Good management in local government
Successful practice and action
Good management in local government
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1 Introduction
About this handbook

*Good management in local government* is a handbook directed at councillors and senior officers. Its main theme is simple— that the essentially bureaucratic approach which has served local government well in the past is, in many ways, inadequate for coping with the upheavals of the 1980s and beyond. It has to be replaced by a new approach, which will need to be more responsive and flexible, placing greater emphasis on the value of people, both as clients and as employees.

This handbook is not a textbook of management theory, nor is it a series of detailed and comprehensive case studies. The purpose is to encourage councillors and senior officers to ask questions both of themselves and of each other about the way their authority is managed. In particular, how can it manage better in an era of limits?

The handbook is produced in the form of text, checklists, and examples of good practice, to help readers select the parts that interest them and to make the whole document easily digestible. Examples from various authorities are put forward, not as blueprints of the way things ought to be done, but as a resource of ideas and a demonstration that difficult changes can often be made.

The handbook has been prepared jointly by the Audit Commission, the Local Government Training Board and the Institute of Local Government Studies, drawing on their existing knowledge, a programme of visits to authorities and interviews with senior staff, and on reports and other materials supplied by the authorities themselves. It develops the Audit Commission's initial guidance for auditors and local authorities on management arrangements, which draws on Peters and Waterman's *In Search of Excellence* and is published annually in the Yellow Book: *Arrangements for Securing Economy, Efficiency and Effectiveness*.

Four basic principles underlie this handbook:

**Straightforward concepts** There are no elegant theories in the handbook. It relies on passing on good practice from people who are handling particular aspects of overall management reasonably well.

**A positive approach** This publication puts an emphasis on the good things that are happening in local government, rather than concentrating on the worst.

**Realism** No quick solutions are put forward. The emphasis is on how various aspects of management reinforce each other and need to be considered together. For example, the behavioural features of management are as important as good systems.

**Organising for change** Local government has to face up to managing change, rather than administering standstill or growth. The handbook will help those who want ideas to take them forward.

The rest of this Introduction provides an overview of the changing environment within which members and officers must manage and suggests ways in which the handbook can be used to help improve management practice.

The changing context of local government

The machinery of much of modern local government evolved in earlier periods of relative stability. In the mid 1980s that stability has gone. The changes and pressures now facing elected councils are many and complex, and challenge traditional approaches.

The pressures of resources and government

The end of growth in local government has been apparent since the late 1970s. More recently it has been reflected in tight Government financial controls which are now affecting the levels of services. This has been accompanied by other pressures for change. The Audit Commission itself seeks to encourage innovations in the way local government is managed, and there are political pressures to consider alternative ways of providing services. The depressed state of the private sector economy has prompted a greater critical awareness of public spending and the Government has encouraged authorities to be more obviously accountable to the local electorate.

Changing needs

The enormous rise in unemployment has inevitably had a major impact on most local authorities. Not only has there been a need to become involved in the generation of new training and employment opportunities, and to deal with the direct problems of poverty and dependency, but also to face the less tangible, indirect difficulties experienced throughout the service—in schools, by youth workers or by the police.

At the same time, there have been rapid increases in the numbers of dependent elderly and falling numbers of school children. These changes create the need for major reappraisals of some services and for the redistribution of resources.

A third factor has been widespread social change. There are now many more single person households and single parent families than there were even ten years ago. There is a greater likelihood of marriages ending in divorce and of remarriages. Women are now the major, or only, breadwinner in many households. Such social trends have far-reaching implications for housing and many of the personal services.

Political change

Politics within the local setting have undergone a number of significant changes. In many places there is a tendency for councillors to be both younger and
more politically committed. Many members have become more heavily involved in the running of their councils and it is not unusual for one or more leading politicians to serve on a full-time basis. The result has often been a more political approach and a greater contrast between the parties. At the same time, the emergence of a stronger third political grouping in some places has given rise to a number of ‘hung councils’.

Organisational change
In response to many of the external pressures, organisations themselves have had to change. Direct labour organisations have been set up and, in some authorities, services have been privatised. Many councils have created some form of economic development unit and have become heavily involved in the activities of the Manpower Services Commission. Staff with responsibilities for race relations have been appointed and more generally there has been much closer working with voluntary and community organisations.

Within authorities themselves there have been several noticeable trends. A concern to bring the administration of services closer to the community has often led to the decentralisation and local coordination of social services and housing, maybe in conjunction with health services. District councils have shown a tendency to reduce the numbers of chief officer posts from the post-Bains levels, and several councils have created Property Services Departments through the amalgamation of existing departments. In many authorities the emergence of the Chief Executive role has led to a regrouping of central services.

New technology and demands on staff
The need for economies and for new ways of working has simultaneously put pressures on staff and provided scope for the introduction of new technology. For some staff, the need for economic initiatives, for more commercial approaches and for computerisation has presented opportunities for personal progress and development. For others, the reductions in services and the slimming of establishments have meant a loss of opportunity, frustration and a drop in morale. The need to acquire new skills and adapt to new technology has also put stress on some employees.

New developments may be essential, and beneficial, but they pose problems for many staff which have to be recognised and tackled.

Authorities’ responses
Unfortunately, some councils are still not well placed to face these challenges. Is the council getting what it is paying for? Does the council need to provide all its present services, some of which may well be geared to the needs of an earlier era? Should resources be redeployed to meet new needs and demands? Are there more economic ways of delivering the same benefits? Is the council being managed well? These are questions that residents, ratepayers and special interest groups are increasingly asking of authorities—to which, often, there are still no ready answers. A lot of authorities have realised this and are beginning to rethink their approaches, others have much to do. The examples in the handbook document some of the more positive responses in the belief that cross-fertilisation of ideas will assist the process of changing management practices.

Implementing change
Seeking greater value for money can present difficulties in the context of central/local government relations. However, failure to manage the challenges now facing local authorities may result in less local government. ‘Business as usual’ is not a sufficient response because it will not result in better homes, more care for the elderly, or a rationalised secondary school system.

Implementing change usually means overcoming barriers. This involves acknowledging problems and objections, developing and presenting arguments, disseminating information, exploring options, and finally developing a strategy and an action plan. Such a process requires cooperation between officers and members, and this handbook is directed to both in the hope that they will use it in cooperation.

Some of the typical barriers found in local government are:

- A programme of change runs the risk of failure and exposes politicians to criticism. Inaction is safer.
- The electorate generally prefers the status quo. Change invokes opposition.
- Change occurs most readily at times of growth. When money is tight, as at present, stagnation occurs.
- Political timescales are short, militating against longer term strategic change.
- Uncertainty about the resources to be made available by central government makes service planning extremely difficult.
- A local authority is not a corporate entity but rather a collection of disparate services competing for money. The redistribution of resources is difficult in such a context.
- There are no rewards for officers for risk taking.
- Inertia is a feature of most large bureaucracies, particularly those which depend on complex committee systems.

The price paid for failing to overcome these barriers is usually a loss of direction and purpose, low morale and commitment amongst the workforce, organisational weakness and longer term problems. Even when these are recognised, it can be hard to overcome the barriers. Often this needs to be done simultaneously at several levels, for example through organisational or structural change, educational work to change...
attitudes, and alterations in communication patterns and the flow of information.

One of the major aims of this handbook is to assist the process of change, partly by offering ideas of alternative ways of doing things and partly by suggesting structures and processes. The Review and Action Plan checklists at the end of each chapter are particularly important in this respect. The overview for each chapter also includes some consideration of how people may respond when they first contemplate alterations in different aspects of local government.

Change can be exhilarating. It can also be frightening. Resistance to it can take many forms, and some reservations are more real than others. The challenge lies in being able to overcome objections and find ways of making change a positive experience for those concerned.

How to use this handbook

Each chapter deals with a separate but related area of local government management practice. Clearly there are advantages in working through the whole document, but it is also designed to be dipped into and each chapter can be approached separately. Bear in mind, however, that the concepts put forward are interrelated. For example, staff appointments and training should relate to the vision the authority is seeking to achieve; organisational structures and communications should be consistent with the authority's style.

The chapters all use the same structure and approach. Some basic arguments are outlined and then illustrated with numerous examples of successful practice from a variety of local authorities. These show the different ways in which the same basic concepts can be implemented in different settings to meet different needs. Clearly, it is not feasible to collect every possible example and there are likely to be many other instances of excellent practice in local government. Equally, some people may disagree that all the examples do constitute good practice, or may see other ways of implementing the ideas more appropriately in their own authority.

The document may serve as a springboard for the development of your own ideas. To assist in this process, each chapter ends with two sets of questions, headed Review and Action Plan. The Review questions are guidelines for considering how effective your authority already is in each of the areas covered. They should help you to identify how much consensus there is about what can and should be changed. The Action Plan questions summarise the ideas of the chapter in checklist form. They can help to promote change by providing examples of concrete, specific proposals that can be accepted or developed for implementation in your authority.

Both sets of questions are designed to be added to in the light of your own experience and the particular circumstances of your authority. They are also laid out in a format that is easy to photocopy and distribute, so that they can form the basis of a consultation process amongst officers and members about what the problems are, and which of the ideas in this handbook might be practical and popular to implement.

One way of approaching the handbook might be first to skim through it, getting some idea of the areas covered and those which are most relevant to your authority. Following this it might be appropriate to concentrate on one or two chapters in the first instance, drawing colleagues—both officers and members—into a discussion of how the material could best be used.

Possible courses of action developing from this might be to use the handbook with appropriate existing groups. There may be officer standing groups (for example Manpower Development or Deputies) who could use it as the basis of a brainstorming session or of a longer programme of review. At member level, the Policy Review Sub-committee may wish to use it as a checklist of items to be covered, or a specific sub-committee may be interested in those chapters relating to its sphere of work. The handbook also has value for training purposes, as the basis of a members’ seminar or as material for a middle managers' training group.

Disseminating information and holding discussions will help to create a climate that is conducive to change. In addition, you may sometimes want to conduct a survey of opinion or gather data about current practices. However, there comes a time when fact finding and consultation have to stop and new courses of action have to be tried.

When you are considering the Action Plan questions at the end of each chapter you may find it useful to think in terms of:

- Which changes could be achieved
  - immediately, ie within three months?
  - in the medium term, ie within six to twelve months?
  - in the long term?

- Who needs to be
  - directly involved
  - consulted
  - informed
  - about any changes you instigate?

Working through this handbook may also help your authority to identify those elements of its current management practice which are already examples of successful action. Any example which could be included in a future edition of this handbook, or which could form part of an information resource bank for use by local authorities, should be sent to the Local Government Training Board, Fourth Floor, Arndale House, Arndale Centre, Luton, LU1 2TS.
2 Vision
Chapter overview

Vision means having an understanding of where your authority should be going, how it should be run and the philosophies which should underlie its actions. This chapter defines vision and gives some examples of its effects in practice. It then considers what an authority needs to do to develop a vision that is responsive to the community it serves. This involves being aware of the real needs, feelings and problems within the community, both now and in the future. The chapter then looks at the use of information, enhancing the role of councillors and increasing the responsiveness of officers as means of developing vision through awareness.

Fine words or reality?

Vision is a concept that needs to be translated concretely into the work of an authority. The danger is always that it remains at the level of a concept—fine words—and this possibility can of course be off-putting to the busy manager.

Which of the following images does the idea of vision conjure up for you?

1. An organisation where the authority’s philosophy and goals are clearly expressed at every level of the service.
2. Staff who feel enthusiastic and committed to the authority and its aims and to their work. Leaders who can inspire the staff working for them.
3. An organisation which is proactive, going out to discover needs and shape resources to meet them.
4. Members and officers working together to develop knowledge of the area’s needs.
5. Endless staff meetings where time is wasted discussing philosophy (and inevitably disagreeing) instead of getting on with the job.
6. Mountains of paper full of good ideas which make their authors feel better but which don’t change anything.
7. A bottomless pit—the more you find out, the more needs you uncover and, in a time of scarce resources, the more problems you create.
8. Frequent reorganisation and change of course as the authority attempts to respond to every new discovery.

Images 1–4 describe some aspects of what is meant by vision. The rest of the chapter elaborates on them and gives examples of how these concepts can work out in practice.

Images 5–8 express some of the reservations people have about the notion of vision. Foremost amongst these is the feeling that developing vision may not get you anywhere, that it may cause more problems than it solves and that it may waste valuable time. These issues are taken up and answered both in the text of this chapter and in the examples given.

Achieving vision

Although vision may be expressed through strategic planning and policy making processes, its greatest influence is likely to come through the development of a shared culture. This often involves some unifying concepts that bring people together, for example:

• putting people first
• arresting decline
• promoting growth.

Where all the individuals within an organisation accept similar beliefs and values about its purpose and their work, then vision can be expressed at all levels and in a multiplicity of activities.

This can of course be difficult for many authorities. Size, the diversity of goals, and a political system which tends to emphasise differences, can all militate against the development of corporate vision. For vision to become important and influential there are two prerequisites. First, there must be a strong and almost inspired leadership which understands the organisation and can motivate staff. Second, there must be a pattern of systems and structures which reinforces what is to be achieved, rather than militates against it. For example, few authorities would deny that they should be ‘customer oriented’ but many fail to reflect this in their procedures. Often the arrangements for contact with the public serve the needs of the bureaucracy rather than those of the service customer.

Vision also requires an awareness of external needs and of available resources. It includes a strong element of forward thinking, coupled with a clear determination of aims and a strong commitment to achieving them.

Vision is the creative element that lifts a council from a reactive organisation which attributes most of its problems to outside factors, to one which is proactive, determined to shape affairs to meet the needs of its area.

Vision in practice

Bradford City Council faces a mixture of serious problems—continuing job losses, inner area decline, and racial tensions. In 1984 a District Trends booklet was produced called The Changing Face of Bradford. This identified the problems facing the area and included a statement, signed by all three party leaders, which acknowledged the difficulties and the change of approach and attitude which was necessary to tackle them (see Facsimile 1).

The Bradford text is not merely fine words. Over recent years the authority has shown that, as an organisation, it is adapting to the tasks it faces:
Foreword

District Trends 1984 is the first overall analysis of trends and issues in the District for three years. Like the previous issues, it does not make pleasant reading.

It warns of further decline in the local economy, the likelihood of even higher unemployment, and problems from the impact of new technology.

It points to the creation of "poverty zones" in our inner-city areas and council estates, predicts growing pressure on our environment, highlights the widespread inequalities between men and women, and suggests that the Council's Race Relations policies must make more progress if we are to meet the expectations of young black Bradfordians.

It says little about the positive achievements of the Council and many other organisations in tackling the economic and social problems of the District, but that is not its task. Its task is to analyse the trends and pressures the Council will have to face over the next few years.

We believe that work such as this is crucial in helping to shape the future policies of the Council, whoever is in political control.

It was early District Trends warnings about the declining local economy which helped lead to the creation of the Economic Development Unit and a whole range of economic initiatives. Its unemployment projections were instrumental in the creation of the Unemployment Unit and the policy of support for the unemployed.

Its work on population projections has had a variety of spin-offs, not least the redirection of much education spending to cope with rising school rolls.

But that was some years ago, and these initiatives are well-established. We believe the time is now right to look at the overall impact of some of these initiatives on the community, and to predict the new problems we shall have to deal with.

In broad terms the predictions in District Trends 1984 appear to us to be fairly accurate. No doubt there will be disagreements over interpretations and details - and there will certainly be strong political debate about how some of the issues should be tackled.

In two areas, however, there will be a large measure of agreement among all three parties on the Council.

Firstly, there is the unique nature of Bradford's problems. Along with the economic and urban problems faced by many cities, the District is also facing the largest increase in population of any Metropolitan District in the country - and facing it in the inner areas where our resources and land are already under severe pressure. This is a message which we shall all continue to bear in mind.

Secondly, the changing face of Bradford will call for new ideas, new attitudes and ways of working, and new relationships from all of us, members as well as officers.

District Trends 1984 presents the Council with a series of challenges. If we are to meet them successfully, we shall need all the internal and external resources we can get.
Developing vision through awareness

No local authority begins with a clean sheet. On election, a new council inherits a pattern of services, established practices and a committed budget. It also inherits a package of issues and problems defined in the past, some of which remain relevant, others less so. The danger is that, in tackling the immediate problems of managing the authority, the new council will fail to give full attention to changes which are occurring outside. Vision needs to be based upon an awareness of the present and also of how to shape the future.

Understanding needs is not easy. Even a small community presents a very complex picture of social, economic and personal demands. Most will be met by the market economy, but a significant number will be met by the local authority. Unlike the market economy, the local authority has no simple cash transactions through which to assess demand. Moreover, it has to 'ration' services equitably and to balance the quite different demands of competing sections of the community.

Equally, there may be resistance to gaining a clearer understanding of local needs. A greater awareness may challenge existing services or run counter to political goals. It may thus appear to threaten the political judgement of members or to question the professional skills of officers. It may reveal even greater levels of need at a time when existing needs cannot be met. However, these are reasons for improving awareness and for pinpointing priorities. They are not reasons for failing to come to terms with essential needs.

There are two principal ways in which local authorities can improve their knowledge of their locality and the way this feeds into the decision making. The first concerns the use of information. The second relates to the development of the people in day to day contact with the community: the councillor in the ward and the officer in the field.

Information

No town or community is static. Change, for better or for worse, is continually taking place and some of those changes will bring forward new issues ... The information in this booklet is presented to help councillors to assess the importance of changes taking place in Bolton and to consider what impact the Council might have and the extent to which it should or can respond. (Extract from District Trends 1984—Bolton Metropolitan District Council)

In 1974, the newly formed local authorities faced a period of apparent expansion. The population was growing and many structure plans anticipated very high growth levels. Employment too was buoyant. Seven years later, the situation had changed completely. The population overall was stagnant. Schools were beginning to feel the effect of a severe drop in births. The number of elderly people was increasing rapidly and unemployment was establishing itself as the major problem in most areas of the
country. Not all of this could have been anticipated in 1974, but the seeds of much of it were already sown.

