of respondents to the meta-evaluation reported that staff had become more engaged in decision making in their authorities since 2001.

A recent study of the role of staff in delivering high quality services commissioned by the ODPM concluded that there was a strong link between staff involvement and service quality (PWC and Cardiff Business School, 2004). Analysis of the meta-evaluation survey echoes this – authorities where respondents reported that the engagement of staff in decisions had driven improvement were more likely to have improved CPA scores between 2002 and 2004, and officers in these authorities were more likely to report improvements in all of the dimensions of service improvement except for more joined up services.

The links between devolution to the frontline and service improvement is an area that requires further research. The workplace survey undertaken in 2003 (Gould-Williams, 2004) is due to be repeated in 2005 and comparisons of the results of the 2003 and 2005 surveys will provide valuable longitudinal data that will shed further light on this. The results of this work will be included in the next report of the meta-evaluation.
CHAPTER 6
Do elements of the LGMA hinder improvement?

Overall LGMA policies do not appear to have hindered service improvement. But there are some issues that deserve to be kept under review by the meta-evaluation and other studies over the coming months.

Many authorities complain of ‘initiative overload’. Half (50%) of the respondents to the meta-evaluation survey felt that their authority lacked the capacity to respond effectively to central government initiatives. The evaluation of the Best Value regime has also shown that a high proportion of authorities, especially district councils with relatively small budgets, found implementing the regime to be a major challenge in 2001 and 2002.

Some officers and elected members in the case study authorities reported that ‘overload’ was a major problem (Table 6.1). In some cases they were sympathetic to the LGMA but believed that some policies had been unnecessary for their authority or been ‘over the top’ and represented ‘a sledgehammer to crack a nut’. Some service managers reported that Best Value reviews were, for example, being done as an ‘add on’ to their ‘day jobs’. There was also disquiet expressed in some of the case studies about the speed at which some initiatives in the LGMA had been introduced, leading to poorly thought out or mechanistic approaches (e.g. in relation to LPSAs). Although LGMA initiatives may be intended to act in a co-ordinated way to drive improvement, they were often not perceived in this way at local level. Some policies were seen as addressing issues that were very important locally. Some were seen as diverting attention from local priorities, and many were seen as useful but not addressing key priorities.

Second, there are concerns about the level of central control over local councils. As explained in chapter 2, a number of central government statements have emphasised the importance of developing a more ‘mature’ relationship with local government, and our model of the LGMA (Figure 2.1) includes improved central-local relations as one of the keys to service improvement.

- Only 40% of respondents to the meta-evaluation survey believed that their authority’s relationship with central government had improved since 2001 and more than a quarter (26%) believed that it had got worse.

- Only 13% believed that central government restrictions on their councils had lessened over the last three years.

- More than half (57%) believed that the Government’s approach to target setting had led their authority to focus on national priorities at the expense of local priorities.
Increasing centralisation also emerged as a significant concern in many of the case study authorities. Interviewees complained of what they saw as:

- a failure by the Government to deliver promised freedoms and flexibilities and plan rationalisation. Some took the view that the Government had no intention of allowing more freedoms and that talk of the ‘New Localism’ had been a smokescreen for increased centralisation;
- differences between central government departments in their attitude to the ‘New Localism’; and
- excessive central control over resource allocations and the distribution of resources between services. Two case studies claimed that this meant that had been unable to invest sufficiently in social services to secure improvement. Others complained that they had been forced to spend on services that were seen as national priorities (particularly education and social services) to the detriment of other services, such as refuse collection and street scene, which were seen as important locally. This had, it was claimed, had an adverse impact on resident satisfaction scores.

Some authorities believe that partnership working and the provision of more joined up services is made more difficult by what they perceive to be a lack of effective cross-boundary working by central government and the inspectorates. A number of studies and the interviews conducted by the meta-evaluation have highlighted what local authority officers and members see as differences of emphasis and approach between Whitehall departments that they believe makes it more difficult to join things up at local level.
There was also some evidence that the emphasis on performance management and inspection has impacts which some authorities believed to have been unhelpful:

- 66% of respondents to the meta-evaluation survey believed that performance management systems had led their authorities to neglect outcomes that could not be measured easily;

- 44% believed that CPA had led their authority to focus on national priorities at the expense of local priorities;

- 39% believed that the costs of external inspection outweighed the benefits; and

- in two case studies interviewees reported that their councils were reluctant to try out radically different approaches to service delivery for fear that these might fail and jeopardise their existing CPA scores.

