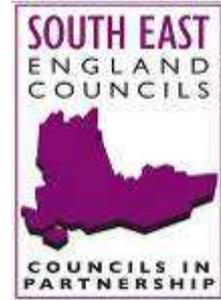


**SOUTH EAST ENGLAND COUNCILS
EXECUTIVE COMMITTEE MEETING**

Date: 8 March 2012

Subject: **Local Government Self Regulation**

Report of: Heather Bolton, SEEC Director



Recommendation:

Members discuss whether there is a potential role for SEEC in helping to co-ordinate and provide political leadership around self regulation and improvement in the South East.

1. Background

- 1.1 SEEC members welcomed Government's 2010 announcement that it will abolish the Audit Commission and its role in assessing councils' performance. (Financial audit of councils will continue to be provided externally via contracts with private sector firms from 2012-13.)
- 1.2 In response to Audit Commission abolition, the Local Government Association is making the case for stronger self regulation of performance within local government as an alternative to external scrutiny.
- 1.3 The LGA's national 'Taking the Lead' work sets out clearly that individual councils are responsible for their own performance but also encourages councils to co-operate on improving services – for example through peer reviews. The aim of this work is to strengthen the credibility of local government as a whole, prevent council failures (and any associated risk to the sector's reputation) and avoid imposition of another unpopular central inspection regime in future – for example via the National Audit Office. Strong, credible local government will also support the case for greater devolution of powers from central government.
- 1.4 The LGA receives top-sliced funding to support improvement work across local government. This includes – but is not limited to – seven offers on Taking the Lead:
 - Online guidance on strengthening local accountability
 - A free peer challenge review for each council
 - Up to 5 days peer support for councils which change control
 - Online knowledge-sharing hub for good practice in improvement
 - The ability for councils to compare performance online
 - Development support for lead politicians and managers
 - Officer and councillor networks to share good practice.
- 1.5 In some areas of England SEEC-type local membership organisations are closely involved with the LGA in this area of work, providing local political leadership to reinforce the importance of self regulation and improvement. This is often a legacy of combined functions, where several membership organisations – for example East Midlands Councils – also provide the employers' function and host the soon-to-close Regional Improvement and Efficiency Partnerships (RIEPs).

2. A role for SEEC?

- 2.1 Given involvement of other regional membership bodies and the importance of a credible local government sector, SEEC members may want to consider whether

they see a role in helping to co-ordinate and provide political leadership around the self regulation and improvement agenda in the South East.

2.2 In the South East the role of membership organisation is not combined with the employers' function or the improvement body. These roles are carried out respectively by South East Employers and Improvement and Efficiency South East (IESE is now operating as a social enterprise). It is **not** proposed that SEEC should duplicate the current work of either of these organisations.

2.3 However issues for members to consider include:

- i. Who should take responsibility for identifying and helping failing councils in the South East?
- ii. Should this be handled nationally via the LGA, or do SEEC members want to consider a light touch overview role?
- iii. If SEEC members want to consider a light touch role, what would this look like?
- iv. Is there a role for an agreement between SEEC and another membership organisation to support peer challenges across regional boundaries (for example an agreement with SEEC's equivalent in the East of England)?
- v. Is there a role for SEEC in influencing how top-sliced funding for improvement is spent in the South East?