Few areas have escaped the problems posed by these changes, but the effects have varied. Schools in some of the large cities were affected by falling births much sooner, and more severely, than the expanding areas. More marked are variations in the proportion of elderly people. For example, in Arun District Council one person in eight was over 75 at the time of the 1981 Census. In Corby the figure was one in 36. At the present time, the unemployment rate in many parts of the North-East is four times as high as in areas of the South-East. Furthermore, variations can be just as marked within the area of a single authority. These two factors—rapid change and local variation—emphasise the fact that good local knowledge is essential.

Equally, the authority needs to understand the use made of its services and the attitudes of the public to them. In some fields use can be monitored quite easily. Traffic flows can be measured, the use of buses calculated and contacts between professional staff and clients recorded. However, these figures alone are not enough. They need to be analysed and to be accompanied by a broad assessment of how successful the contacts were and how satisfied the clients were. For example, how well do Housing Departments understand the real needs, frustrations and preferences of their tenants? Many houses built by local authorities have external appearances which would be rejected by private developers on the grounds that the public would not want them. Why should not local authorities be equally responsive to public opinion?

Examples of information gathering

Information may be collected regularly or on a one-off basis, about a variety of issues or about one particular service. Rapid advances in information technology mean that analyses and projections can be made more quickly and easily. However, information is only useful to the extent that it informs vision.

Cleveland County Council has since 1975 undertaken an annual survey to find out citizens' views on a variety of issues. These include their satisfaction with services, their views on appropriate service levels, and whether they feel adequately informed. Each year some 1,800 voters are surveyed and the results provide valuable information. In addition, the County's Research and Intelligence staff carry out specific studies of need for certain services in localised areas, much as a private company might assess the market for a proposed product.

One officer responsible for refuse collection recalled how the bad showing of his Borough's services in the comparative satisfaction survey led to a major revision of the service. He claimed it was now the most popular of the four Borough refuse services. (Report on the Cleveland Citizens' Surveys)

Newcastle City Council undertakes detailed studies of selected aspects of service provision as part of its general review process. Where appropriate, these include surveys of those using the service. Two examples illustrate the approach:

- A study of parental involvement in schools included a survey of all parent governors in the city, interviews with a one in four sample of parents at a major comprehensive school and a questionnaire to all headteachers.
- A review of the housing repair service included a postal questionnaire to over 600 tenants who requested a repair in a given period, interviews with over 700 tenants who had complained, and consultations with tenants' associations.

Services may generate information which is not only valuable for particular services but also has wider use as a pointer to other problems. For example:

Cheshire County Council has looked at areas of 'family stress' using information derived solely from service based statistics. These include probation orders, crime figures, children in care, free school meals and educational subnormality. The outcome has been a significant commitment of resources to the four most disadvantaged areas of the county. The findings will also influence the allocation of resources within services. Because so many departments and agencies are involved local steering committees have been setup and community workers appointed for the areas concerned.

The publication of the 1981 Census prompted many authorities to produce reports on their areas. (See for example the Newcastle city and ward profiles illustrated in Facsimile 2.) Most of these reports were 'one-off' but several authorities have established a more regular process by which information is fed directly, or indirectly, into policy making.

Bolton Metropolitan District Council has an annual publication, District Trends, which is a comprehensive collection of information about the district with sections on 'People in Bolton', 'Living in Bolton', 'Working in Bolton' and 'Bolton as a Place'. It includes projections and raises issues but does not comment on policies or services. Detailed area comparisons are given on a ward basis. It is produced as a background document for the annual policy process.

Arun District Council produces a document called the Profile and Community Analysis. Its purpose is to provide 'an overall context for decision making and forward planning by the Council'. It examines the changes, both local and national, which have an impact on the 'scenario' for 1991 and it shows the implications for each programme committee. The document accompanies papers on Aims and Strategies and both influence budget strategy.
4.7 Full-time Education Amongst Seventeen Year Olds

A Wide Variation Across the City in the "Staying On" Rate

The variation in the number of children staying on in full-time education after 16 is possibly one of the most significant figures to emerge from the Census. In the City as a whole, 31% of seventeen year olds were still in education but the figure for the partnership area was only 18%. Between wards the range was from three out of four in South Gosforth to barely one in ten in Walker and West City.

Table 4.7

Seventeen Year Olds Still in Full-time Education 1981

<table>
<thead>
<tr>
<th>Ward</th>
<th>Number of Seventeen Year Olds</th>
<th>Number in Full-time Education</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>*1. Benwell</td>
<td>182</td>
<td>38</td>
<td>20.9</td>
</tr>
<tr>
<td>*2. Blakelaw</td>
<td>233</td>
<td>40</td>
<td>17.2</td>
</tr>
<tr>
<td>*3. Byker</td>
<td>120</td>
<td>16</td>
<td>13.3</td>
</tr>
<tr>
<td>4. Castle</td>
<td>196</td>
<td>89</td>
<td>45.4</td>
</tr>
<tr>
<td>5. Dene</td>
<td>197</td>
<td>107</td>
<td>54.3</td>
</tr>
<tr>
<td>6. Denton</td>
<td>270</td>
<td>75</td>
<td>27.8</td>
</tr>
<tr>
<td>*7. Elswick</td>
<td>124</td>
<td>28</td>
<td>22.6</td>
</tr>
<tr>
<td>*8. Fawdon</td>
<td>187</td>
<td>39</td>
<td>20.9</td>
</tr>
<tr>
<td>9. Fenham</td>
<td>191</td>
<td>66</td>
<td>34.0</td>
</tr>
<tr>
<td>10. Grange</td>
<td>176</td>
<td>71</td>
<td>40.3</td>
</tr>
<tr>
<td>11. Heaton</td>
<td>132</td>
<td>47</td>
<td>35.6</td>
</tr>
<tr>
<td>12. Jesmond</td>
<td>134</td>
<td>93</td>
<td>69.4</td>
</tr>
<tr>
<td>*13. Kenton</td>
<td>225</td>
<td>80</td>
<td>35.6</td>
</tr>
<tr>
<td>14. Lemington</td>
<td>159</td>
<td>49</td>
<td>30.8</td>
</tr>
<tr>
<td>*15. Monkchester</td>
<td>164</td>
<td>24</td>
<td>14.6</td>
</tr>
<tr>
<td>*16. Moorside</td>
<td>86</td>
<td>18</td>
<td>21.2</td>
</tr>
<tr>
<td>17. Newburn</td>
<td>152</td>
<td>36</td>
<td>23.7</td>
</tr>
<tr>
<td>*18. Sandyford</td>
<td>116</td>
<td>40</td>
<td>34.5</td>
</tr>
<tr>
<td>*19. Scotstwood</td>
<td>189</td>
<td>33</td>
<td>17.5</td>
</tr>
<tr>
<td>20. South Gosforth</td>
<td>169</td>
<td>128</td>
<td>75.7</td>
</tr>
<tr>
<td>21. Walker</td>
<td>201</td>
<td>23</td>
<td>11.4</td>
</tr>
<tr>
<td>*22. Walkergate</td>
<td>189</td>
<td>51</td>
<td>27.0</td>
</tr>
<tr>
<td>*23. West City</td>
<td>168</td>
<td>19</td>
<td>11.3</td>
</tr>
<tr>
<td>24. Westerhope</td>
<td>215</td>
<td>90</td>
<td>41.9</td>
</tr>
<tr>
<td>25. Wingrove</td>
<td>181</td>
<td>99</td>
<td>54.7</td>
</tr>
<tr>
<td>26. Woolsington</td>
<td>247</td>
<td>44</td>
<td>17.8</td>
</tr>
<tr>
<td>Newcastle</td>
<td>4,603</td>
<td>1,443</td>
<td>31.4</td>
</tr>
</tbody>
</table>

*Priority Areas/Partnership Area

<table>
<thead>
<tr>
<th>Ward</th>
<th>Number of Seventeen Year Olds</th>
<th>Number in Full-time Education</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>*</td>
<td>1,807</td>
<td>330</td>
<td>18.3</td>
</tr>
</tbody>
</table>

Rest of City

<table>
<thead>
<tr>
<th>Ward</th>
<th>Number of Seventeen Year Olds</th>
<th>Number in Full-time Education</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>*</td>
<td>2,796</td>
<td>1,113</td>
<td>39.8</td>
</tr>
</tbody>
</table>
Facsimile 2

Benwell has a total population of around 10,500 which is about average for wards in the City. There are just under 4,000 households and each contains, on average, 2.66 people which is slightly above the City figure. The proportion of heads of household who moved house into or within the ward in the year before the Census was also higher than for the City.

A High Proportion of Young People

The proportion of children in Benwell is amongst the highest in the City and over one third of the households contain families with children. In fact the percentage of large families with three or more children is the third highest after Scotswood and Kenton. Conversely, relatively few households contain adults only. There is a noticeably low proportion of seventeen year olds staying on in education, only about one in five compared with one in three for the whole City.

A Large Number of People Live in “Overcrowded” Households

The proportion of households with more than one person per room exceeds the average for the City and these households contain 1,400 people. There is a substantially larger proportion of housing association tenure, the second highest after Moorside, and totalling about 500 households in the south of the ward. The incidence of private rented accommodation is about average with council and owner occupied housing slightly less than for the City as a whole. Owner occupation is most common in the northern part of the ward.

Higher Unemployment than the City Average

The overall unemployment rate in Benwell is about one third higher than that for the whole City. For men unemployment as a whole is about 25% whilst the rate amongst those under 25 is over 30%. The south of the ward is most affected by unemployment.

As is usually the case in a poorer inner city ward fewer households have the use of a car or van than the average percentage for the City as a whole.
Contact with the community

It seems then that most of the officers and councillors who say they pay attention to the concerns of other groups are listening, not to the general public in the county or district they serve, but to a very special fragment of that public. ... just how concerned are they with the opinions of the people who live in their area? (Extract from a report of a survey of 53 members and officers from the District and County Councils in Cleveland)

Potentially, local authorities have a very effective network of contacts with the communities they serve. Councillors know their areas well and will usually have their own ward organisations, numerous informal contacts and membership of governing bodies, voluntary organisations and other local groups. At the same time, teams of officers such as health inspectors, social work staff, teachers, housing officers and police will make numerous personal contacts. Both professional and administrative staff will have contact at reception points, by letter and by telephone. However, it is in this very extensive network that communications problems may lie.

Some authorities have worked hard to stimulate contacts with their communities and to formalise the feedback that results. These attempts can be considered under two headings: those aimed at improving the role of the councillor and those aimed at improving officer awareness.

Enhancing the role of councillors

There can be little doubt that the contribution of the councillor is a growing one. Authorities are becoming more politicised and new councillors are expecting to play a full part in the running of affairs and in responding to the needs and interests of those they represent. However, ‘gifted amateurs’ may make poor managers and may even drive out competent professionals if they try to take over their functions. Member support and training is therefore essential and can be provided in a number of ways. For example:

1 Local offices and surgeries The move to local offices, dealing with one or more services, has increased in recent years. They provide a useful focus of local issues for the councillors and are often paralleled by local consultative or advisory committees. Surgeries have been widely used with varying degrees of success.

2 Seminars and working groups These enable members to get outside the committee system and examine specific problems, or overall strategies, in much greater depth.

Devon County Council held a weekend away for committee chairmen to consider the implications of a paper entitled The Policy Debate. A green paper, The Strategy for Devon, was produced for discussion and consultation before final policies were decided in a further seminar. This process has involved a major shift in resource distribution and has fully merited the time spent.

3 Formal reporting back procedures Councillors usually represent their authorities on a number of voluntary organisations and governing bodies but they are rarely given the opportunity to report back formally. Such a process can be time-consuming but some authorities have developed effective methods such as report forms and composite committee reports.

Suffolk County Council set up a group to look at the question of membership of outside bodies and all county councillors were asked about the extent of their involvement. Most replied and their answers were very revealing:

- Four out of every five councillors served on outside bodies (excluding governing bodies) and during 1983 over 700 meetings were attended.
- The average time spent on each meeting, including travel, was four hours.
- Two-thirds of the bodies attended were felt to be very relevant to the work of the Council.

This meant that a commitment approaching the time of two full time members of staff was made on this often very relevant business. Yet three out of every five councillors were given no brief at all before taking up membership of these bodies. Equally, three out of every five never reported back to the committee which sent them, and only one in eight did so regularly.

It is likely that these findings are typical. The County Council has now recognised the problem and proposals have been adopted for officers to be nominated as being responsible for briefing and supporting members in this role. A system of annual reporting to committees will be introduced.

4 Information and research services In the past, the information provided for members has been mostly selected by officers and presented in the form of reports to Committees. There is now a tendency to respond to specific informal requests through local government libraries or research units. Specific work may be done on individual wards or individual problems. Some authorities have also used questionnaires to collect and analyse the views of the members themselves.

Gateshead Borough Council has introduced a computerised statistical information service for members, much of it on a ward basis. It is currently available on computer terminals but could eventually be transferred on to a viewdata system and thus go into councillors’ homes, including a response capability.

Bradford City Council Race Relations Advisory Group was interested to know the major concerns of the
Nottinghamshire County Council has established a wide range of services for councillors, including:

- office accommodation with supporting secretarial services for all chairmen and shadow chairmen
- a members' lounge and licensed bar facilities
- two research officers engaged solely on work for members, one for the ruling party and one for the opposition
- support for newly elected members which includes the allocation of an officer to look after all newcomers from one area of the county, and to arrange visits to the main establishments and service points in the area
- short sessions and written material to familiarise members with the techniques of giving press and radio interviews
- several publications, for example a 'Who's Who' and a Handbook.

Increasing the responsiveness of officers

Apart from the use of better information systems and research techniques, the main thrust of increased officer awareness and responsiveness has been the move to decentralisation. Much has been written about the Community Development Projects set up by the Home Office in the late 1960s. Essentially, they involved the appointment of local workers and the formation of local groups of field officers, councillors and community representatives. The teams attempted to help local communities to articulate and tackle their own problems while at the same time trying to improve the response and effectiveness of public services.

Most of the original projects have been discontinued but their failure had much to do with the size of the problems they sought to tackle, the roots of which often lay beyond the authority. There was also a tendency for project teams to identify closely with the community and become remote from the local authority. This problem has been faced by authorities which have begun to decentralise the administration as well as the delivery of services. This approach, and examples of authorities which have reorganised on a local basis, are considered in greater detail in Chapter 6 'Structures and communications'.

Newcastle City Council has operated a number of Priority Area Teams for several years (14 in 1984). These consist of local councillors, a team of field officers from the relevant services and community representatives. Their main role is to articulate local needs, draw up a local action plan, and implement this using their own budget and their influence with the authority. They can advise service committees on local needs and are consulted by the Policy and Resources Committee during its annual review procedure.

Halton Borough Council set up in 1981 an authority-wide project aimed both at developing local community activity and at examining the problems of communicating with the Council's services. To avoid the alienation of community workers and to encourage commitment, the project was overseen by a strong central group headed by the Chief Executive. The report is a very honest and illuminating account of the difficulties involved and of the problems local authorities have to overcome, mostly within their own organisation. In some ways it is depressing in its account of inadequate communications, departmental defensiveness, lack of innovation and poor responses to public needs. However, although change has been slow, the community project has greatly enhanced the contact and trust between the public and the authority. Team working has improved cooperation between departments and has given greater job satisfaction to many. Furthermore, attitudes and practices have been questioned and although difficulties still remain, the problems have been identified and are being faced.
Review

These questions are guidelines for assessing how effective your authority is in the area of vision and awareness.

1. What are the major issues facing your authority and what is being done to address them?

2. What kind of unifying concepts or shared beliefs and values exist in your authority? How appropriate are they to current and future needs?

3. What vision does the party in power have about what it wants to achieve for the council and the community? What is its longer term perspective on this? Is this written down anywhere as a statement of policy? What points of agreement are there with the views of minority groups on the council?

4. What vision do senior officers have of the authority's role in the community and of what they are trying to achieve? Is there consensus amongst them? Are these ideas written down anywhere?

5. What steps does the authority take to ensure that vision is translated into appropriate action? What importance do members and officers attach to this?

6. How well informed are members and officers about each of the following, as the basis for developing vision?
   a) the social and economic problems of the area as a whole and of different wards
   b) the sizes of client groups
   c) the levels of service over recent years
   d) who uses services
   e) future trends in demands for services
   f) new and emerging needs
   g) public opinions on the quality and level of services
   h) the expected impact of expenditure decisions on services

7. What systems exist for generating such information? How well do people think they work? What improvements or changes can they suggest?

8. What support services currently exist for members to help them understand the issues and problems of their areas and constituents? How satisfied are members and officers with these? What improvements or changes can they suggest?
Action Plan

1 Discussion with which of the following people would help to take your review forward to actual change?
   a) the majority party
   b) all members
   c) chief officers
   d) leading committee members

What information is needed to provide a background for these types of meeting? How can discussion best be focused on the authority's vision and the actions needed to achieve it?

2 Which of the following types of information would/do members and officers find valuable as an ongoing aid to developing vision?
   a) estimates and projections of population by area and age group
   b) detailed information on unemployment by age, sex and industry
   c) projections of client group sizes (for example, schoolchildren or handicapped people)
   d) statistical profiles of individual wards
   e) assessments of the needs for services
   f) statistics on service levels over time
   g) information on the type of people (for example by age and class) using services
   h) an analysis of complaints about services

What other information do you think would be useful? How should the authority go about providing information that is wanted and not already available?

3 Which of the following supports to council members and officers are/would be valuable as an aid to developing vision?
   a) a library information service providing press cuttings, articles and answering specific queries
   b) specialised staff able to do research for members
   c) surveys of attitudes and opinions of the public on specific issues
   d) a 'viewdata' or other computerised information system to which they could have direct access
   e) clerical and secretarial support
   f) the provision of premises and administration for holding local surgeries

What other supports do you think would be helpful? How should the authority go about providing those that are wanted and not already available?