Evidence from the Best Value evaluation surveys and case studies confirms that, although external inspection is seen as a driver of improvement, many officers and members believe that the particular approach taken to Best Value inspection was too burdensome. The researchers evaluating the intervention and recovery support programme have warned that in some cases councils may be complying reluctantly and improvement may not therefore be sustainable in the long-term. They also conclude that some authorities have focused on improving CPA scores to the exclusion of dealing with some of the underlying issues and that this may threaten sustainable and continuous improvement in the longer term.

As noted above, the 2004 survey undertaken by the evaluation of the Beacon Council Scheme found that one in five officers responding believed that the scheme distracted from other aspects of the modernisation agenda.
CHAPTER 7
Do LGMA policies have different impacts in different types of authorities?

The main differentiation in the implementation of LGMA policies is according to authorities’ performance. With the notable exception of LPSAs, most LGMA policies potentially apply to both districts and upper tier/unitary authorities (there are differences in the CPA methodology applied to districts and upper tier/unitary authorities and in the provisions relating to new constitutions in the smallest councils, but these are relatively minor).

Some evidence suggests that a ‘one size fits all’ approach may not be the most effective means of encouraging improvement and that there could be benefits in fine-tuning policies to reflect differences in size, deprivation and other characteristics of authorities.

Many of the evaluations of LGMA policies have highlighted major local variations in the implementation of the agenda.

The evaluation of intervention and recovery support has found that the effectiveness of these policies depends on the prior performance trajectory of authorities, their commitment to improve and their capacity.

Similarly, the team evaluating the corporate capital strategies and asset management plans has found that some authorities, which have moved more rapidly up the learning curve than others, have begun to make the transition from process to implementation issues.

The case studies undertaken by the meta-evaluation research team suggest that authorities which have strong performance management systems and are able to develop clear corporate priorities have been better placed to respond to LGMA policies and have received better CPA scores for corporate capacity.

Several evaluations have suggested that there are differences between districts and other authorities. The evaluation of the Best Value regime found that there were statistically significant differences between district councils and other authorities in terms of their capacity to implement Best Value in 2001. The evaluation of corporate capital strategies and asset management plans, found a clear distinction in Round 1
between the relatively strong performance of the larger authorities (counties, metropolitan districts, London boroughs and unitaries) and the relatively weak performance of non-metropolitan districts (York Consulting, 2003). It also found that after allowing for differences between types of authority, there were significant variances between the outcomes of the Round 1 assessment process by region.

There have also been a number of studies that have suggested a link between deprivation and CPA scores (Boyne and Enticott, 2003) and between deprivation and ethnic diversity and resident satisfaction (c.f. MORI, 2004).

More work needs to be done to understand the differential impacts which LGMA policies have on service improvement in different types of authority, and more detailed analysis of the meta-evaluation and case studies undertaken by the research team in 2005, several of which will be districts, which will enable comparisons with the upper tier and unitary authorities visited in 2004, will help to shed light on this.
CHAPTER 8
Do LGMA policies reinforce each other?

The LGMA is not a single package of policies which have all been implemented at the same time. Different elements have been introduced at different stages and the agenda has evolved quite rapidly as some early policies have become much less prominent and new ones have taken centre stage.

There are then important questions about whether LGMA policies reinforce or cut across each other. There are also questions about the compatibility of the key objectives of the LGMA. Is it possible simultaneously to achieve service improvement, increased accountability, better community leadership, more stakeholder engagement and greater public confidence?

These are important issues for the meta-evaluation, but understandably they are not something that the evidence from evaluations of individual LGMA policies has much to say about.

There is some evidence from the user satisfaction BVPIs that service improvement is linked to some of the other LGMA policy outcomes. The ODPM report on BVPI User Satisfaction (ODPM, 2004b) for example found strong correlations between residents’ views of how well informed they were and their satisfaction with their local authority. Residents who believed they were very well or well informed were also more likely than other respondents to believe that their council’s performance had improved over the previous three years.

As noted in the Progress Report on Stakeholder Engagement with Local Government, there is a dominant view amongst local authority respondents that stakeholder engagement has led to services, which are higher quality, more accessible, more responsive and more joined-up. There is little evidence as yet of the reverse relationship – the impact of service improvement on stakeholder engagement – although some research has suggested that declining satisfaction levels of service users may change the propensity of stakeholders to become involved (see Progress Report on Public Confidence in Local Government).

