

## **Lyons Inquiry Interim Report and Consultation Paper Response from Exeter City Council**

### **Question 1. *What is the strategic role of local government?***

The “place-shaping” functions outlined in the Interim Report provide an accurate description of local government's core role in shaping a strategic view of their area and their futures.

This "place shaping" role is applicable to all local authorities but it is imperative that any description also recognises the distinctive role of key regional cities such as Exeter and differentiates between their broader strategic role/influence and the more localised focus of many semi-urban and rural authorities.

It is the successful fulfillment of this broader role which ensures that such cities make a vital contribution to regional and national economic performance, as well as the quality of life of both their own areas and their wider hinterlands. In this context it is important to highlight the instrumental role that such authorities play in driving local strategic partnerships and in securing multi-agency agreement to a shared vision and high-level, collective priorities.

### **Question 2. *What tools do councils need to perform the strategic role more effectively?***

In two-tier areas duplicated effort in performing overlapping strategic roles is a fundamental barrier to optimum performance. The associated public confusion over responsibilities frustrates the effectiveness of democratic leadership and democratic accountability. A single tier of local political decision-making would facilitate the making of political choices and decisions about local priorities, help to build community and social cohesion, and help the public to understand and engage with local government's strategic role. A two-tier structure similarly inhibits the ability of councils to fully assume their community leadership role. Structural reform is critical for the effective utilization of many of the tools which are currently available. Difficulties in implementing Local Area Agreements - a useful tool for enhanced performance of a council's strategic role - illustrate how many elements of that role, such as neighbourhood engagement and accountable joined up service delivery, are frustrated by a two-tier system.

It is important to recognise that many local authorities, such as Exeter, have ensured that proper capacities and skills are in place to respond effectively to the broader strategic role outlined above. It is accepted that local variation in service quality and under-performance may require additional Government attention where local quality thresholds have not been met. However, where authorities have a strong record of achievement and performance in delivering effective public services, over-prescriptive regulation and central control

frustrate local innovation and the devolution of more resources, freedom and responsibility is critical if local authorities are to meet work effectively with local communities to meet their needs.

**Question 3.** *How important is it that local government is elected in relation to its ability and legitimacy to perform this role ?*

Provided there are effective mechanisms in place for engaging individuals, communities of interest and communities of place, the election of accountable local councillors is critical for equitable and efficient decision-making and delivery of local services. Again, two-tier local government blurs lines of responsibility and accountability.

**Question 4.** *Which services (or parts of services) should meet national standards in all areas of the country? Which should meet minimum standards? Which should be entirely down to local choice?*

We consider that public views about who should set public service standards should be given most weight in this debate and clarity of responsibility and accountability are critical. Where local flexibility is considered appropriate the level of service should be informed by local understanding and local views.

Whilst the setting of national minimum standards for services such as education might be appropriate there must be local discretion to respond to local needs and objectives. In this context, the Exeter Vision Partnership (local strategic partnership) has identified the need for a step change in educational attainment to ensure that standards in Exeter compare with similar regional cities and current levels of achievement do not threaten the city's economy and competitiveness.

**Question 5.** *How has the Government's approach to devolution and decentralisation affected your area and local services?*

As an excellent authority the removal of resource-consuming service inspections has allowed the Council to focus on priorities and improving performance, but also take a proactive and innovative approach to the development of the city and service delivery. The ongoing "streamlined" approach to CPA, including Use of Resources Assessments, continues to be disproportionate and over-prescriptive with regards to the resource-base of a district council.

In general, it is important that the number and content of performance indicators does not impose a meaningless and disproportionate burden on local authorities by failing to allow for local variance. A recent example is the multi-dimensional Domestic Violence indicator (BV225) which is overly prescriptive and fails to reflect the considerable partnership working that has been undertaken on this issue county-wide between 9 local authorities.

Local Area Agreements are notoriously problematic in two-tier areas. It is essential that clearly defined areas such as Exeter, with strong community identity and established partnership working have a LSP in place to set a strategic vision and coordinate activity. However, where district councils do not have direct control over the resources attached to a Local Area Agreement, their role is largely restricted to delivery co-ordination and not the envisaged commissioning role. Furthermore the pooling of budgets at a county-wide level raises the issue of an "accountability deficit".

**Question 6.** *How can pressures on local services be managed more effectively?*

Confusion about responsibility and duplication of effort are fundamental barriers to the effective delivery of local services. For example, the overlapping responsibilities for waste management, waste collection and waste disposal obscure accountability and result in poor value for money.

Opportunities for integrated service delivery would be enhanced if the public agencies in cities of regional significance were afforded freedoms and flexibilities to pool budgets and focus on the strategic priorities for their areas.

**Question 7** *How could responsibility for local services be made clearer between local government, central government and other agencies?*

Proposals for double devolution and a National Neighbourhood Framework offer a timely opportunity to ensure that arrangements for local governance are simplified at the local government level and respective responsibilities are robust and clear.

The Local Area Agreement approach offers the opportunity to focus on the achievement of outcomes in a single area and the possible formation of a joined-up, less burdensome performance management framework. However, experience indicates that this approach is designed for a unitary system of government and it is considerably fettered in two-tier areas.

**Exeter City Council**  
**March 2006**