4 Could any of the following be used to develop the role of members as key participants in the development of vision through awareness?
   a) non-decision making sessions to discuss issues and policies
   b) courses on technical aspects of local government, for example finance or computing
   c) improved access to departments and officers at all levels
   d) the establishment of area committees covering all the services of the authority and other agencies if appropriate

What other mechanisms would you like to see introduced to develop the role of members? How could the authority provide those that are wanted and not already available?

Additional suggestions relating specifically to your authority
3 Strategies, plans and budgets
Chapter overview

Through its approach to vision and awareness, a local authority can become conscious of what it wants to achieve. The next step is to develop a strategy aimed at bringing this about, and to draw up plans to implement it.

This chapter looks at strategies, service plans and budgets in turn, illustrating each with examples of innovative practice.

What can be learned from other people?

As you read through the chapter you may find it useful to think about each example in terms of the following questions to yourself:

1. How would this practice develop and improve the vision of our authority?
2. How would this practice contribute to the development of awareness in our authority?
3. What gains in efficiency and effectiveness might this practice produce in our authority?
4. What reception might this practice have amongst those who would be called upon to implement it in our authority?
5. What problems might there be in implementing this practice, and how could such barriers be overcome in our authority?

Some of the examples will be more relevant to your kind of authority than others, and you may find some of them more interesting than others. If your authority has previously rejected some of the practices described—why was this? What makes something work successfully elsewhere, but not locally?

You may find it helpful to make a shortlist of example practices, or points arising from them, to discuss with colleagues as a prelude to considering the Review and Action Plan questions in terms of your own authority.

Strategies

In the early days after local government reorganisation, a somewhat simplistic attitude was taken to policy planning. It was assumed that a local authority’s aims and aspirations could be neatly set down as the goals and objectives in a corporate plan and that implementation would follow. Experience showed how wrong this was and how difficult it was for many councils to develop an effective strategic plan covering a medium term period. The problems experienced can be summarised as follows:

1. A local authority is a set of separate services which often compete for limited resources and may have conflicting aims. Any planning process has to recognise and cater for this.

2. An open policy process points up political differences, works against consensus, and may lead to entrenched positions being taken. It may not be favoured in a situation of finely balanced political interests.

3. Political timescales may be shorter than those of a strategic plan and there may be reluctance to make commitments over a longer term.

4. It is difficult to develop strategic planning in a way that has an impact on services themselves and on the people who provide them. Too often such plans become superimposed on existing systems and fail to influence the activities of the authority in the way intended.

These points emphasise the difficulties of a strategic approach but they do not remove the need for one. There are three main arguments for adopting a strategic approach.

First, current reductions in resources mean that it is essential to identify priorities and look at the long term implications of present actions. The problems caused by failing to look ahead are illustrated in this extract from a report to an authority facing severe problems with targets, penalties and rate increases:

*The major cause of these increases is the revenue implications of previous years’ decisions, notably debt charges on capital spending. It is recommended that the Council adopts a three or five year revenue planning process which enables proper consideration of the effect today’s decisions have on future years’ spending.*

Second, rapid changes are occurring in the environment within which local authorities operate. It is not always easy to change the direction in which a council is moving. Staff are in post, capital investments have been made and the public have become used to certain levels and types of provision. A strategic approach enables change to be anticipated and for action to be set in motion now. There seems little doubt that some councils reacted very belatedly to falling school rolls and to the increasing numbers of elderly people. This caused them to commit resources inappropriately even though the problems had been looming for a long time.

Third, there is a political argument for a strategic approach. Where there is a strong administration with a clear vision of what it wants to achieve, the generalised intent of the party manifesto can be translated into strategy. This can be controlled and implemented, and an annual review of progress held. Even where no single party has overall control it should still be possible to develop a strategic approach through a process of negotiation.

It is apparent that the approach to strategic planning is
dependent on the local situation. It is not possible to prescribe a single process or system. In some places a tightly defined management process will work, in others a much looser set of processes will be appropriate. Certain features, however, are always important and should normally be present in some form:

1. the continuing examination of present and future needs and the responses they require
2. the regular review of issues and policies
3. an understanding of the resources available over the period in question
4. an evaluation of alternative approaches
5. an exposition of political priorities and aims
6. a process which allocates resources between services
7. a statement of service levels to be expected from these resources
8. an explicit assessment of the impact and outcome expected
9. a regular monitoring of implementation and achievement.

Examples of strategic planning

The London Borough of Havering devised its Corporate Planning and Budgetary System in 1974 and this is now firmly established at the heart of the Council’s organisation. The approach is a very structured one. The Council produces a three-year Corporate Plan for each service, which is reviewed annually. Plans for years 2 and 3 and beyond are subject to resources being available. Thus there is a three year plan but only a one year budget. However, the continuing Policy Planning process produces a matching of resources with the plan. Over a 10-year period, Havering’s planning process has enabled it to achieve budget reductions and allocations equivalent to approximately 25% of its Rate Fund expenditure. Some of the elements contributing to the success of the approach in Havering are:

- Strongly structured approach with clear guidelines and central coordination.
- Political commitment to guidelines which reflect Government influences, political aspirations, reality and the need for flexibility.
- Savings targets and growth bids kept separate with no offsetting within a service. This ensures the fullest exposure of saving and development options.
- Flexibility—savings targets are applied evenly over all services. They are greater than needed so there is scope at the end of the process to determine priorities between savings, growth items and any contingencies that may arise.
- The exposure of all activities to member scrutiny—aided by breaking the Council’s activities down into finite small businesses, each of which is reviewed.
- No limit on the ‘shopping list’ for new development, to help full exposure of options.
- A lengthy review timescale running from May to December before publication of draft proposals, to allow time for thorough analysis of options.

Economy is encouraged by allowing opportunist savings made in one year to count against a future year’s savings target.

Confidentiality is achieved by the controlling group running the process in complete confidentiality until December when their draft proposals are fully formulated. This allows free consideration of options without political embarrassment and misleading public statements.

Careful monitoring of the achievement of savings.

Cambridgeshire County Council prepares a three year rolling plan for its services each year. The plan takes account of:

- future needs
- overall priorities
- Council policies on total spending
- Council policies on manpower.

The service committees prepare their own elements of the plan on the basis of a set of strategic guidelines. These are drafted by senior members and officers, and approved by the Planning and Research Sub-committee and the full Council. The guidelines indicate:

- the Council's high priority areas, including client groups and/or activities which the Council wishes to maintain or improve
- the client groups and/or activities for which the Council is prepared to reduce provision
- financial guidelines and overall targets for the plan period
- policies which committees should apply in managing their activities.

In the plan for the period 1984–87 the high priority service areas were: education standards; the most handicapped and most vulnerable members of society; the prevention and detection of crime; and stimulation of economic development.

Plymouth City Council has produced a five year Policy Plan which it describes as a blueprint for ‘where we are going’. It attempts to balance available resources (both capital and revenue), needs, and the rates impact implications. It is reviewed and updated each year. The Plan is very specific and clear in the criteria for selecting projects and allocating priorities.

Solihull Metropolitan District Council set up a Policy Review Group to examine its policies. This was composed of members of the controlling group and was member led. Its work shows how policy planning and review processes can be used to implement political decisions. The Policy Review process it proposed is intended to:

- determine that the principal policies of the Council are in accordance with the current thinking of the
controlling group
• ensure that committee policies are broadly in line with the political thinking of the controlling group
• ensure that the resources of the Council are allocated between committees in accordance with the politically determined priorities of the controlling group
• ensure that the overall policies which apply to all committees are uniformly applied. The policy on levels of subsidy or on staffing are obvious examples.

Clwyd County Council ranks each of its activities into one of three priority bands as a means of planning the distribution of resources. An annual cycle of reports describes and costs activities, demonstrates shortfalls or over-provisions and exposes options for varying the level of activity. In allocating additional resources or apportioning a target saving, a mathematical process is used to calculate target expenditure levels for each of the service committees. This applies different values according to an activity’s priority rankings. In most cases this only results in a slight redistribution of total resources but service committees are then free to agree their own priorities and to allocate resources. Although the reports work to a five year planning horizon, most attention is focussed on the coming twelve months.

Coventry publishes a four year City Policy Guide and updates it annually. This outlines resources, the implications of revenue and capital programmes over four years, and sets out policy proposals for public comment before the budget is determined. It emphasises the need for forward planning to protect essential services and makes proposals for cuts in some activities, thus enabling growth in priority areas.

Devon County Council published a draft strategy in 1984 in the form of a green paper for public consultation. The paper set out a number of policy proposals for each service area and sought to prompt discussion on their appropriateness and the emphasis which each should be given. No costings were included as it was felt that this might detract from people’s responses. From the responses a final Devon Strategy was produced which will now form the basis of a reallocation of resources over a four year period.

Wrekin District Council has produced a ‘Strategy for the 1980s’ which is heavily based on research and statistical analysis. A major study of the ‘quality of life’ in the area was carried out together with examinations of the problems of unemployment. From these, priority client groups were identified and approaches to the problems of economic recession were drawn up as the basis for the authority’s strategy. The purpose of the strategy was stated as:
• to identify and respond to those in greatest need

Service plans
A strategy sets broad goals, fixes priorities and determines the distribution of resources; but it will not, by itself, make things happen. Broad statements of intent have to be translated into specific service plans. In many local authorities the budget book is still the only document which does this at all. Such budgets say little about the purpose of the expenditure, what levels of service it will provide and what the expected outcome will be. This is not to say that plans do not exist, but that they are often implicit and may be no more than the continuation of the same type and level of service. Only where significant change is proposed is a separate, and maybe isolated, report presented to the service committee concerned. The danger of such an approach is that it fails to assess the continuing need for the service and offers no opportunity to judge its success.

Some authorities have tried to produce one document which combines the annual budget with the service plans. In some instances this has been successful. However, they have different purposes and although they need to be tied closely to each other, the production of separate documents may be simpler. The service plan might include the following:

1 the strategic goals within which it is set
2 the main objectives of the services concerned
3 the resources allocated to each activity over the plan period, not only in money terms but also manpower and, where appropriate, property
4 the service levels to be achieved
5 the expected impact of the service as a whole and of the constituent activities.

In the past, experiments with service plans in some councils have failed and they have been seen merely as time-consuming exercises in information gathering. Their role in the better control and administration of services has not always been apparent. However, the information they require is often no more than the basic management information needed to run a service properly. In the earlier days of local government, the cost of collecting such information was prohibitive and so it was not done. With technological advances this is no longer the case. However, it is important to be clear about why information is being collected and
what purpose it will serve. Collecting and collating appropriate data is useful. Amassing data for data’s sake is not.

The period covered by plans will vary but, because of current uncertainties about local government finance, they tend to relate to a single year. Authorities may develop a strategic plan in the form of a three year medium term document, the first year of which becomes a more detailed service plan translating the budget into service targets.

Examples of service plans
The London Borough of Bexley has an extremely well integrated policy planning process and the annual Action Plan is developed from three earlier stages:
The Borough Profile is a backcloth to policy and resource allocation which identifies changing needs and pressure points. Service Development Plans are medium term documents for services, which include aims, objectives and development proposals. The Central Policy and Resource Plan brings together the development proposals in a strategic document covering a three year period.

The first year of the Central Policy and Resources Plan contains the principal decisions about resource allocation on which the budget is based. The annual Action Plan sets out for each service:

- policy objectives relating to strategic plans, major policy, administrative and operational issues
- a programme of committee business
- performance standards/targets.

This document is geared to the monitoring of performance and is heavily biased to things which are quantifiable. Performance targets are in the form of percentage achievements of estimated workloads or planned provision. Progress towards targets is assessed in quarterly monitoring reports which are produced for each service committee. These also contain information on progress in respect of financial and manpower budgets.

Copeland Borough Council uses position statements as the basis for its approach. This method, which has proved unmanageable in some authorities, is more feasible in a medium sized shire district. The statements are drawn up as a retrospective report at the end of the financial year. They include a statement of policy for each activity together with quite detailed information on services and the resources used.

This information is then reviewed by specially convened groups of councillors. Their comments are noted and recommendations for changes are included in the document. Initially the documents then became the context for the budget but in the current year they have been integrated into the budget process.

Knowsley Metropolitan Borough Council produces a three year policy plan which includes individual service plans. These are broken down into activities and for each activity the following information is given:

- a description of the activity
- the planned provision for the first year of the three year plan, including service levels, manpower and expenditure
- current policy and the policy issues under review
- the three year programme showing service level and resource change over the period.

Each service plan is set in the context of the overall Council strategy. In some instances priorities within the individual service are also included.

The London Borough of Greenwich Housing Department produces what it terms a ‘Strategy Statement and Targets’ document. This describes general targets and breaks them down by stages into a comprehensive list of actions to be undertaken. They do not yet tie fully into the budget preparation process but they do help to clarify the Directorate’s efforts and make accountability clear. As such, they move towards the process of staff appraisal which is considered in Chapter 4 ‘Staffing’.

Budgets

The continuing nature of local authority services and the relative rigidity of their sources of finance make it essential that service plans are matched with the levels of finance available. This is particularly important in times when resources may fluctuate. Unless commitments and proposals are matched with the available resources it will be impossible to determine priorities between service developments, service reductions or cost savings.

Financial appraisals and projections may be made outside of a local authority’s budget system but it is the budget which firmly links service proposals to financial resources.

A council’s budget is an integral and essential part of its policy making process. It is usually in deciding the budget that difficult choices are made and levels of service are finally set. The budget is also the key document in a council’s financial management and control system. However, there is no statutory requirement that a council prepare a budget so there is a wide variation in the purposes, processes, period and form of budgets amongst local authorities. All councils prepare a one year budget and some prepare budgets for longer periods.

A clear view of the purposes of the budget process and the functions of budget documents is essential. It is also important to be clear about the relationship of the budget to overall planning and management processes. In particular, the budget document and subsequent financial information should be specifically designed to meet the council’s management needs.
Purposes of a budget
The Chartered Institute of Public Finance and Accountancy (CIPFA) states in its Financial Information Services volume on budgetary processes that the purposes of budgets should be as follows:

The annual budget
• enables the level of the rate, precept or charge to be fixed
• assists in policy making
• authorises future expenditure
• provides the base for the control of expenditure and income
• provides a yardstick for measuring implementation of policy, including the effect of changed expenditure levels resulting from the implementation of cost saving programmes.

The medium term budget
• forecasts possible rate levies and levels of charges well in advance so that members can indicate political acceptability
• reviews the relative speed at which different services can be developed and achieves a coordinated approach to service development
• plots the longer term financial consequences of different projects, whether revenue or capital, to assist in policy choice
• considers the development of local services in the light of Government indicators such as the Public Expenditure Surveys, and where necessary makes bids for annual capital allocations
• displays cumulative effects of existing commitments, both revenue and capital, as a base for future changes in service provision
• weighs the longer term forecasts submitted to government departments
• enables political priorities to emerge in the light of what is possible within the limited physical and financial resources available
• reflects the continuing burden of local service provision and possible developments and policy changes.

This statement emphasises the vital role of budgets in turning plans into action and in monitoring and controlling a council’s activities. This latter role—essential to the achievement of plans—is dealt with more fully in Chapter 5 ‘Systems for performance review’.

Budget processes
Effective forward planning is essential in a time of financial restraint. This is currently very difficult because Government public expenditure planning is for only three years in advance and these plans are both unclear and uncertain. The problems are made worse by the Government’s increasing regulation of the expenditure of individual local authorities. Fundamental financial information such as capital allocations, targets, rate support grant and penalties, is determined for only one year at a time and usually only a short time before the start of that year.

However, well managed councils are finding it possible to plan their finances some years ahead, often with emphasis on a range of scenarios to allow for some of the uncertainties that can be anticipated.

One of the key influences on the budget process is the decision on total expenditure for the coming year and the way resources are to be shared between services.

This decision involves reconciling the desire for improving or maintaining services with grant allocations, targets, and potential penalties and the cost to the ratepayer. It is a complex and difficult decision. The manner in which a decision is made and its timing varies greatly between authorities.

Some authorities take decisions in principle and produce guidelines for officers and committees very early in the year. They then set in motion an orderly system whereby developments, savings and reallocation of resources can be planned and prepared over a longer period.

Some authorities choose to delay decisions until they know the detail of the Government’s decisions and their implications. Some authorities choose to delay further because of their unwillingness to accept the Government’s decisions on spending levels and resources. However, the failure to take decisions in principle early in the budget process has the disadvantage that there is no clear guidance on what will be needed. Thus, time, energy and expense are incurred on preparing development proposals that may have little or no chance of coming to fruition. Without guidance, committees and officers have little incentive to examine where savings can be made. Then in a limited period of a few weeks major decisions have to be made without due planning and preparation.

Early decisions or guidance may not be reconcilable with a particular political stance but there is clearly a benefit if this can be achieved.

Looking at councils which have made significant savings and reallocated resources suggests that any guidelines should be framed to allow for a fair range of contingencies. This will leave the committees and council a sufficient amount of choice when the budget has to be determined.

Examples of budget processes
Shropshire County Council starts planning its budget in the preceding spring and summer. In the light of the ‘White Paper on Public Expenditure’ and other known data, the main Policy Committee gives a target or guidance to Programme Committees. The Programme Committees look at the implications for their services. Each has a Programme Advisory Group of a few members, which carries out initial detailed examination in confidence. The emphasis is on control of total resources by the centre but Programme Committees have responsibility for policy within service totals. The
### GENERAL RATE FUND

#### 4 YEAR FORECAST

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#### RATE EQUIVALENT WITHOUT RESERVE AND RSG

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guidelines are refined as announcements of targets and rate support grants are made. A central Budget Panel does the initial detailed work and coordination and reports to the main policy committee.

Test Valley Borough Council begins its budget process in the late autumn when the Policy and Resources Committee meets and sets revenue cash limits for the following year for each spending committee. These relate only to ‘controllable’ expenditure and similar controls are exercised over Central Establishment Charges by the Policy Committee. Spending committees set their own priorities, levels of services and service charges within the cash limit. In the budget process and throughout the year economy and flexibility are encouraged by a relaxed approach to virement.