Some of the interviewees in the meta-evaluation case studies also highlighted the link between satisfaction with services and public confidence in local government. In one case study authority, major ‘flagship’ projects, including a dramatic public art project and the building of a new art gallery and a new concert-hall-cum-music-centre, had been widely accepted locally – for example, most of the participants in the residents focus groups admitted that they had been rather suspicious of these projects at first but had accepted the council’s view that it would it be good for the
long-term development of the area. (They had since all come round to the view that the projects had indeed been very successful). However, they stressed that they were only willing to make this ‘leap of faith’ because the council was so good at all the ‘basic’ services, and so its leadership was trusted on these more complex issues.

The Progress Report on *Public Confidence in Local Government* raises the question of whether a target and improvement-driven performance regime is contributing to unrealistic expectations, which might result in LGMA initiatives oriented to service improvement undermining public confidence to some degree. It also explores the implications of the fact that satisfaction with local government is correlated (albeit only weakly) with satisfaction with national government. Given the evidence from the meta-evaluation focus groups that citizens tend to view negatively the influence of central government on local government and its services, the link between local service improvement and public confidence in local government is further likely to be diluted.

From some of the other LGMA evaluations there is a suggestion that the objective of community leadership has been secondary to the objective of service improvement to date and that if it is to develop then it needs to be perceived as at least equally important in the future. Indeed, the meta-evaluation case studies provided evidence of a concern amongst some authorities that there is a potential tension between the continued achievement of service improvement goals and the development of the local authority as a community leader – where service improvement is good, there is a concern that shifting the focus to community leadership will weaken service performance.

A number of questions included in the meta-evaluation survey can potentially shed further light on these issues and the research team will be analysing this data in much more detail in the next stage of the study.
CHAPTER 9
Implications for policy and practice

Key findings

The ODPM’s basket of BVPIs, PAF scores and DfES indicators suggests that overall local authority services have improved by 12.5% since 2000/2001. CPA scores and the perceptions of local authority officers also suggest that there has been significant improvement.

In general, services in district councils and those authorities rated as ‘poor’ in the 2002 CPA have shown most improvement.

There is evidence of improvement in most services areas, and there have been particularly large improvements in the culture and waste management service blocks.

The evidence suggests that increases in resources have played a key role in facilitating improvements but that key LGMA policies have been important drivers of improvement.

Public satisfaction with the overall performance of local government is low compared to most other public service providers and has declined since 1997. Satisfaction with the value for money provided by councils has also decreased.

Public satisfaction with some services, including parks and open spaces, waste recycling and waste disposal, is high and has been increasing. Satisfaction with libraries, household waste collection and the cleanliness of public land is high but has been declining. Satisfaction with sports and leisure and cultural facilities was already low in the late 1990s and has declined further in recent years. The 2003 user satisfaction BVPIs indicate that more respondents believed education had improved over the last three years than believed that it had worsened.

Service users and those who have most contact with authorities are most likely to be satisfied with their overall performance, but many residents have little understanding of or contact with local government services.

There is strong evidence that LGMA policies have helped to encourage internal changes in local authorities and service improvements over the last three years.
CPAs, the Best Value regime and inspection have been important in improving service quality and responsiveness to users. E-government has helped authorities to provide more joined up services. The national procurement strategy is having an increasing impact. Intervention and Recovery support (and perhaps the capacity building programme) seems to have helped to improve the performance of authorities judged to be ‘poor’ in the first round of CPAs.

The evidence suggests therefore that most of the key drivers of change that the Government has sought to encourage through the LGMA have led to service improvement. But some of the main drivers of public satisfaction have not been influenced by LGMA policies and one of the most important, perceptions of value for money, has been adversely affected by rises in council taxes in recent years.

Many authorities report that the quality of local leadership, performance management, engagement with service users, devolution to frontline staff and e-government have all improved over the last three years. These drivers are in turn associated with improvements in CPA scores and officers’ perceptions of service improvement.

The evidence suggests that has been less of an increase in partnership working with the private sector, market testing or outsourcing/externalisation, and that the impacts of these drivers on service improvement have been mixed.