The 1983 Labour Election Manifesto for Nottingham City Council recognised the need for integrating the forward planning of policies and financial resources:

*If the Council is to achieve its objectives in its four years it must have a four year plan which can be understood by all members of the public. This plan will be known as the ‘Policy Budget’ and will contain full details of the cost of policy changes together with the means of financing them.*

One of the documents produced in the process of implementing a four year policy plan was the tabulation shown in Facsimile 1. This is an example of how the grant and rate implications of existing policies can be displayed simply as an aid to policy development.

**Budget documents**

Public accountability and consultation means that budget documents are now used by many more people than just elected members and managers. Their design needs to take into account a variety of users with a variety of purposes. There are likely to be three main groups of users:

1. Policy makers—selected members assisted by senior officers for policy planning, committing expenditure and review activities.
2. Managers—officers responsible for expenditure and senior officers for monitoring purposes.
3. The public—the press, representatives of trade and industry, trade unions, pressure groups and individuals wishing to understand and influence the council’s policies.

Faced with this variety of purposes and needs, a number of councils have produced separate budget documents designed to suit the needs of specific groups.

Bristol City Council publishes three budget documents annually, which are clearly presented and targeted to different users.

The Financial Control Budget is intended for departmental managers. It contains a detailed analysis of budget allocations and clearly designates the manager responsible and accountable for each vote. There is a space to record approved variations of budget.

The Financial Digest is a pocket sized book. It contains summaries of income and expenditure, employee numbers and non-financial statistics for all major activities. A ready-to-hand document for the well informed member or officer.

The Civic Budget is intended for the member, senior officer or well informed observer. It is intended to provide the background information for decision making, overall control and performance monitoring. The early pages contain the necessary statistical information, financial summaries and Budget report found at the front of most councils’ published documents. It is the section devoted to budgets of individual committees that shows how a budget document can be made meaningful for use in policy review and performance monitoring. For each committee there is:

- a concise written statement of its activities, achievements and future plans
- capital and revenue budgets on consecutive pages
- a clear statement of the variations between the current and preceding years budget
- a concise but useful budget analysis which identifies clearly cost centres, unit costs and responsible spending officers.

Budgets need to contain two basic sets of information—that needed for policy making and that needed for management and control purposes. Together these should serve as a base for performance measurement and review activities.

**Key elements for policy making** are as follows:

1. an indication of the total monies to be spent, their source and how they have been shared between services
2. a clear statement of the policy objectives of each service or activity
3. an indication of the expenditure and levels of service or outputs proposed
4. a statement of the change from the previous budget both in expenditure and outputs together with an analysis of the reasons for such changes
5. an indication of longer term trends in expenditure and outputs
6. comparative statistics for the provision of the same service in other authorities
7. the identification and quantifying of options for various service levels (this is often done in earlier documents rather than in the final budget).
Key elements for management and control purposes are:

1. The clear identification of cost centres down to the lowest level of accountable management
2. The identification of the responsible and accountable officer for each expenditure and income vote
3. Unit costs to enable expenditure and income to be controlled relative to output.

The extracts from budgets below have been selected to illustrate some of the ways in which the necessary information has been included in budgetary documents of some councils.

_Berkshire County Council_ produces its 'Black Book' in May each year as an information background for the policy planning process in the year ahead. The document is linked and indexed to the Policy Review process and provides a comprehensive, if rather formally presented, summary of financial and non-financial information, key measures and comparative statistics. Facsimile 2 shows the contents pages of the 1984/5 'Black Book'.

Information on comparative levels of service and expenditure trends is important to the budget process. _Lincolnshire County Council_ provides this in its detailed revenue budget for both the total of a committee’s activities and for each separate activity. Examples are given in Facsimile 3.

_Birmingham City Council_ places the emphasis on highlighting employee numbers, outputs and unit costs. Examples are given in Facsimile 4.
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A brief explanation of the basis of the financial figures and other information given in the Black Book | 133  |
### REVENUE ESTIMATES

#### NUMBER OF EMPLOYEES ESTIMATED TO BE IN POST

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#### SOCIAI SERVICES COMMITTEE

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### CHILDREN'S HOMES

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Review
These questions are guidelines for assessing how effective your authority is in the area of strategies, plans and budgets.

Strategy
1 How satisfied are Council members that:
a) their objectives are spelt out and directly influence decisions?
b) their priorities for services and for change are made clear?
c) they are given the information they need to make policy decisions and to monitor how these decisions are being implemented and working out in practice?

2 What examples of good practice already exist in this area of the Council's activities? In particular, how many of the following features of strategic planning are present, and in what form?
a) the continuing examination of present and future needs and the responses they require
b) the regular review of issues and policies
c) an understanding of the resources available over the period in question
d) an evaluation of alternative approaches
e) an exposition of political priorities and aims
f) a process which allocates resources between services
g) a statement of service levels to be expected from these resources
h) an explicit assessment of the impact and outcome expected
i) a regular monitoring of implementation and achievement

What are the barriers to good practice if it does not already exist?

Service plans
3 Does each service have a detailed plan of work to be undertaken each year, showing what is to be achieved, when and at what cost?

If yes—how well is it working? Is progress on it reviewed at regular intervals? Are there any improvements to be made?

If no—what have been the barriers to introducing such a planning process? How could these be overcome—and what kind of process might suit your authority?

4 When are decisions on expenditure levels, in total and for each committee, made? What effect does the timing and sequence of decisions have on the planning process?

The budget process
5 Under the current budgetary system, how easy is it to do each of the following:
a) examine all existing expenditure?
b) judge proposals for new expenditure against existing services, possibly ceasing one service to make way for another?
c) switch money or resources from one committee to another?
d) distribute an overall change in expenditure level (up or down) between committees on the basis of policy decisions about need rather than as an equal percentage across the board?
e) allow officers scope at the operational level to use resources flexibly and maximise their value?

6 What examples of good practice can you find in your authority? In particular, does your authority’s budget fulfil the following purposes, suggested by CIPFA?

Does the annual budget:
a) enable the level of the rate, precept or charge to be fixed?
b) assist in policy making?
c) authorise future expenditure?
d) provide the base for the control of expenditure and income?
e) provide a yardstick for measuring implementation of policy, including the effect of changed expenditure levels resulting from the implementation of cost saving programmes?

Does the medium term budget:
a) forecast possible rate levies and levels of charges well in advance so that members can indicate political acceptability?
b) review the relative speed at which different services can be developed and achieve a coordinated approach to service development?
c) plot the longer term financial consequences of different projects, whether revenue or capital, to assist in policy choice?
d) consider the development of local services in the light of Government indicators such as the Public Expenditure Surveys, and where necessary make bids for annual capital allocations?
e) display cumulative effects of existing commitments, both revenue and capital, as a base for future changes in service provision?
f) weigh the longer term forecasts submitted to government departments?
g) enable political priorities to emerge in the light of what is possible within the limited physical and financial resources available?
h) reflect the continuing burden of local service provision and possible developments and policy changes?

Budget documents
7 What are the main purposes of the budget book:
a) budget making?
b) forward planning and policy making?
c) expenditure control?
d) public consultation?
e) information for members and monitoring?
8 How well suited is it for each of these purposes? Does it contain the key elements necessary for policy making and management and control?

9 How well does the current format of the budget book reflect its purpose(s)? Does it contain enough about vision and strategy? Does it contain superfluous information and statistics? Would it be better split into separate documents?

Additional questions relating specifically to your authority
Action Plan

Budgetary systems and planning processes vary so much between local authorities that it is not easy to suggest specific courses of action. Rather, the questions below provide a checklist for assessing any proposed reorganisation.

1. Is the overall planning and budgeting timescale appropriate? Are sufficient decisions made and guidelines given early enough?
2. Are all the elements in the process clearly structured and understood by those involved?
3. Is a longer term dimension (three years at least) introduced for all expenditure proposals?
4. Does the system include an explicit process for resolving priorities?
5. Can proposals be assessed not only between themselves but against existing provision?
6. Is the system flexible enough to allow resources to be moved between committees at the budgetary stage or within committees to respond to changing circumstances?
7. Are the implications of expenditure decisions spelt out in detailed service plans which can be implemented and monitored?
8. Are the purposes of the budget book clear and reflected in its format, design and content?

Additional suggestions relating specifically to your authority
4 Staffing
**Chapter overview**

Skilled and motivated staff are vital to the development of good management practice. This idea is not new—it was emphasised in the Bains Report—and yet it is often not reflected in the way staff matters are handled in local authorities. How many, for instance:

- base senior appointments on little more than a half-hour interview?
- meet their management training needs with an isolated or random external short course?
- assume that, on promotion, a competent professional will automatically acquire the very different skills of a manager?

This chapter considers the question of staffing under the headings of appointments, appraisal, motivation and development, and manpower information and planning. It offers suggestions and examples of ways that local authorities can improve one of their most important resources—staff.

**Is it worth it?**

Carrying through major changes in staffing—like any major organisational change—requires a mixture of flair and inspiration, careful planning and persistence. Even minor changes may produce temporary strain on an individual or within a system. It is hardly surprising that many people retreat from the prospect into the hope that perhaps things do not really need to change.

For example, which, if any, of the following thoughts occur to you when you contemplate the question of making changes in staffing procedures?

**Appointments**

- We haven't employed many duds.
- You make a few mistakes under any system—nothing's foolproof.
- Our managers are good judges of character already.
- We can't afford to spend the time introducing complex systems.
- Individual staff seem happy enough.

**Appraisal**

- Staff wouldn't like it; it sounds like fault finding.
- There are more important things to do than checking up on staff.
- Our authority's too small for formal procedures.
- A good manager knows what his staff are up to, without all this.
- A good manager can interpret council policy without all this fuss about goals and performance measures.

**Motivation and development**

- In a time of cutbacks we can't afford more training.
- There's no evidence that training is cost-effective.
- We can't spare staff to go on training programmes or sabbaticals.
- Sabbatical sounds like another word for holiday to me!
- People should be able to motivate themselves.

**Manpower information and planning**

- I don't believe in information for information's sake.
- We're not large enough to make it worthwhile.
- Members seem satisfied with the information they have.

Each of these objections to change is met and discussed in the text. If any of them are views you hold, you may find it useful to dwell on why you have come to hold those views, and whether you find the text persuasive. The changes in management practice suggested have all been tried in various local authorities as well as in private companies; and they have been shown to produce value for money in terms of a more effective, productive and efficient workforce.

It is often easier to produce a rationalisation for keeping things as they are, than to implement change. Objections to change can be part of a personal resistance to the difficulties that change inevitably brings, however productive it is in the long run. Equally, you may have objections that are specific to your authority, in terms of its policies, organisation or management. Even if this is the case, however, it should be possible to see ways of adapting the ideas suggested in this chapter to your specific circumstances.

You may find it useful to discuss objections to change with staff who will be involved in deciding on, or implementing, changes.

**Appointments**

Recruiting skilled and effective staff is essential. Good appointees will produce better work—and more of it—than their less skilled colleagues. They are also likely to stimulate and inspire the work of their section or department. By contrast, ineffective or inexperienced staff may need considerable support, motivation or training to get them to a fraction of this output. In addition, they may slow down and demoralise colleagues and subordinates.

Considering the investment involved, it is no light matter that a poor member of staff may be capable of only half the output of a good one. At the bottom of the Principal Officer scale, a five year appointment (and poor staff tend to stay longer) represents direct expenditure of over £65,000. A decision to spend this sort of money on service development or a capital project would, in most authorities, be preceded by a careful appraisal. Yet when it comes to staff appointments, an application form, two typed references and a single interview may be thought sufficient. Or a large selection panel, which cannot
hope to find out anything in depth, may be used for
the appointment of a Chief Executive.

Part of the problem is that many managers think
that they are good judges of people already. Even if
this is true, the interview alone is not capable of
exploring all facets of an individual's character and
capabilities, and may encourage undue emphasis on
certain aspects. Nor can the interview reflect the
normal demands to be made on the individual in the
course of a job. Much of local government is about
communication through the written word. A
structured application form is an inadequate basis for
judging this skill. Equally, the written reference is
rarely an adequate means of judging professional and
personal skills. It is based on what may be a totally
different job situation. It places the referee in the
position of having to balance loyalties to a colleague
with the need to report objectively to the potential
employer. At best, it will only prevent a disaster.

Some alternative approaches
Southampton City Council, when faced with the
appointment of a new Chief Executive, realised that the
traditional panel interviews were an inadequate means
of recruiting a person with the flair for leadership and
innovation which they required. In particular there was a
wish to assess candidates over an extended period in
varying situations. There was also a wish to improve the
quality and objectivity of the information they had on
each candidate. The chosen process included the
following:

• the prior completion by candidates of two personality
tests, one on self-perception, the other on personal
preferences
• a tour of the city and a number of informal sessions
with councillors, chief officers and the selection
panel
• an observed discussion on three topical issues facing
Southampton
• formal panel interviews.

The whole process was spread over a period of two
days.

Leicestershire County Council Treasurer’s Department
has operated for several years a staff appointment
procedure which they call Multiple Aspect Staff
Selection. It has been developed and refined in the light
of experience, using the advice and assistance of both
consultants and a management school. It is normally
operated by departmental staff and has four main
elements:
Tests These are written tests and can include aptitude,
critical thinking and personality tests.
Group work Candidates are required to work together to
solve a problem or to complete a task.
Case studies Each candidate is given the main features
of a hypothetical problem, relevant to the post, and is
required to write briefly on their recommended
approach.

Interviews These are structured, with the same
questions asked of each candidate. Often the
interviewers see candidates separately in one-to-one
interviews.

The Department is very satisfied with its approach.
The results in terms of appointments have been good.
Trial tests on existing staff have reproduced results
consistent with their perceived abilities. The approach
allows full use to be made of the candidates’ time—
usually about six hours— and allows them to be judged
not only against each other but against a more
consistent standard. The system can also be adapted to
suit the requirements of the particular level and type of
job.

The Leicestershire example is of a department which is
regularly prepared to devote time and resources to the
appointment process. Personality and aptitude testing
has had a mixed reception in local government in the
past. By experimentation, however, Leicestershire has
satisfied itself that the system does result in better
appointments. Indeed, it is felt that the interview only
contributes about 40% of the information used in the
appointment decisions.

Clearly, it should be possible for other authorities to
adapt elements from either of these examples to fit
their own particular needs and style of management.

Appraisal
A recent study of a major local authority found that
only four formal mechanisms for the ‘control’ of
administrative staff were used. These were:

• establishment control
• the flexitime system
• job descriptions
• disciplinary procedures.

Thus the only limitations that operated were whether a
post existed, that a set number of hours were worked
on a number of broadly defined duties and that
behaviour and performance did not become
unacceptable. Such a loose control structure—which is
common in local government—permits a wide range
of individual performance. As a system it depends
heavily on individuals being self-motivated and on the
ability of managers to guide and motivate others.

In recent years a number of authorities have adopted
systems which involve a more detailed appraisal of
their employees’ work. Such systems enable staff:

• to be clear about what is expected of them
• to identify problems
• to know how well they are doing.

They also enable managers:

• to direct work more effectively
• to assess progress
• to have a clearer idea of the support they need to give.

Most of these new approaches have been aimed at senior management level where council policies and goals can be directly reflected in what is asked of individuals. The process need not, however, stop there.

Staff appraisal is not a precise discipline. It can vary depending on its primary purpose and the type of staff concerned. However, it is likely to include the following features:

1 Discussions with individual staff members on what is expected of them, both in terms of actions and of achievement. These are written down and both the employee and the manager keep a copy.
2 Periodic reviews with individuals on their progress and performance in respect of the agreed targets. The targets may be revised where necessary.
3 Identification of the factors, both positive and negative, which are important to a good level of achievement, and agreement on the action needed to bring improvement.
4 Discussion of the individual’s future prospects and of training or other personal development which may be required.

The design of a staff appraisal system should take account of the following points:

1 The purpose is to motivate staff. This will not happen if it becomes a fault-finding exercise or dwells too much on personality.
2 It needs to be straightforward to administer, with clearly defined stages and written reports, neither too complex nor too casual.
3 Care needs to be taken when discussing future prospects or expectations may be raised which cannot be met.
4 It may be useful to tie in a system of rewards (financial or otherwise) for achievement.

Ideas in practice

Cambridgeshire County Council takes an approach to performance management which allows the objectives of the authority to be reflected throughout the hierarchy. By relating personal goals and plans to the County Council’s planning and budgeting process, organisational goals tend to cascade downwards in the following way:

1 The process begins at Committee level when policies, programme priorities and plans are agreed.
2 Each department is then in a position to establish detailed plans and programmes to give effect to these decisions.
3 Objectives/targets for the divisions, sections and units within departments are then defined and become the basis for personal goals which are both integrated and consistent with one another.

East Cambridgeshire District Council is a small fenland district council with only three Chief Officers. Despite the authority’s small size (population 55,000) the Council has found it worthwhile to introduce a system of performance appraisal for the three Chief Officers and the nine divisional heads under them.

Following the Council’s own policy setting exercise each year, a clear document is prepared for each of the twelve officers. (See for example Facsimile 1.) These documents set out:

• major areas of new or changing activity in the coming year
• the individual’s principal accountabilities
• goals to be achieved
• measures of performance
• assumptions affecting the achievement of goals.

Each document is the outcome of a lengthy two-way discussion between the officer concerned and either members (in the case of Chief Officers) or the Chief Executive/Chief Officer (in the case of divisional heads). The discussions are held annually and a revised document produced each year. A mid-year review is held to look at progress and any possible changes in the assumptions. Each year a satisfactory level of achievement is rewarded through a system of lump sum payments.

Motivation and development

In Britain, management, its organisation, development and in some cases its modus operandi, has been and still is, more akin to a bout of Russian Roulette than any controlled logical system of management expertise. (Blyth Valley District Councillor)

The reorganisation of local government in 1974 made many demands on staff, but it was at least coupled with opportunity and optimism. In the period since then, many of the opportunities and much of the optimism seem to have gone. The last few years have been a demanding period for local government, primarily in the need to respond to change. For example:

• New needs have emerged and with them major new service initiatives—such as local government’s response to unemployment.
• New technology has spread rapidly throughout most of local government.
• New ways of providing services have been introduced—for example, direct labour organisations, privatisation and increased
<table>
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<th>GOALS</th>
<th>PERFORMANCE MEASURES</th>
<th>CONSTRAINTS</th>
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<td>3. Housing Management</td>
<td>(i) To implement the requirements of Part I of the Housing and Building Control Bill and in particular those measures relating to the Disposal of Public Sector Dwelling Houses and Rights of Secure tenants.</td>
<td>(i) Fully operational within one month of Part I of the Act coming into force.</td>
<td>(ii) Availability of resources should the Act make significantly increased demands.</td>
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<td>(ii) To implement a computerized management information system.</td>
<td>(ii) Achieve by 31 March 1985.</td>
<td>(ii) Computer section input.</td>
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<td>(iii) To introduce a revised system for calculating rents for operation in April 1985.</td>
<td>(iii) Submit a detailed working party report to the Housing Services Committee on 12 June 1984.</td>
<td>(iii) Computer section input and no delay to timetables in Council's decisions following consultation with tenants.</td>
</tr>
<tr>
<td></td>
<td>(iv) To investigate and appraise the County Council's computerized rent accounting system with a view to its adaptation and introduction by April 1986.</td>
<td>(iv) Report to Senior Members/Management Team by 31 October 1984.</td>
<td>(iv) Progress in the development of the system by the County Council.</td>
</tr>
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<td></td>
<td>(v) To develop and implement a computerized housing waiting list and housing allocation system.</td>
<td>(v) Achieve by 1 October 1984.</td>
<td>(v) Computer section input.</td>
</tr>
<tr>
<td></td>
<td>(vi) To prepare a package of proposals concerning the future of up to three Alvey house schemes.</td>
<td>(vi) Prepare project appraisal reports by 31 March 1985.</td>
<td>(vi) Availability of void dwellings and capital resources.</td>
</tr>
<tr>
<td></td>
<td>(vii) To improve performance on arrears recovery and void periods.</td>
<td>(vii) Reduced figures relating to these items as compared to a year earlier at 31 March 1985.</td>
<td>(vii) The effect of changes in the Housing Benefits Scheme.</td>
</tr>
</tbody>
</table>
community involvement.

• Authorities have become more political with greater polarisation of views, and the increase in 'hung' authorities has brought new procedural and other problems.

• New ways of working within authorities have developed to respond to the need for corporatism and the greater involvement of councillors.

These factors have made demands on managers and other staff at a time when morale has been affected by the need to cut back on services and to reduce staff levels. This in turn has reduced opportunities and meant far less movement of staff. The problems facing management are, therefore, threefold. Managers need to be able to:

1 Develop new skills

As well as new technical and managerial skills there is the need to develop the ability to negotiate, to work with outside organisations and to press the authority's case at local and national level.

2 Develop new attitudes and approaches

There is a much greater need to be innovative, to take risks, to respond readily to change and to be more conscious of efficiency and the proper use of resources.

3 Maintain the motivation of staff

The frustration present in local government has to be recognised and tackled.

Some authorities have taken positive steps to solve these problems.

Development groups

Several authorities have set up development groups. Membership is drawn from all relevant departments, and the group's task is to examine a broad range of training and other staff needs.

The London Borough of Bromley set up an eight person working group of senior officers from the major departments. After an extensive examination, their diagnosis was that:

• managerial training was neglected in favour of professional training
• when it was provided, it was almost always as short courses for middle and junior managers with little use of other approaches
• no separate management training budget was identifiable
• the selection of candidates for courses was very unsystematic
• in comparison to the private sector, provision was very much lacking.

The authority took the view that managers are a valuable asset and, like other assets, should be kept in peak condition. Management development activity was seen as an essential element in the pursuit of the value for money concept.

As a result of its findings, the authority has now approved a process of systematic appraisal of the development needs of some 300 managers. This is to be based on an initial pilot study which will look at the needs of two manager groups and will then develop and run a training programme to meet these.

In-house and project based training

In this approach, groups of staff are developed together, in a way that is mutually supportive and relevant to the needs of the organisation. Much in-house training is project based and thus given a purpose which is sometimes lacking in management and other training. Project work can take the form of team exercises, usually with an outside tutor, or single person projects which often involve coaching by a member of senior management. The London Borough of Hammersmith and Fulham has a strong Central Training and Development section committed to this type of programme.

Secondments and sabbaticals

These are exchanges or attachments within authorities or, in several cases, with other organisations including private companies, central government and national bodies. They can combat the stagnation and staleness of staying too long in one job. Their value is greatest when they are used to develop able staff in a way which will be of direct value to both the individual and the authority.

The best known exchange is probably that between the Chief Executive of the London Borough of Hounslow and a senior civil servant from the Department of Environment. Another officer from the Department has been seconded to head the Policy Unit at Westminster City Council. The Director of Social Services of Hereford and Worcester County Council had a sabbatical at INLOGOV. At international level the County Education officer of Northamptonshire County Council undertook a six months sabbatical which involved comparative studies of education systems in India, Australia and America.

The increase in local authority involvement in economic regeneration has led to several secondments from the private sector into authorities. Berkshire County Council has arranged a number of these, including a manager from Marks and Spencer who very successfully set up an enterprise agency.

The same company took a personnel officer on secondment from Wrekin District Council, one of an extensive programme of secondments and sabbaticals in this authority which can involve 30 or more staff at any one time.

Reducing dissatisfaction and conflict

Often the things which cause great dissatisfaction and conflict with management are easily remedied once they are known about. Poor accommodation and equipment feature high in this respect.
Wrekin District Council has looked carefully at factors affecting the ‘motivation, attitudes and capacity of staff’ and in particular at factors which might be demotivating. As a result of this an action plan was drawn up with the following intentions:

- the resolution of accommodation problems, including overcrowding, poor heating and lack of facilities
- the reduction of ‘organisation blocks’, both in terms of the behaviour of individuals and the provision of office services
- the consideration of both positive and negative reward systems to encourage staff performance
- the reduction of written communications within the authority
- a move towards a single status for all employees
- a move towards the stabilisation of pay and abolition of bonuses
- to seek a way to reduce the uncertainty inherent in temporary contracts.

A new philosophy: people and values

Some authorities have taken the more far-reaching step of shifting their whole emphasis from the organisation and its processes to people and values. This means a greater concentration on individuals, both in the local community and in the organisation. It is a change which depends very much on the inspirational powers of leading members and officers.

The London Borough of Hammersmith and Fulham Finance Department has developed this kind of philosophy into an overall approach to the improvement of staff performance. The Director identifies five ways in which he and his management team seek to do this. They exemplify much of what this chapter has attempted to say:

**Recruitment** A mixture of written papers, aptitude tests and interviews is used. The last of these often includes lengthy one-to-one informal sessions.

**Training** The emphasis is on group training. Assistant Directors are encouraged to develop their own ideas with their own staff. The Department is also involved with the ‘rising professional’ programme in which six young professionals carry out project work as a developmental exercise, involving an outside tutor.

**Leadership and discipline** Members of the management team attempt to encourage staff by example and support. Greater freedom and responsibility are given but in return a higher standard is expected from staff.

**Performance appraisal** Much use is made of documentation, the purpose being to ensure that staff and management are clear as to what is expected of each of them, and to enable performance to be assessed.

**Coaching** Senior staff are enabled to give time on a personal basis to help and encourage—and thus train—junior members of staff in the performance of a specific piece of work.

Facsimile 2 shows the philosophy of the Finance Department as set out in a document for all new employees.
Manpower information and planning

Our main aim is to give manpower information more meaning ... there were several examples of this happening ... Social Services saw more clearly the problems of the Care Officers group and the Surveyors' managers saw the decline in roadworker numbers, and the wastage patterns causing it, much more dramatically. (West Sussex County Council report)

When central government first asked local authorities to produce quarterly staffing figures it exposed a serious weakness. Large numbers of authorities were quite unable to produce, quickly and easily, up-to-date figures on staff numbers and costs, by basic categories. These were all highly 'labour intensive' authorities which might spend between 40% and 60% of their revenue on staff. Yet the information existed. Virtually all the authorities had computerised payroll systems and manual personnel records which between them contained almost all the information required for even the most sophisticated analyses.

Since then, the pressure for such information and the easier availability of new technology has meant that many councils have begun to introduce computerised personnel records. These offer a number of opportunities to improve management practices:

1 Regular reports These can be available to management and members for monitoring purposes and cover establishments, employee numbers by grade and other categories, overtime, and expenditure on various aggregations of staff.

2 Ad hoc enquiries Many systems include an on-line facility which enables enquiries to be made at any level (subject to confidentiality controls) from single posts up to full departmental establishments.

3 Staff deployment This is particularly useful in the case of casual and occasional staff. For instance, the availability of supply teachers by address and specialism can be identified very rapidly in response to a request from a school.

4 The analysis of trends The facility to handle information on large numbers of staff by category permits analyses to be carried out on topics such as sickness, turnover patterns, employment of specific groups (ethnic minorities, disabled, etc) and training take up. This in turn may allow problem points to be identified and corrective action taken.

5 Manpower planning This generally involves testing various possible assumptions rather than trying to determine what is going to happen. In certain areas this is clearly very important, particularly in teacher numbers where future demand can be assessed fairly accurately and viewed in the light of anticipated wastage and retirement rates.

Some new developments

Local authorities are now required to make available to the public quarterly information about numbers of employees.

Avon County Council produces, in keeping with its strong emphasis on publicity, a large folding sheet which is a mixture of tables, graphs and explanatory text (see Facsimile 3). It is not an expensive production but represents a clear statement for those who are interested.

Humberside County Council spends £240 million per annum on staffing. Their computerised establishment record system aims to provide a range of reports on a regular and an 'ad hoc' basis. These include the following:

- establishments—posts and employees by type, grade, job category, etc
- posts and employees by negotiating body—overtime costs and hours
- the manpower budget and expenditure—numerous other reports at post level.

The main impetus for the system came from the members of the authority who were dissatisfied with the quality of staffing information they were receiving in respect of so large an expenditure.

West Sussex County Council carried out a study with the Institute of Manpower Studies in 1980 to examine the scope for manpower planning within the authority. This exercise showed how valuable such an approach could be, particularly in clarifying issues and problems. The authority has, however, a large and diverse workforce. It has concentrated, therefore, on studies of specific aspects of the question, rather than attempting a comprehensive approach. These have related either to specific groups of staff, such as teachers, or manual road workers, or to specific issues such as staff wastage and absenteeism. The latter includes an interesting assessment of the impact on the authority of the self-certification requirements.
EMPLOYMENT FACTS

JUNE 1985

TABLE 1

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EXPLANATIONS OF DIFFERENCES

The overall increase in the total number of staff employed between June 1984 and June 1985 results mainly from the improvement of service levels in the Social Services Department.

Part of the decline in the Education Department is caused by the reduced pupil numbers in schools, and the remainder of this decrease results from the transfer of the Youth Services Staff which together with the staff of the old Libraries Department comprise the newly constituted Community Leisure Department.

The increase in the Trading Standards Department results from the employment of additional staff as part of a campaign to increase general awareness of welfare benefits.

In the Estates Services Department additional Groundsworkers now carry out construction work previously undertaken by outside contractors.

The numbers under the Chief Executive show a small increase as a result of the creation of the Equal Opportunities Unit.

Other minor variations in staffing levels are caused by fluctuations in staff turnover and recruitment within existing establishment levels.

*Includes 1151 Part-time Supply Teachers (589 FTEs); Mar 1985 = 1156 PT (351 FTEs); Jun 1984 = 1504 PT (1151 FTEs).*
Review
These questions are guidelines for assessing how effective your authority is in the area of staffing.

Appointments
1 How many of the following appointment methods are currently in use in your authority or service?
   a) small panel interviews
   b) large panel interviews
   c) one-to-one interviews
   d) structured interviews
   e) informal interviews
   f) two-stage interviews
   g) written exercises
   h) personality or aptitude tests
   i) group work
   j) references
   What do you see as the advantages and disadvantages of each?

2 Of the people appointed in the last five years, what proportion would you say have performed:
   a) better than expected?
   b) about as expected?
   c) worse than expected?
   How good would you say your current appointment methods are for predicting an individual's performance?

3 How satisfied are each of the following groups of people with your current appointment system?
   a) interview candidates
   b) colleagues of people appointed
   c) subordinates of people appointed
   d) members

4 In general, how satisfied are you that your current appointment system gives you value for money?

Appraisal
5 What methods are used to ensure that there is clear understanding between managers and employees about what their jobs entail and what is required of them? How satisfactory are these methods in the opinion of managers and in the opinion of employees? What changes or improvements can people suggest?

6 What methods exist for assessing the achievements of an individual against the requirements of the post? How effective are these in the opinion of staff, and in the opinion of managers? What changes or improvements can people suggest?

7 How often are staff told on a formal basis how well they are doing? Is this frequent enough in the opinion of staff, and in the opinion of managers? What form would staff like this feedback to take?

8 How often are staff given the opportunity to raise problems and other matters which concern them in relation to their job? Are they satisfied with these opportunities and with the actions which result? What improvements can they suggest?

9 How are the training needs of individuals assessed and their aspirations known? Are staff satisfied with the current system? What changes or improvements can they suggest?

10 How closely are the tasks performed by individual employees tied into the overall goals of the authority? Could they be tied in more effectively?

Motivation and development
11 Is there a systematic scheme for identifying training and management development needs within the authority? How well does it work?

12 How flexible is the authority's training programme and budget? Are the changing skill requirements of, say, the new technology or the demands of unemployment on services, reflected in the training programme?

13 Is there a management training budget and programme? Does it meet the new needs of the authority? Indeed, have these been identified and spelt out?

14 Is any single group responsible for staff development within the authority? What has it achieved over the past two years?

15 Are there any groups of staff which are particularly demoralised at present? Why is this? Can anything be done to improve the situation?

16 Are there any potential career blockages among any groups of staff?

17 How often are groups of staff with a common interest, such as departmental management teams, whole sections, or staff across departments with similar jobs, trained together in the light of specific problems?

18 Is the training programme dominated by professional and technical courses or is it integral to the management and operational needs of the organisation? Does it meet these in a variety of ways?

Manpower information and planning
19 How much does the authority spend each year on direct and indirect staffing costs?

20 What regular statements of staffing levels and costs are available? Are these adequate?

21 Can answers to questions on staffing levels, overtime, expenditure, etc for any particular group of
staff be obtained within a day or two?

22 Are the likely future demands for, and availability of, particular groups of staff—for example, teachers, social workers, environmental health officers—considered?

23 Have absenteeism rates, and ways in which they might be reduced, been examined recently?

Additional questions relating specifically to your authority
**Action Plan**
Which of the following actions might improve your current management practice with regard to staffing?

**Appointments**
1. Writing a clear and detailed job specification for each post, stating skills, abilities, experience and personal qualities required.
2. Reviewing the publications used for job advertisements for relevance and results.
3. Checking the wording used in job advertisements for clarity and explanatory value.
4. Giving all enquirers adequate details of the job and the authority, and giving all candidates called for interview full documentation and reports relevant to the post.
5. Ensuring that members of interviewing panels are trained in questioning techniques, and properly briefed on the duties and requirements of the post and on the candidates.
6. Spending at least a day on interviews for intermediate or senior posts, ensuring that candidates are each required to experience several hours of assessment.
7. Structuring interviews so that all the important factors are given due consideration in respect of all candidates.
8. Splitting up the interviewing panel and giving the candidates a series of one-to-one interviews on different aspects of the job.
9. Experimenting with two-stage interviews, bringing the better candidates back for a more intensive, informal, or otherwise different type of assessment.
10. Setting written exercises for candidates, to test both their ability to produce written work and their professional or technical knowledge.
11. Trying out aptitude and personality tests to see if there are any categories of appointment in which these may be useful.
12. Experimenting with group discussion and exercises other than a social event.
13. Speaking to referees on the telephone after the interview to follow up specific matters about which you are uncertain.

**Appraisal**
1. Setting objectives/targets for each division, section or unit on the basis of council policies and departmental plans.
2. On the basis of the above, relating personal staff goals to the authority's organisational goals.
3. Holding regular discussions with individual members of staff on what is expected of them.
4. Making written agreements of what individual employees are expected to do and achieve in a given time.
5. Identifying with individuals the factors which will produce a good level of achievement and agreeing a course of action to ensure this.
6. Discussing an individual's training and development prospects with them.
7. Incorporating 3–6 above in a system of regular reviews where goals can be set, discussed and revised.
8. Rewarding achievement financially or in some other way.

**Motivation and development**
1. Setting up a development group.
2. Concentrating resources on in-house and project-based training.
3. Arranging secondments and sabbaticals for some staff.
4. Setting up a group to investigate and act on factors that are demotivating staff.
5. Holding discussions with senior staff about the philosophy of management held in the authority.

**Manpower information and planning**
1. Introducing computerised personnel records.
2. Carrying out a study of workforce planning within the authority.
3. Reviewing the use currently made of the information on staffing which the authority holds.

**Additional suggestions relating specifically to your authority**
5 Systems for performance review
Chapter overview

Both the Bains report and the Layfield Committee argued that 'performance review' was essential to local government and that it should be carried out by elected members and by chief officers. Despite these recommendations, many local authorities still:

- lack the systems, procedures and organisational machinery which allow information about operational activities to be drawn together so that service performance can be assessed
- fail to consider the effectiveness of services as well as their efficiency. Performance review in some authorities has become solely concerned with increasing efficiency and is seen as a negative management tool concerned only with cuts and service reductions.

This chapter takes the view that performance review is a useful means to the end of improving management in local government. The text emphasises the need for organisational practices that will lead to action and change as automatic consequences of the review process. The various approaches and techniques used in the two elements of performance review—monitoring and analysis—are considered, and the examples of project appraisal and property review are used to demonstrate how monitoring can help to make savings without affecting the quality of services. Finally, the chapter considers the question of external reporting to the public about the council's performance.