There is evidence that the volume of LGMA policies has been difficult for some smaller authorities to cope with. Many in local government believe that the LGMA has increased central control over their activities and that this has led to a neglect of local priorities and outcomes that are difficult to measure. There are also concerns about what is seen as a lack of joined up working in central government and the costs of inspection.

There is some evidence to suggest that LGMA policies have had different kinds of impacts in different authorities, but more work is needed on this, particularly to establish the extent to which it is important to customise policies to the particular issues confronting individual councils.

More work is also needed to establish the ways in which LGMA policies complement and/or cut across each other. In particular, it is still unclear whether and how far LGMA policies aimed at service improvement contribute to increased public confidence in local government.
Implications for central government

The evidence suggests that LGMA policies have played an important role in improving services over the last three to four years. They have been widely accepted and implemented by local authorities and are producing many of the internal changes and service improvements that the Government hoped for.

The broad thrust of current policies therefore appears to have been appropriate given the Government's objectives, and there is no immediate need for a dramatic change in direction. Indeed, there are dangers of initiative overload, premature abandonment of successful policies and excessive tinkering, and given that many authorities report difficulties keeping pace with what has been a fast moving agenda there is a strong argument for a period of relative stability in which existing policies are able to ‘bed down’.

However, there are a number of ways in which LGMA policies may need to change in the short to medium term in order to build on the progress made so far.

ENCOURAGING MORE RADICAL IMPROVEMENTS

The evidence suggests that current LGMA policies have been particularly effective in promoting improvement among the worst performing authorities. They have focused attention on underperformance as never before, creating a climate in which ‘poor’ and ‘weak’ authorities have wanted to find ways to do better and have had access to new forms of assistance to enable them to achieve this.

It appears that much of the improvement to date has been secured by encouraging compliance and conformity with a fairly standardised template of ‘modern local government’ based on existing good practice. This has involved dealing with obstacles to change at corporate level (ineffective leadership, inadequate performance management systems, resistance to new forms of procurement etc.) and promoting new business models at service level, usually involving the adoption of fairly standard management practices and in some services of new technologies.

The next phase of the LGMA may need to do more to unlock and incentivise experimentation with more fundamental changes in order to achieve the next step up in terms of performance. This will need to involve not just poor performers but also authorities that are already performing reasonably well. As one interviewee put it will be important to ‘raise the ceiling as well as the floor’. This could mean that the LGMA needs to give more attention to ways of:

• encouraging authorities to be much bolder in experimenting and innovating with new approaches; and

• enabling much more fundamental changes to cross-boundary working at local level – to achieve both increased efficiency and more joined up services.

Some authorities believe current LGMA policies discourage risk taking and there is a feeling that the Government has sent out contradictory messages about flexibilities and freedoms. To be successful in encouraging new approaches, the Government
would therefore need to send out a very clear message that it wishes authorities to take up new freedoms and flexibilities and to make much greater is of the power of well-being to develop new approaches. This would require backing from right across Government, not simply the ODPM.

**INCREASING EFFICIENCY**

The evidence suggests that current LGMA policies have been more effective in raising service quality than improving efficiency.

This is partly because until fairly recently the emphasis has been upon driving up standards. It also seems that the wider use of market testing and the development of a more mixed economy of provision have been relatively low priorities – local government has shown less appetite for these drivers than other changes and LGMA policies have not done much to encourage authorities to take them on board.

If the Government wishes to achieve major improvements in efficiency it may be necessary for the LGMA to provide greater incentives for authorities to consider new business models. Following the reduction in the numbers of Best Value reviews in the wake of the revised Best Value guidance issued in 2003, it may be necessary to look again at ways of encouraging councils to consider alternative approaches to delivery. The increased emphasis on efficiency in the CPA methodology may help to achieve this.

**INCREASING ACCESS AND EQUITY**

Relatively little attention appears to have been given to the impact of current policies on access to services by those most at risk of exclusion, and it seems that most performance measures focus on issues of service quality, efficiency and effectiveness.

In the short-term there is a need for more analysis of whether there have been improvements in equity and if so what has driven these. In the longer term and subject to the results of this analysis, it may be that LGMA policies need to give more attention to improving the quality of life of the most vulnerable service users.

**BALANCING LOCAL AND NATIONAL PRIORITIES**

There was a widespread perception among officers and elected members in the case study authorities that current LGMA policies have increased central control and led to a focus on national priorities to the detriment of local issues (see Ashworth and Skelcher, 2005). This may have contributed to declining public satisfaction as residents see councils as unable to have an impact on issues that matter most to them.