What's the view of performance review?

Some members and officers in local government are enthusiastic about performance review, some are neutral or cautious, and others are downright hostile. Which of the following negative responses might performance review evoke among senior staff or members in your authority?

a Nobody likes to work with someone peering over their shoulder the whole time.
a It's a management technique that's been brought in to justify cuts.
a Participating in performance review is like signing your own redundancy notice.
a We monitor the budget and look at individual workloads—this has always been adequate in the past.
a If you employ good staff they should be picking these things up anyway.
a We've collected this sort of information in the past, but it hasn't really been used.
a We had a performance review committee at one time but they ended up at odds with several of the service committees.
a We've found it difficult to get performance review focussed on the right issues—it can be an extraordinary waste of time.

The first three objections are the kind which tend to be made when performance review has been negatively applied, as a cost cutting exercise rather than as a means of creating effective as well as efficient services.

The next two are really voices from the past, from a time when economic and social stability made it possible for a local authority to continue year after year in the same manner. Changing needs and fluctuating resources mean that local authorities need to respond quickly and efficiently to new conditions, and performance review can be part of this process.

The final three objections are the kind that are raised when performance review has been implemented without the necessary organisational back-up, where good systems have never been created and where agreed procedures and terms of reference have never been established.

Each of these groups of objection need dealing with in a different kind of way. The first needs reassurance that performance review can be a positive exercise, the second that it is a necessary one and the third that it is the means rather than the end that need to be changed.

Before embarking on the Review and Action Plan questions with colleagues, you may find it helpful to consider how best objections in your authority can be met, drawing on the explanations and examples in this chapter.

Performance review: some basic concepts

The concept of 'performance' is not always easy to define in relation to local authority services. One useful way of thinking about performance is to consider it as having two distinct elements: service efficiency and service effectiveness. Effectiveness means providing the right services to enable the local authority to implement its policies and objectives. Efficiency means providing a specified volume and quality of service with the lowest level of resources capable of meeting that specification.

These ideas may be expressed visually as follows:

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<td>Effectiveness relationship</td>
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To these concepts may be added the third of the Audit Commission's three Es—economy. This means ensuring that where services are purchased from outside the local authority, this is done at the lowest possible cost consistent with a specified quality and quantity.

Performance review should involve two distinct activities: monitoring and analysis.
Monitoring
Monitoring is the regular measurement of actual performance against some standard, target or unit of planned performance. It involves the regular and systematic collection of data, although the frequency of monitoring will vary from daily to annually, depending on what is being monitored.

In order for monitoring to take place, suitable criteria of measurement must be defined. It is helpful if these are quantitative. Some of the most common forms of measurement are:

Cost indicators The actual cost of providing a service or unit of service—preferably compared to a unit, standard or target cost—for example, cost per bed-space in homes for the elderly.

Productivity indicators The amount of useful work done by staff in a defined length of time, for example, number of library books issued per person hour.

Utilisation rates The extent to which available services are used—usually expressed as a percentage, for example, occupancy rates of places in schools, homes or day centres, utilisation of swimming pools or playing fields.

Time targets The average time taken to complete or carry out defined units of work, for example, the time taken to process planning applications, building control applications, complaints, conveyances, building works or repairs.

Volume of service A crude measure of work performed, for example, the number of accounts completed (finance) or number of repairs completed (housing).

Demand/service provision indicators Usually a crude measure comparing volume of service available or provided against some broad concept of potential demand, for example, acres of open space per 1000 population, or provision of children's playgrounds per 1000 child population. In some cases such measures can be defined by comparing service provision to a more precise measure of 'demand', for example, school places available compared to relevant child population or provision of domestic aids, meals on wheels or home helps, compared to expressed demand.

Few of these measures provide an absolute statement of the efficiency or effectiveness of performance. Rather, they provide a comparison with something else. For example, Kent County Council has developed the use of comparative statistics for monitoring purposes. These are fairly detailed and compare the county with the shire county average and with Essex and Hampshire, which have comparable populations.

Generally, five types of comparisons are used in local government:

1 Time—for instance, comparing this year's performance with last year's.
2 Standards—comparing actual performance with some standard which may be locally or nationally derived.
3 Intra-service—comparing the performance of a number of units or sections within a department who provide the same service, for example, homes for the elderly.
4 Private sector—comparison with private sector provision, where such comparisons are possible, for example, in legal and architectural services.
5 Inter-authority comparisons can be made with:
   • all other authorities
   • all authorities of the same type
   • specially selected authorities which have similar characteristics
   • neighbouring authorities.

The Audit Commission’s Profiles may be useful for making such comparisons, as may its forthcoming publication Performance Measurement in Local Government (Audit Commission, 1986).

Most of the indicators are limited and crude in what they tell us about 'performance'. They cannot measure the effect services have, nor anything which is not easily quantifiable, so they must be used with care. The tendency of some members and officers to make sweeping judgements on the basis of such measurements undoubtedly fills other members and officers with concern. Certainly there are examples of reviews, euphemistically labelled 'value for money exercises', which are in effect little more than arbitrary cost-cutting exercises.

The art of assessing and reviewing performance must therefore lie in knowing when to allow political and professional judgement to extend the knowledge gained from a determined attempt to measure performance.

Analysis
Monitoring looks at what is done—at what level, at what cost, with what effect and how efficiently.

Analysis looks at how it is done. Implicit in this is the belief that it might be done better in a different way.

Programme analysis takes the process further and asks: 'Is the service still required?' 'Can its objectives be satisfied by a different means?'

Unlike monitoring, analysis of performance is likely to be an occasional and ad hoc activity which arises when:

• officers and/or elected members judge that a review is needed, for example because they are concerned about the level of performance
the regular monitoring of performance indicates that there is a variance between actual and planned/target performance which demands analysis and correction.

The most important elements of any analysis are:

1. The problem or issue needs to be clearly stated.
2. It is necessary to understand the purpose of the service and the needs it meets.
3. All constraints on the service, for example political, financial or legal, need to be clearly understood.
4. Anything which can be quantified should be; for example, resources used, services provided and needs being met or still unmet.
5. A report of appropriate level and detail must be produced for the group or committee concerned.
6. A clear course of action must follow from the analysis.

Virtually all analytical management techniques are relevant, depending on the kind of review being carried out and the nature of the service being reviewed. Bringing in the specialist skills of operational research, statistical analysis and social research may be valuable in more ambitious reviews. For example, a review of the operation and pricing policy of public car parks might make use of operational research techniques such as queuing theory and sampling. Activity sampling or working measurement might be useful in a review of office or school cleaning.

Where specialist skills are used they need to be brought together with the skills and knowledge of staff in the departments under review. Setting up working groups and teams for specific reviews is important. However, many reviews can be carried out more simply, without the use of any special techniques, drawing on the knowledge and experience of senior management and of the staff in the department under review.

Organisational arrangements

There needs to be a formal arrangement for carrying out performance review to ensure that the process takes place. The details of these arrangements will vary depending on the politics and personalities in a council, its size, its range of activities and other pertinent considerations. (LAMSAC Working Party)

The working party went on to advise that a separate committee, sub-committee or panel would be the most appropriate and objective arrangement. A survey carried out by LAMSAC at the end of 1983 showed that just under half of the 283 authorities which responded had indeed set up a formal Performance Review Committee or Sub-committee. A further fifth had other formal arrangements for reviewing performance. However, one third appeared to have no arrangements at all.

Not all local authorities which have set up separate review sub-committees have found them successful. Some review groups have become isolated from the main decision making system and even at odds with it. Other authorities would argue that performance review is an essential element of the work of service committees and of the policy committee itself. Nonetheless, it is evident from past experience that little has been done when left to these groups, and a review sub-committee is a useful device for focussing members’ attention. Its existence ensures that at least some organisational ‘space’ and resources are directed towards this activity.

In setting up a performance review member group, it is important to remember:

1. The committee should be free to comment on any aspect of council business, including policy, levels and standards of service delivery and management practice.
2. The review of an issue should not be restricted to financial matters of making cuts in resources and services.
3. A statement of the council’s objectives is important to the process of review. Without them, performance can only be analysed by comparison with historical trends or outside agencies, and not against intended achievement.
4. The committee must complement the existing review responsibilities of service committees and not be a substitute for them. As well as carrying out its own reviews, the committee has an important role in ensuring that the service committees review their procedures.
5. Whilst it is desirable for a performance review committee to retain flexibility, there is value in establishing clear timetables and procedures so that its activities are well understood.

Procedures for carrying out reviews

There are numerous review procedures within local government and different types will be suitable for different authorities. Many authorities prefer to retain an experimental and ad hoc approach, but there are a number of reasons why some form of agreed procedure is worthwhile:

- Monitoring should be a routine activity across the whole authority. Comparisons between committees need to be drawn. Some uniformity of approach needs to be laid down.
- Ad hoc reviews can be of uncertain status. This may cause confusion and reduce their impact.
- Review work is time-consuming for members and
officers. It is important that the nature and level of their involvement is appropriate to the topic under review. Guidelines on the composition of groups may be of value.

- Review findings must be given proper consideration. A clear procedure for presentation will help here.

The procedures which are set up should deal with the following issues:

1 How can reviews be initiated? Although most reviews should arise from the service committees or chief officers themselves, it may be necessary for a central committee to initiate a review of a specific service area. Similarly, a central body can set up reviews of issues with authority-wide implications. The procedures for this need to be clear.

2 What is the purpose of the review? Much time and effort has been wasted on studies which addressed issues that were subsequently seen to be unacceptable politically, or on studies which missed the main issues. Some terms of reference are needed for all reviews and the terms need to be understood by all concerned.

3 What is to be involved? Major issues may need the full and regular involvement of members and chief officers. They may need to hear evidence, interview individuals or make visits. On the other hand, minor issues may be dealt with by an officer with only the final report going to members. There are a number of intermediate arrangements between these two extremes.

4 Who will receive the report? It is normal for the commissioning committee to receive the report first, but where this is a central committee looking at a particular service it may be appropriate to ask the committee concerned for comments first. Whatever the process adopted it should be agreed beforehand so that all concerned are aware of it.

5 Who will act on the report? Services are normally reviewed to improve them. It is therefore essential that the review does not remain just that, but that something happens. Someone should be responsible for securing action and seeing that the review process itself is cost effective.

Officer support

Performance review is an integral part of the management process. At officer level, departmental managers should be keeping the service under continual review. Many problems can be dealt with by the officers and action can be taken within agreed policies. The members' responsibility is to satisfy themselves that the service is being managed properly and to examine in more depth issues which have policy implications. To do this, a Performance Review Committee will need the support of:

- A senior officer who should have general responsibility for supporting and assisting the work of the committee.

- Other officers as needed, provided on either a temporary or permanent basis. Temporary support is appropriate for an ad hoc review of a particular service. A group of officers with appropriate skills and knowledge can be brought together to carry out the review or to assist elected members. Permanent support is appropriate for a more comprehensive and systematic approach where particular sections or units—such as corporate planning, research and intelligence, or policy planning units—have a specific responsibility to a performance review committee.

Generally, local authorities have not yet set up 'performance review units' as such; and where they exist in fragmented form, the total cost of such activities and the advantages of coordinating them have not yet been reviewed.

Examples of performance review systems

Arun District Council lays great emphasis in its business system on the need for constant evaluation. At member level, the Performance Review Sub-committee takes an overview of all monitoring and review work, as well as carrying out its own programme of work. At officer level, the Chief Executive takes prime responsibility and has staff with specific performance review duties. A small Value for Money Team forms a project group with one officer directly involved in the issue and one in a neutral position. Issue review and value for money studies are programmed on a yearly basis. The progress of service committees is regularly monitored and is one source of topics for study.

Cambridgeshire County Council emphasises review work in both its structures and its processes. The main features of these are:

- A Planning and Research Sub-committee of Policy and Resources which, as part of the annual cycle, selects issues for review. It also has the role of overseeing review work initiated elsewhere.

- A Planning and Research Department which includes management services and policy analysis staff, plus a performance review officer. The department is responsible not only for carrying out reviews but also for identifying and presenting issues for consideration.

- Other staff with review skills in the Research and Intelligence Unit.
• A formalised Review Procedure with three levels of importance. Member involvement is different for each level. The procedures also cover the commissioning of reviews, terms of reference, presentation and implementation.

• A non-executive value control panel, chaired by the Vice-chairman of the Council, with all-party membership and a roving commission on the lines of a parliamentary select committee.

At present the emphasis in Cambridgeshire is on analysis of specific issues. These are identified by a ‘scanning’ exercise which looks at committee papers, available statistics and the press. Work is, however, under way on improving the routine monitoring of performance and the authority is one of two involved in the project on output measures being undertaken by the National Consumer Council. The performance of individuals is already assessed through the Management Performance Appraisal system.

Newcastle City Council also has a department responsible for review work. Moreover, the Head of the unit and the Chief Executive have regular meetings with the leading politicians. This ensures that the considerable effort put in is central to the needs of members. Member review work is carried out through the Performance Review and Efficiency Sub-committee. This commissions reports from a number of sources such as service departments, working groups, Policy Services staff and internal audit. In these reports, a range of performance assessments is used, from comparative statistics to direct assessments of consumer satisfaction. In addition, the annual policy planning cycle includes a review process. Reports on all service issues are prepared by the Chief Executive, Treasurer, Head of Policy Services and service departments. These are examined by joint working groups of the Policy and Resources Committee and the service committee concerned. Those with the most important budget implications are selected for further examination. Reporting back takes place in early autumn prior to the budget preparation.

The London Borough of Bexley has a well developed business process which is particularly strong on performance monitoring. The features of interest are: Annual Action Plan which comprises clear policy objectives for the forthcoming year, a series of workload/performance targets (see for example Facsimile 1) and a programme of the major future presentations to committee.

Quarterly Operations Reports which go to each service committee and enable it to monitor achievement of services against targets; workloads performed and outstanding; indicators of effectiveness; resources used (including manpower); and levels of demand, where appropriate.

Annual Review of Service Performance which pulls the quarterly reports together to assess the performance in the light of the objectives in the Action Plan. It includes an assessment of resources used against those budgeted, achievement of performance targets, comparative statistics and a look at major plans for the following year.

In addition, the Management Board monitors resources used on a monthly basis together with certain major service indicators, notably housing repairs, and exception reports on the capital programme. Any major issues arising from this monitoring process can be made the subject of review.

Copeland Borough Council employs a review process which may be more appropriate for smaller authorities. Each summer the officers produce a sheet for each service activity which identifies the services provided by the National Consumer Council. The performance of individuals is already assessed through the Management Performance Appraisal system.

Cleveland County Council takes a somewhat different approach. There is little regular review of performance and no significant monitoring procedures in the annual budget process. However, the authority has a very strong research and intelligence capability. This places the emphasis on ad hoc analysis of specific activities or the monitoring of individual initiatives. The use of Research and Intelligence in this way permits a greater emphasis on the effectiveness of services. Examples of the type of work undertaken are:

• the annual social survey, which includes questions on satisfaction with services
• the monitoring of literacy and numeracy in schools
• surveys of the use made of specific leisure facilities
• an evaluation of the performance of a Social Services Area Team

Studies are commissioned directly from the Research and Intelligence Department by service committees, departments or by district councils. There is no centrally determined programme of work.
PART III – PERFORMANCE STANDARDS AND TARGETS

(1) Libraries Department

<table>
<thead>
<tr>
<th>(i)</th>
<th>Service availability</th>
<th>Estimated Workload/Planned Provision</th>
<th>Target Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>(ii)</td>
<td>Average book issues per library per hour</td>
<td>86</td>
<td>100%</td>
</tr>
<tr>
<td>(iii)</td>
<td>Issues per head of population</td>
<td>12</td>
<td>100%</td>
</tr>
<tr>
<td>(iv)</td>
<td>Book stock additions volumes</td>
<td>51,620</td>
<td>100%</td>
</tr>
<tr>
<td>(v)</td>
<td>Computerised catalogue of stock: No. of volumes to be processed to complete project</td>
<td>90,000</td>
<td>100%</td>
</tr>
<tr>
<td>(vi)</td>
<td>Borrowers request service: percentage of reservations supplied within 28 days</td>
<td>25,000</td>
<td>70%</td>
</tr>
<tr>
<td>(vii)</td>
<td>Sound recordings cost recovery</td>
<td>£19,000</td>
<td>100%</td>
</tr>
<tr>
<td>(viii)</td>
<td>Photocopying service cost recovery</td>
<td>£6,000</td>
<td>£2,000 over expenditure</td>
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<tr>
<td>(ix)</td>
<td>Publication programme cost recovery</td>
<td>£7,500</td>
<td>100%</td>
</tr>
</tbody>
</table>

(2) Further Education Department

(i) Erith College of Technology

(a) Remainder of Academic Year 1984-1985

| Enrolments | 2,115 | Staff/Student Ratio |
| Establishment | 216 | (Academic Year) 1:9.8 |

(b) First two terms Academic Year 1985/86

| Enrolments | 2,110 | Staff/Student Ratio |
| Establishment | 215.3 | (Academic Year) 1:9.8 |

(c) Income as a % of Expenditure

| Income from scheduled courses as a % of tuition fee income. | 97.7%* |
| Income from special short vocational courses as a % of tuition fee income. | 2.3% |

(d) Refectory income as a percentage of wages and provisions | 113% |

* excluding MSC “Training for Jobs” income.
Project appraisal and property review: how monitoring can help

Two related aspects of monitoring are the appraisal of capital projects and the review of the use of property. Most local authorities spend a lot on capital schemes, and their capital assets in the form of sites and buildings are of very high value. Any capital project has implications for costs and service delivery for many years to come and so the potential waste from an ill-advised project is high. Similarly, the poorly planned use of existing buildings can result in considerable waste.

Project appraisal and property review are valuable activities because they often present very large savings without greatly affecting the quality of services. Both need to be set up in a way which enables an independent and critical view to be taken. It is essential to look right across the authority and break out of the habit of seeing buildings or projects as ‘belonging’ to one or other service. Tight control and monitoring of projects through to completion is also important.

Berkshire County Council has developed project appraisal over a period of 10 years, resulting in greater value for money and better services.

At inception, each project has to satisfy an independent Project Appraisal Group. This is made up of second tier officers representing the Chief Executive, Treasurer and Secretary, assisted by a full time Project Adviser. A project team is then formed for each project and stays together through its development, analysing options and taking on a ‘devil’s advocate’ role. This team consists of a representative from the sponsoring department, design representatives, a quantity surveyor and the Project Adviser.

The following examples show the kinds of savings and improvements in service that Berkshire achieves:

**School buildings** A £2m primary school for a new housing development was being put forward. Examination revealed a nearby school with an oversize site and another school on the other side of a busy trunk road with some spare capacity. The appraisal system produced a solution based on two school extensions and a footbridge. Adoption of this new option has saved £1.5m.

**Road junction designs** A proposal for a £5.4m solution to a particularly important road junction problem was in danger of being dropped in favour of a less costly but limited solution which would not meet long term requirements. An examination of alternatives produced an option closely matching the original proposal but saving £1.1m.

**School reorganisation** A proposal existed to create a new school and possibly close down another. Project appraisal identified a 950 place surplus in the area within 10 years. A broader rationalisation is being considered which would save £400,000 on construction costs and realise surplus capital assets worth over £2m.

Suffolk County Council uses a less formal approach, setting up a project appraisal team only when officers or members think it worthwhile. The appraisal team is led by an Assistant County Clerk and includes senior representatives of the Treasurer, Architect, Land Agent and the Service Department. Projects examined fall into two main categories:

1. **A fundamental examination of the need for a project** This looks at service needs, location choices and relationships with other county services. For example, there was a proposal to replace an existing, inadequate library in Bury St Edmunds by a building on the same very cramped city centre site. Cost estimates at £800,000 were high and site constraints made for a less than ideal layout. The appraisal team looked at the County’s wider needs and also at sites occupied by other services. A solution was found through the conversion of a nearby obsolete Police Station. This site was better for the purpose and could also provide premises for the Careers Service at no extra cost. The other site was sold for a major shopping development and the County’s net costs were reduced by more than £½m.

2. **An examination of the draft brief for the Architect** This considers options for space standards, layouts and finishes. For example, an appraisal of a new fire station and divisional headquarters produced a number of changes. The appraisal paid attention to national and local standards. Good Fire Service practice included the combination of dedicated spaces to eliminate unnecessary duplication, adjustment down of office sizes to the County’s recently adopted standards, revised roof design and the minimising of maintenance and fuel costs. The review team expressed the view that the revised proposal represented the best possible value for money.

Hereford and Worcester County Council has carried out a number of comprehensive property reviews. For example, a study of all County Council property in Hereford revealed much scope for action:

- land and property surplus to requirements
- buildings that were unfit and expensive to run
- mspservices in dispersed buildings that needed reorganisation
- opportunities for increases in community and leisure use of several buildings
- land suitable for development by the Council.

A study of Social Services premises identified 14 whole or part buildings which did not contribute at all to services, plus a further six where the revenue from disposal could be used to provide improved services. In
addition, a programme of minor alterations, redistribution of some residential places and of new construction to meet major shortfalls, was drawn up.

In both studies, the present pattern of provision was shown to be inappropriate. Major changes were needed and implemented.

**External reporting about performance**

External reporting is a term for the process whereby council members account for the way they have performed.

It is important because it allows individuals or organisations to judge their local council’s performance, and criticise it, defend it or work for its improvement. This is what local democracy is for. Furthermore, at a time when local government is under threat, external reporting can help to convince people that their local services are worth supporting and preserving.

**Methods of reporting**

The most powerful external report is the one which is directly experienced. Thus people gain their strongest views of the council through the services they use, the visits they make to council premises and the correspondence they receive. These impressions are extremely important and are the reason that attitudes to clients are stressed in Chapter 7 ‘Style’.

However, this experience may only be a very small part of the council’s services and the individual may not be fully aware of exactly who is providing the service. Few people outside local government are clear about the division between districts and counties, and Social Services are frequently confused with both arms of the DHSS. For these reasons, authorities must also make a conscious effort to present information to the public in a broader, more comprehensive way.

Reports must clearly be factual and use reasoned argument; but imaginative use of media, including good design, layout and illustration will make reports easier to read and understand, and may also help create an image of the local authority for people to identify with emotionally. Information in such reports needs to answer the following questions:

1 **What resources have been used?** The most important of these are finance and manpower. Financial data in particular is not easy to make interesting. It is best related to services and performance. The actual expenditure should be shown against what was budgeted and underspending should be explained as well as overspending. There are some instances where the public can be made aware of the cost of a service at the point of provision. An example might be to display the average cost to the council of a swim at the local pool. This would set the charge in perspective.

2 **What standards and effects have been achieved?** Where the standards of service are good and up to the planned level the public should be made aware of this. Where they fall short an explanation should be given. Again, there may be opportunities to inform the public at the place where they receive the service. Some authorities have numerous reception areas and each offers the opportunity to display information. Employees are another largely untapped channel of communication. If they show enthusiasm and pride for the service they provide, this will inevitably influence the clients’ impression of the service.

   It is less easy to demonstrate to the public the effects of services, since in many areas there are other influences as well as the council’s actions. A good example of this is the crime rate, which is influenced by so many factors that it is very difficult to determine the contribution of the police or to assess changes in methods of policing.

3 **How far have people’s needs been met?** This is a frequently neglected area, principally because it is the one on which the least information is available. Many local authorities are not good at seeking the views of the public on the services they receive. There is also a reluctance to talk about shortcomings. This is natural but there may be more benefit in recognising and explaining such a situation than in ignoring it. One measure which can and should be reported is the level of complaints which the authority receives about its services. People’s views on whether their needs are met will often be influenced as much by the treatment and courtesy they receive as by the actual level of service.

**Style and presentation**

There is a wide variation in the approaches taken by local authorities to the question of reporting. The majority tend to be staid and unimaginative in their approach, so that their reports, whilst competent, lack popular appeal. A few, however, have been more adventurous. For example, Cleveland County Council has produced a stylish explanation of its work entitled ‘We’d all miss the County Council’s services’ (see Facsimile 2) while the London Borough of Hammersmith and Fulham consistently produces a clear and interestingly designed annual report (see Facsimile 3).

Local authority newspapers or supplements to the local press are a good way of taking advantage of a popular and accepted medium. Sunderland Borough Council has produced a monthly newspaper supplement for eleven years. The London Borough of Waltham Forest and Stafford Borough Council are examples of a number of councils which produce an annual report in this way, thus ensuring wide-circulation at relatively low cost. Waveney District Council and Gloucestershire County Council produce both a newspaper and a ‘glossy’ annual report.

A high quantity/low cost approach to printed
Cleveland County Council is an Equal Opportunities employer. We aim to end discrimination wherever it may exist on the grounds of sex, race, national origin, religion and disablement.
reports allows them to be made available more widely to employees. Middlesborough Borough Council and Basildon District Council circulate copies of their annual reports to every member of staff concerned. Briefing of staff may also be by special ‘in-house’ papers and Cleveland County Council has communicated with all 26,000 employees in this way. Sheffield City Council, on the other hand, has held a series of meetings giving all staff the opportunity to discuss achievements and difficulties with members and senior officers. Mass meetings are not a popular format for consultation with the wider public, however. Unless there is a particularly burning issue, attendances may be poor. Middlesborough Borough Council has experimented with this. Turnout has not been large but a small section of the population, often influential with others, has been involved.

Dudley Metropolitan District Council and Cambridgeshire County Council have both produced coloured posters, informing the public generally about the Council’s achievements. These can be displayed in reception areas, other waiting areas, and in schools, youth clubs and libraries.

Some local authorities also try to use other local media, especially local radio, to put across the authority’s viewpoint. Surrey County Council has produced a helpful guide for officers and members on radio interviews. (See Facsimile 4.)

A number of councils have extended the concept of external reporting to include gathering feedback by sampling public opinion on both satisfaction with specific services and the performance of the council as a whole. Included in these are the London Boroughs of Southwark, Islington and Camden. The responses have been positive and have often shown a high level of satisfaction.

Finally, some councils have begun to tackle seriously the problem of officialese in their work. Both Bradford City Council and Halton Borough Council have launched campaigns against ‘gobbledygook’ within their services, recognising that this can often be a major barrier to contact with the public.
"on the air"

A GUIDE TO RADIO INTERVIEWS FOR MEMBERS & OFFICERS

SURREY COUNTY COUNCIL
Review
These questions are guidelines for assessing how effective your authority is in the area of systems for performance review.

Organisational arrangements
1 What methods currently exist for carrying out the review function? For example:
   a) Is there any special machinery for carrying out performance review? What does it achieve? What does it cost?
   b) Is performance review an integral part of the management process?
   c) Is monitoring a regular feature of departmental or committee work?
   d) What explicit procedures exist for carrying out issue reviews?
   e) Who has responsibility at officer and member level for seeing that the right questions are asked and that reviews are done?
   f) Are there any staff with an important part of their time allocated to the critical examination of service provision?
   g) What criteria or targets are used for judging good performance?
   h) What procedures exist for setting up working parties and fixing their terms of reference, methods of working and reporting?

2 How important a place does review currently have in the authority's work? For example:
   a) What proportion of an average committee agenda is allocated to looking at what is being achieved, rather than at new issues or problems?
   b) How easy is it for colleagues to question themselves or each other about the effectiveness, efficiency and relevance of the services they provide? Do professional or political implications get in the way?
   c) How many research or review reports have been produced in the last five years? How seriously were they taken and to what extent were the findings made use of?
   d) How willing is the authority to allocate staff time or buy in consultants' time to carry out detailed reviews?
   e) What commitment is there to acting upon the findings of reviews?

3 How satisfied are members and officers with the current review methods? What improvements can they suggest? What reservations or objections do they have to review?

4 What hard evidence is there from reviews that:
   a) services are being run efficiently?
   b) services remain effective in meeting needs?
   c) needs have not changed appreciably?

Project appraisal and property review
5 What methods currently exist for project appraisal? Do these allow for a long term, authority-wide perspective? How satisfied are members and officers with the current system? What improvements can they suggest?

6 What methods exist for monitoring running costs and utilisation of the authority's buildings? How effective are these?

External reporting about performance
7 What methods does the authority use to tell the public about its performance? How effective are these? What improvements would officers and members like to see?

Additional questions relating specifically to your authority
**Action Plan**
Which of the following could usefully be introduced into your authority’s work?

**Organisational arrangements for performance review**
1. A management information system which provides information for use in monitoring, including expenditure levels, staff levels, unit costs, service levels and assessment of impact.
2. A formal arrangement whereby regular monitoring becomes the duty of departmental management teams and service committees.
3. An interdepartmental officer group to develop review work.
4. A special sub-committee to oversee and direct review work.
5. The appointment of one or more specialised research staff.
6. A systematic review programme.
7. Member/officer working parties.
8. Officer working groups.
9. Staff secondments to undertake project work.
10. Agreed procedures which specify how reviews may be initiated, what their purpose is, what they will entail, who will receive the report and who will act on it.

**Project appraisal and property review**
1. A project appraisal process, including neutral staff with a questioning role, for all proposed capital projects over a given amount.
2. A property information system.
3. Regular reviews of property costs and use.

**External reporting about performance**
1. Displays in reception areas.
2. More imaginative use of design, layout and illustration in council publications.
3. Different kinds of council publications.
4. Use of local radio to present the authority's viewpoint.
5. Training for staff in putting across to the public what the authority does.
6 Structures and communications
Chapter overview

Local authorities in England and Wales serve populations varying from under 30,000 to well over a million. They cover areas from under 10,000 hectares to over 800,000, and they employ anything from a few hundred people to 40 or 50 thousand. With this kind of diversity there is bound to be enormous variation in the nature and complexity of structures and communications. However, organisations are also determined by the environment in which they operate and the job they have to do, and in this respect local authorities have much more in common.

In the 1980s, local authorities face a series of demographic, social and economic changes which have transformed the needs and problems of the communities that they serve. Once more they are considering adapting their organisations to make them more efficient and more relevant to the management of change. This chapter looks at the questions any such reorganisation must take account of, the changes for members and officers which have taken place since 1974 and the way in which communications are an integral part of organisational structure.

Has your authority got what it takes?

In the past, traditional bureaucratic patterns of organisation were often effective. Today, it can be argued that local authorities need to develop characteristics, such as those below, which facilitate innovation, adaptation and learning.

How well would you rate your authority on each of the following characteristics? Excellent? Very good? Reasonable? Poor?

And how important do you think each of the characteristics is? Very important? Important? Not very important? Not important at all?

1 Clarity of values and purpose Local authorities need to be clear about their aims and objectives. They need a ‘vision’ which defines their contribution to community and society.

2 Simple structures Effective organisations get things done. The emphasis is on action rather than adherence to formal or traditional procedures. Elaborate divisions of functions or role specialisms may no longer be appropriate.

3 Coordination through teamwork Informal methods of communication are crucial. Managers should be walking the corridors, sharing ideas and making connections. Commitment should be to ‘productivity through the people’ and to cooperative working.

4 Delegation and autonomy Long hierarchies are to be avoided and authority delegated in order to foster initiative and innovation. Decentralisation will enable the local authority to be ‘close to the customer’ but must be accompanied by a ‘loose-tight’ structure which retains central control.

Your views are likely to depend on how you think your authority should respond to its changing environment. At present you may not agree that these characteristics are very important, or, even if you do think them important, that it is worthwhile restructuring in order to achieve them. However, bear in mind that structures are a principal vehicle for accomplishing an organisation’s aims and purposes. Efficient use of scarce resources and success in carrying through policy programmes can depend upon the effectiveness of the organisation’s structure.

As you read through this chapter you may find it useful to consider which of the practices described might improve your authority’s rating on each of the four characteristics above. You might also, in preparation for the Review and Action Plan questions, find it useful to consider how easy each practice would be to implement in your own authority.

Questions about reorganisation

There are three critical questions to face when thinking about reorganisation:

1 How is the work to be allocated?
2 How are activities to be coordinated?
3 How is authority to be distributed?

1 How is the work to be allocated?

In local government this comes down to deciding what the key tasks and functions should be and how they should be grouped. In the past, organisation has been very much along professional and traditional service lines. The dilemma now facing authorities is whether to move towards more problem-based functions, and to more corporate groupings of these functions. Should they, for example, move away from Planning and Architects’ Departments and towards Property and Economic Development Departments, both of which have become more evident in recent years? Similarly, should committees become more programme based and should departments be grouped into directorates?

2 How are activities to be coordinated?

This refers to the problem of achieving integration between departments and functions within the chosen framework. The elements of this integration can include:

- the creation of standardised rules and procedures which all departments must follow
- the establishment of specialist roles whose primary task is to improve interdepartmental cooperation and communication
- setting up management teams and interdisciplinary project groups to encourage team building
- generating commitment among staff to common values and goals, through in-service training.
The dilemma for decision makers is whether to create a rather formal framework of roles and procedures or to place more faith in team building, a shared culture and mutual enthusiasm.

3 How is authority to be distributed?
The question here is whether to centralise and concentrate decision making or to delegate and foster a spirit of autonomy and enterprise. It raises issues about:

- the number of levels of managerial hierarchy—should the shape of the organisation be tall or flat
- the extent of delegation and discretion
- who should participate in decision making
- centralising or decentralising decision making.

Member structures
The emphasis on corporate management after 1974 was reflected in the way members organised themselves within local authorities. For instance:

- policy committees were formed
- a number of resource coordinating sub-committees were set up
- programme committees were formed
- the overall number of main committees was reduced.

A survey carried out by the Institute of Local Government Studies in 1982 involved responses from 422 authorities and gives an insight into the trends which have occurred since 1974. It shows particularly that the policy committee has become a very firm feature of local government. In 1982, 94% of all authorities sampled had policy committees, with virtually all the exceptions being shire districts. It has to be said, however, that not all so-called policy committees function as such. Some are little more than revamped general purposes committees.

Policy sub-committees show a more varied pattern. Fewer authorities in 1982 had the three or four policy sub-committees which were common after reorganisation. In contrast, there were more programme area committees in which certain groupings were favoured. The most distinct trends have been towards groupings in the leisure/recreation field and in technical services. The following table illustrates this, relating to the position in 1982.

<table>
<thead>
<tr>
<th>Programme area committee for:</th>
<th>% found in appropriate authorities:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leisure/recreation</td>
<td>78%</td>
</tr>
<tr>
<td>Technical/Highways/Transport</td>
<td>73%</td>
</tr>
<tr>
<td>Public Protection</td>
<td>22%</td>
</tr>
<tr>
<td>Education/Libraries</td>
<td>20%</td>
</tr>
<tr>
<td>Housing/Environmental Health</td>
<td>16%</td>
</tr>
</tbody>
</table>

Between 1974 and 1982 the overall numbers of committees did not alter significantly but in recent years there has been an emergence of new committees to deal with new problems or to reflect new approaches. The most common has, perhaps, been the employment or economic development committee. Race relations and women's committees have also been set up in a number of authorities; and property committees are beginning to appear in the shire counties.

The formation of area committees, which represent a localised corporate approach, has been very much less common. In 1982 only 11 authorities claimed to have them throughout their areas, and only 35 had any multi-service area committees at all. However, since that time there is some evidence that a movement towards decentralisation of both administration and decision making is taking place. This is a trend which has the support of both wings of the political spectrum—from the left because it enhances the prospect of community control, and from the right because it offers a chance to reduce bureaucracy and become more responsive to individual choice.

Recently, the increased politicisation of local authorities, greater member involvement, and the occurrence of 'hung' councils, have all brought about changes in the way members contribute to the running of their authority. Review groups, panels, member/officer working groups and single party committees have all grown as a means of effecting greater member involvement and control. The traditional party group which hitherto had played an influential but informal part in local decision making has, in some authorities, been given more recognition in the political process.