It may be that there are benefits in developing a portfolio approach to achieving national priorities by setting stretch targets for them in those local authorities where these priorities are shared locally, rather than setting similar targets across the country. Allowing authorities more freedom to address local priorities could help to increase resident satisfaction since it would enable them to focus on those services that are known to be key drivers of public perceptions of their overall performance.
Local Area Agreements (LAAs) and second generation LPSAs, which are intended to allow more scope for authorities to address local priorities, may be a useful step in this direction. The ODPM has commissioned an evaluation of LAAs but this is still in the very early stages. In due course it should shed further light on these issues and its findings will be reflected in future reports from the meta-evaluation.

**CENTRAL-LOCAL RELATIONS**

Although the Government has said that it wishes to develop more ‘mature’ central-local relations, the evidence suggests that to date the LGMA has encouraged an environment in which many authorities rely upon strong external pressure exerted by Government policies to motivate change. Equally though it is clear that the ‘hands-on’ approach associated with current LGMA policies is very time consuming – for both central and local government – and may not be cost effective in the longer term. An improvement agenda linked to external funding, targets and inspection may not therefore be sustainable and it is important that more is done to incentivise and secure improvement from within local government itself.

Given the considerable variations in culture and context across local government, this is likely to require a sophisticated and more differentiated approach, which builds upon current moves towards more strategic regulation.

**Implications for local authorities**

The evidence suggests that LGMA policies have been widely accepted and implemented by local authorities and have on balance had a positive impact on service improvement. Local government has welcomed, or at least been willing to harness and seek to build upon, many key LGMA policies because many councils themselves wanted to improve political decision making, managerial practices and relationships with external stakeholders. LGMA policies were therefore pushing them in a direction in which many were willing to move or indeed already moving.

However, achieving further significant improvement may require local government to go much further than is required by current LGMA policies in a number of key areas.

**EMBRACING MORE RADICAL BUSINESS MODELS**

If, as we believe, the next phase of the LGMA needs to give much more attention to unlocking and incentivising experimentation with more fundamental changes in order to achieve the next step up in terms of performance, authorities will need to be much bolder in developing new approaches to service delivery.

This will mean stepping up their current efforts to challenge existing business models.
Authorities will need to continue to achieve significant improvements in service quality and responsiveness, but are also likely to have to give increasing attention to increasing efficiency. This will require culture change throughout authorities. There will need to be a willingness on the part of senior politicians and managers to encourage experimentation and innovation in spite of the potential damage that failure may do both in terms of criticism locally (in the community and in the local media) and nationally from inspectors. And it will require willingness on the part of service managers and staff to develop and embrace new ways of working. This is turn will need authorities to find ways of overcoming the major pressures which encourage short-termism in decision-making, both at political and officer level.

**IMPROVED PARTNERSHIP WORKING**

Working with partners is now almost universally accepted as being an important means of achieving service improvement, but most authorities concede that LSPs have not yet delivered significant changes and in some areas there is still relatively little increase in working with the private sector. Most authorities therefore need to consider how to accelerate progress in partnership working, particularly at the operational level which is likely to have the most tangible impact on services.

Authorities also need to build upon recent progress in service based performance measurement and management to become much better at measuring progress in dealing with cross-cutting and quality of life issues. This will also require closer ‘joined up’ working with other agencies whose activities have a major impact on these issues.

**MAKING BETTER USE OF EXISTING POWERS**

While complaining that the Government has sent out contradictory messages about flexibilities and freedoms, most local authorities still seem to be making only very limited use of their new powers of economic, social and environmental well-being. Councils may therefore need to be much bolder in exercising the autonomy which they do have and more effective in making the business case for new freedoms where these would be beneficial. Where authorities are seeking – or are seeking to make more use of – new freedoms and flexibilities in specific areas, it is likely to be important that they co-ordinate effectively with each other, perhaps through the Innovation Forum or IDeA.

**RESHAPING RELATIONSHIPS WITH SERVICE USERS AND TAXPAYERS**

Current LGMA policies appear to have done little to increase public satisfaction with local government. Authorities may therefore need to give more attention to ways of raising public confidence and satisfaction.

User demands have been highlighted in the meta-evaluation survey as the most important external drivers of change (significantly above central government and the audit and inspection regimes). Moreover, responsiveness to user needs (as measured in this survey) is very strongly correlated with high CPA scores. Yet many authorities admit that they are still not clear about users’ requirements and many of
the participants in our focus groups doubted that officers and elected members were 'really listening'.

This is important because of the growing evidence that frequency of contact with the council is an important (although complex) determinant of public confidence. In spite of some potential for problems of 'consultation fatigue', most members of our focus groups insisted they would welcome more interaction with their local council, provided this was about the issues that matter most to them and the council was seen to have responded to what they said.

Many authorities have already taken positive steps to address these issues but progress has been patchy and there are often variations even between services within the same authority. Those that have not yet done so might therefore usefully consider ways of:

- devolving decisions to the neighbourhood level so that local people become more involved in the planning, design and management of services;
- developing new forms of relationship with citizens and service users, based on citizen and user co-production and co-delivery of services, rather than simply professional-led services;
- communicating more effectively with the public about the services they provide, reasons for increases in council tax and the other decisions they make;
- finding ways of giving the public a greater sense that they are interested in and taking account of their views;
- prioritising improvements in the services that have the greatest impact on public satisfaction; and
- ensuring that they provide good customer care for those who do have contact with them.

**IMPROVING FROM WITHIN**

Many authorities have made significant strides in improving services and developing more open and performance-oriented cultures. The work of the IDeA, other peer support mechanisms and an increasing appetite on the part of local authorities to learn from good practice have all been important. However, it is clear that much of the impetus for improvement has come from central government policies and inspection.

As we have noted above, the current reliance on external targets, funding and inspection controlled by central government may not be cost effective or sustainable. It is certainly not conducive to the development of vibrant, self-confident and self-sustaining local governance and local democracy. There is therefore a need for individual authorities and the local government community as a whole to develop a greater capacity for self-criticism, self-regulation and improvement from within so that there is less of a need for central government policies to address underperformance and to stimulate necessary cultural and inter-organisational changes at the local level.
References


MORI (2004) Analysis of BVPI Data at Ward or Sub-LA Level, Draft report to the ODPM.


ANNEX 1
LGMA evaluation partnership publications and documents

The following publications and documents by teams in the LGMA Evaluation Partnership have been drawn on in this review of service improvement:

**Best Value**

- Evaluation of long term impact of Best Value, first interim report.

**Beacon Councils**


**Community strategies**


**E-government**

Local Public Service Agreements

- Case study reports 2003/4.

Local Strategic Partnerships

- Action Learning Set reports: mainstreaming, governance, community involvement.
- Call down work – performance management, LNRS.

New Council Constitutions (ELG)

- Summary of research evidence, July 2004.
- How are mayors measuring up?, July 2004.

Intervention and recovery support

- Learning from the experience of recovery, First annual report, summary ODPM 2004.
- Learning from the experience of recovery: Paths to recovery, Draft Second Annual Report.

Power of well-being


Corporate capital strategies and asset management plans

ANNEX 2

The ODPM ‘basket’ of cost effectiveness indicators

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<th>Service</th>
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<th>Deflated by expenditure</th>
<th>2002/03 Performance</th>
<th>Deflated by expenditure</th>
<th>2003/04 Performance</th>
<th>Deflated by expenditure</th>
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1 Performance as measured by the ODPM basket against base of 100 in 2000/2001.
The 1998 and 2001 White papers introduced more than 20 policies to modernise local government. These policies are collectively referred to as the Local Government Modernisation Agenda (LGMA). Many of these individual policies are the subjects of large-scale evaluations charting progress since their introduction (for example the Best Value Regime, Local Public Service Agreements or Local Strategic Partnerships). But what of the combined impact of the LGMA? Has the LGMA improved local government performance, enabled local government to work and interact better with its users or changed the way it is viewed by the public?

Reports have been commissioned to explore the potential combined impact of individual policies within the LGMA across five over-arching areas:

- Service Improvement
- Accountability
- Community Leadership
- Stakeholder Engagement
- Public Confidence.

Each of these areas is the subject of a Progress Report. This report focuses on service improvement in Local Government addressing whether local authority services in England have been improving? Are any improvements due to LGMA policies? What have been the key drivers of improvement and what are the implications of these findings for policy makers and practitioners at national and local government levels?