These trends demonstrate the ability of local government to respond to changing circumstances. It is, however, important that the purpose of changes and their likely effects are fully understood. There is, for example, a danger that the increased complexity of member structures will hinder the very control it seeks to establish.

Examples of member structures
Chester-le-Street District Council has taken advantage of its small size to combine simplicity of structure with full member involvement. There are only three main committees:

- Policy and Resources (with two sub-committees for Finance and Personnel)
- Environmental Health, Recreational and General Purposes
- Development Services.

The most interesting feature of this arrangement is that all 33 members of the Council are members of each committee and of the sub-committees. On the face of it, this may seem somewhat odd. However, it emphasises the point that full council, committees and sub-committees have different roles and consider matters in differing levels of detail; membership is less...
important. It can also serve to reduce duplication of debate and rivalry between committees.

The London Borough of Bexley has paralleled its directorate structure at officer level with what amounts to a two tier committee structure at member level. The main committees have a strategic role in that they deal with the broader policy matters and resource allocation for a group of services. The sub-committees, on the other hand, relate closely to departments and are mostly concerned with operational matters affecting them. It is possible to be a member of a sub-committee without being on the main committees and in this way the different interests of members are catered for.

The role of the Policy and Resources Committee is also affected in that it has no resource sub-committees, only a General Purposes Sub-committee, which again involves a separation of policy and operational matters. It is also normal for working parties to report directly to the Policy and Resources Committee.

Officer structures
The structural changes at member level after 1974 were paralleled by changes at the officer and departmental level. The main elements of this were:

- the amalgamation and grouping of departments
- the appointment of a Chief Executive
- the establishment of management teams and other interdepartmental groups
- decentralised management.

Each of these is considered in turn below.

Departments
Despite the enthusiasm for corporate management after reorganisation, most authorities decided to keep the traditional arrangement of separate departmental specialisms. The corporate approach was implemented through interdepartmental working groups and programme area teams. A few authorities brought in directorates and these are still a feature of a number of authorities, notably the London Borough of Bexley and Bradford City Council. However, the position remained little changed until 1982, since when a number of trends have become apparent:

Reduction in the number of chief officers Many of the smaller councils which adopted structures based on the Bains recommendations have reduced the number of chief officer posts and regrouped their functions. This has both made savings and streamlined management.

Reorganisation of the centre This has resulted largely from a re-examination of the Chief Executive's need for departmental support and uncertainty as to the role of the Secretary's department. In addition there has been some concern that the central departments have not been subject to such critical reviews as other departments. This is now beginning to occur.

New functions and reconsideration of existing ones Completely new departments controlling economic development and direct labour organisations have been set up in some authorities. Others have regrouped departments to reflect such changes as the reduction of planning functions and the decreasing importance given to structure planning at county level. The reductions in new building and the increasing importance of maintaining and fully utilising existing premises have also led to the regrouping of property based functions.

Chief executives
Despite a few well-publicised examples, the post of chief executive has become firmly established in local government. The 1982 survey only included seven authorities which specifically stated that they did not have a chief executive or someone with similar duties. However, there has been a clear movement away from chief executives with no departmental responsibility. Most commonly, the corporate services have come under their wing but there is also a tendency for new services to begin, at least, under the chief executive's guidance. The functions most commonly controlled by the chief executive in the 1982 survey were:

- Public Relations: 67%
- Corporate Planning: 60%
- Personnel: 59%
- Management Services: 49%
- Administration: 46%
- Project Coordination: 45%
- Research and Intelligence: 31%

Management teams
Virtually all local authorities now have chief officer management teams. In the counties and metropolitan districts these tend not to include all chief officers. Sometimes the leader of the council attends in order to enable him/her to follow policy planning through to implementation. Most large authorities also make use of interdepartmental working groups and 60% have permanent apparatus for this purpose, notably deputys' groups and administrative officer groups.

Decentralised management
Area administration was introduced in some large authorities in 1974 as a way of counteracting their size. The approach chosen varied markedly. In some authorities the emphasis was very much on corporate planning and policy making. In others it also coordinated the delivery of services. The area approach was, however, far from universal. More recently the trend towards decentralisation has increased. A number of authorities are attempting, not
without problems, to decentralise services to bring them closer to the community—for example through the establishment of neighbourhood offices.

There are also developments towards more decentralised management within departments. These include:

- greater independence of DLO depots managed as cost centres
- patch systems in Social Services
- delegated financial control to schools.

Decentralisation can be an incentive for greater efficiency. In many cases it is helped by the development of information technology.

**Examples of officer structures**

East Cambridgeshire District Council adopted in 1974 an officer structure based on the Bains Committee suggestions. This included seven chief officers. Since then two restructurings have been carried out and the authority now has a structure which is felt to be more appropriate for a rural District Council of 55,000 population. It consists of three chief officers and nine divisional heads, as follows:

<table>
<thead>
<tr>
<th>Chief Executive</th>
<th>Development Manager</th>
<th>Housing Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td>Planning</td>
<td>Housing</td>
</tr>
<tr>
<td>Legal</td>
<td>Project Group</td>
<td>Environmental</td>
</tr>
<tr>
<td>Management</td>
<td>Building Control</td>
<td>Health</td>
</tr>
<tr>
<td>Services*</td>
<td></td>
<td>Works</td>
</tr>
</tbody>
</table>

*Comprising personnel, payroll, computer and committee administration.

The small management team maintains regular contact with leading members through a series of strategic and operational liaison meetings.

The London Borough of Bexley has a directorate system which involves a chief executive and five directors without direct departmental responsibility. Each has a number of departments under his control, each of which is headed by a chief officer. The directorates are:

- Chief Executive/Administration
- Finance
- Engineering and Public Works
- Development
- Housing and Personal Services
- Education.

The departments tend to be smaller units than might otherwise be the case. For instance, the Education Directorate includes the four departments of Schools, Further Education, Libraries and the Education Services Secretariat. The last of these controls administration, committee servicing, personnel, purchasing and supplies, school meals and premises matters.

The service secretaries are an interesting feature of the structure. There are three within the five directorates plus a Management Secretary within the Directorate of Administration. The Management Secretary and the three service secretaries work closely together, thus giving something of a matrix form to the structure.

The Bexley set-up has influenced the officer structure at Portsmouth City Council but there the head of one of the constituent departments of a directorate is appointed to the post of Director and performs a dual role.

Walsall Metropolitan District Council has pursued decentralisation with a network of neighbourhood housing offices. There are 30 offices to cater for some 40,000 rented dwellings plus private tenants. Members of the public can make virtually all housing enquiries at these offices, and most can be dealt with at the local level. The Neighbourhood Officer is responsible for all estate management, community liaison and control of arrears. The offices are open outside normal office hours and a technical officer is attached to each one to carry out emergency repairs. The use of computers has allowed much more of the administration to be undertaken locally but with a direct link into central records. For example, in relation to housing benefits, the local microcomputer has access to central records, and can alter the rent account and print a letter of response on the spot.

At the time that the decision to decentralise was taken, it was envisaged that Social Services field workers should also be decentralised and would work from the same neighbourhood premises. However, following a change in the balance of political power, these plans have been put in abeyance.

A number of inner London Boroughs, notably Islington, have decentralised across a range of services. Birmingham City Council has recently begun to establish a local organisation based on area committees.

Decentralisation represents a fundamental rethinking of the approach to local government. Those authorities that have experimented with it have experienced considerable difficulties in changing attitudes and organisational structures. Other authorities have considered the approach but decided against it. One such authority is Bradford City Council, which carried out a systematic review of the potential for decentralisation but finally took the decision not to proceed.

**Communication structures**

Time and again in the interviews, in different authorities, problems were mentioned which reflected the lack of any adequate process of communication between the council and its staff. (Professor John Stewart)
The problem of communication with staff is only one of several aspects of communications within an authority. There are a number of other equally crucial channels of communication which are often not given the attention they warrant. They impinge directly on the question of structures and involve the following:

- member/officer contacts
- contact between departments
- management contact with staff
- inter-agency contacts.

Each of these is considered in turn below. Other aspects of the communications issue—external reports to the public and style in both internal and external communications—are considered on pages 66–70 and 88–90 respectively.

**Member/officer contacts**
The increasing political involvement and activity within local government has brought changes to the more traditional forms of contact between officers and members. These have always varied significantly by size and type of authority but there are now a number of trends emerging:

- The greater involvement of leading politicians in strategic management has led to the establishment of regular semi-formal groups or meetings with senior officers.
- There is also a converse need for officers to speak directly to political parties. This may be a formal meeting, such as a single party policy committee, a semi-formal chairmen’s group, or it may involve officers attending political party groups.
- Members are becoming increasingly involved with officers in less formal groups at various levels. These include sub-committees, panels and working groups, and enable issues to be explored in greater depth, often free from the need to make a policy decision.
- The tradition of casual contact between members and officers varies widely between authorities. It is, however, becoming more common as the services offered to members grow. In some authorities, member liaison officers or research staff have been appointed. In others, greater use is made of librarians, information officers and public relations staff in addition to the help received from staff in service departments.
- In a few authorities, members have become over-involved, by-passing officers and taking direct control of services. This trend is rare, but has caused concern where it has occurred as it can be to the detriment of services and lead to the frustration and departure of good officers.

**Contacts between departments**
The corporate approach was intended to break down departmental barriers but its success in doing so was very patchy. Often the central departments, which operated the ‘across service’ functions, became the focus of ‘centralisation’ tussles which exacerbated rather than aided departmental cooperation. Sometimes it has been the ‘non-professional’ staff who have overcome the problems most easily. Groups of administrators, information technology staff and personnel officers have formed successful interdepartmental links.

A number of authorities have been successful in their use of groups to handle specific service developments or a specific project. In some instances these have been set up as part of a management development exercise.

**Management contacts with staff**
In many ways this is the most important communications issue of all. The extent to which staff are informed, consulted and listened to is a vital factor in their responsiveness to management, their morale and in their contacts with the general public. In large organisations with extended hierarchies and decentralised workplaces, this is very difficult. It is a problem which has often been neglected in the past, but which has to be tackled. The solution lies more in the will of senior management to make communications work than in any particular techniques. The regular use of staff circulars and newsletters, a network of short but regular briefing meetings and a programme of training in communication skills may all help.

**Inter-agency contacts**
In many areas the changes in responsibilities in 1974 left a sense of rivalry and even hostility between authorities. Shared responsibilities between counties and districts, such as planning and highways, have often been the areas of greatest difficulty.

At member level, the Joint Committees which were set up between the tiers of local government and with the health authorities have turned out to be very ineffectual. Nor has the existence of councillors with membership of more than one body greatly improved the situation.

In many authorities, the greatest cooperation has often come lower down in the organisational structures, where the immediacy of problems, and the opportunities for mutual assistance, tend to be greatest.

A number of authorities have cooperated very successfully on provision for the elderly, where the needs so clearly fall across the responsibilities of Health, Social Services and Housing. It has to be said, though, that the availability of an additional source of funds—Joint Finance—has greatly assisted cooperation in this and similar fields. There is also strong evidence that the new need to support the local economy is
providing further opportunities for local cooperation between councils.

**Examples of communication structures**

**Cambridgeshire County Council** has an ‘HQ6’ group which consists of Chairman, Leader, Deputy Leader, Chief Executive, Treasurer and Director of Planning and Research. It meets at least weekly and an agenda and minutes are produced.

**Berkshire County Council** has party groups which are formally constituted and, as such, are attended either by the Assistant Chief Executive or Assistant County Secretary together with service Chief Officers as necessary.

**Newcastle City Council** has a well developed practice of involving members and officers in less formal sub-groups and working parties. The 1982/3 member structure chart shows no less than 60 such groups in existence, although many of these are ad hoc groups.

**Devon County Council** has a Management Action programme in which interdepartmental teams meet regularly with the aid of an outside agent (from the European Manpower Advisory Service). These were initially intended solely as self-supporting, mutual development groups but have now sought tasks on which to concentrate their efforts.

**Surrey County Council** has introduced more informal contacts. This entails the leading politicians and Chief Executive holding a series of meetings, with modest refreshments, for the leading members and Chief Executives of each District Council. These take place on County Council premises within those Districts. They provide a useful opportunity to discuss matters of mutual interest and to exchange views. They complement the long standing arrangements for monthly meetings of the Chief Executives.

**Northamptonshire County Council** has joint planning teams of County Council, Health and District Housing staff, backed up since 1974 by a series of joint research posts. A number of projects have been established which have involved the formation of teams of field staff from the three services, on a localised basis. These have been given a small budget and encouraged to adopt joint approaches to the elderly which reflect specific local needs. The strength of these initiatives has been not so much their originality as the involvement and commitment of all the agencies concerned with the elderly.

The Council has also established Juvenile Liaison Bureaux. These represent a corporate approach to the problem of juvenile delinquency. An interesting aspect of the Northamptonshire experience is that it arose from informal collaboration, at middle management level, of officers from Social Services, Police, Probation, Education and the Youth Services. Initial funding came from one of the Sainsbury family trusts and the Sports Council. The success of the approach has led to its wider adoption by the Council using the Urban Programme and local authority money.
Review
These questions are guidelines for assessing how effective your authority is in the area of structures and communications.

1 How appropriate and effective is your authority’s present committee structure? For instance, is it:
   a) appropriate to the size of the authority?
   b) appropriate to new needs and problems in the area?
   c) geared to quick and efficient decision making?
   d) able to give all council members satisfactory involvement?
   e) suitable for dealing with both major policy work and routine decision making?
   f) capable of coordinating action and resolving difficulties between service areas?
   g) designed to carry out longer term strategic decision making?
   How satisfied are members and officers with the present committee structure? Are there any changes they would suggest?

2 How easy is it for members to be involved outside the formal committee system? For instance, do all members:
   a) have the opportunity to be involved with the examination of services and issues?
   b) have easy, informal access to officers at all levels?
   c) get fully involved in and consulted about the affairs of the area they represent?
   d) feel they play a full role in the management of the authority?
   Are members and officers satisfied with the current level of involvement? What type of changes would they like to see?

3 What structures exist outside the formal committee system for contact between senior politicians and senior officers? How effective are these in ensuring proper discussion of issues, in the view of officers and of members?

4 Which of the following criticisms would you or other staff make of your authority?
   a) too many departments
   b) too heavily centralised and remote
   c) based too much on professions rather than problems
   d) too decentralised and uncoordinated
   e) designed more for the needs of bureaucracy than the public
   f) the lines of communication are too long
   Why are particular staff or groups of staff making these, or other, criticisms? What changes would they suggest?

5 How is cooperation encouraged between departments? For example, which of the following exist?
   a) strong leadership and shared corporate values
   b) strong central direction
   c) standing joint groups and ad hoc working groups
   d) support of special staff (corporate planners, etc)
   e) social events
   How effective are these? What ideas do staff at different levels have for improving cooperation and communication?

6 What prevents good communication in your authority? For instance, which of the following physical or organisational features are a barrier?
   a) departments not on one site
   b) poor internal post and telephone systems
   c) poor use made of notice boards and circulars to staff
   d) little use of staff meetings which involve all staff
   e) senior staff aloof and hard to speak to
   f) junior staff feeling uninvolved and kept in the dark
   Try to identify which of these barriers affect staff at different levels in the organisation. What would they like to see changed? Are there other barriers?

Additional questions relating specifically to your authority
Action Plan

Any plans for reorganisation need to take in the three critical questions:

1. How is the work to be allocated?
2. How are activities to be coordinated?
3. How is authority to be distributed?

Bearing these issues in mind, which of the following could usefully be introduced into your authority's work?

**Member structures**
1. Committee meetings for discussion without a decision agenda.
2. Member review panels or member/officer working parties.
3. Area committees for some or all areas.
4. New or re-aligned committees, possibly on a programme basis.
5. Formal or semi-formal single party committees.
6. A policy committee free of routine decision making.
7. A clearer distinction between strategic policy making and routine work.

**Officer structures**
1. Splitting or combining of departments.
2. A directorate system.
3. The decentralisation of some services on a geographical basis.
4. The decentralisation of some central departmental duties into service departments.
5. The reorganisation of central departments.
6. A 'flatter' organisational structure.
7. A greater delegation of decision making to establishments.
8. Use of a 'patch-worker' system.

**Communication structures**
1. A review of leadership style, the type of organisation the authority is and the values staff and members hold.
2. The development of communications within departments, especially between senior management and junior staff.
3. The development of communications between departments, for instance with ad hoc working groups or standing joint groups.
4. Establishing links, both formal and informal, with other local authorities and health authorities.

Additional suggestions relating specifically to your authority
7 Style
Chapter overview

This chapter draws together the themes discussed earlier, looking at them in terms of the overarching concept of style.

Style is both the most difficult element of good management practice to define and the most important. It can be looked at as the other face of vision. If vision is there, based on an accurate awareness of need, then style reflects the way vision is put into practice. Style is about 'the way we do things', having a sense of purpose and being able to show it publicly, knowing where you're going and being proud to say so.

Style can be the difference between a really effective local authority and a mediocre one. Similar levels of finance, expertise and other resources can result in very different levels of performance. This difference has a lot to do with style and the way it is exhibited in each of the key areas discussed in this handbook.

Style is an integral part of any organisation; but what it is, and how it comes across, will vary both within and between authorities. There can be both positive and negative style. An authority without vision will tend towards a negative or merely reactive style, portraying itself, for example, as unapproachable, complacent or unresponsive.

Some of the features of a local authority which indicate its style are its:

- public image and responsiveness
- approach to employees
- attitude to innovation
- internal and external communications
- values.

Some of these characteristics are easier to identify than others. Values can be particularly hard to pin down and are in fact really only demonstrated through the way employees approach their work. Communication is an issue which arises in every aspect of local government.

The rest of this chapter expands on some of the tangible aspects of style, with examples that may suggest to you that its pursuit can be worthwhile.

What does style mean?

Which of the following features do you think contribute to a positive style? Which do you think your authority currently displays?

1 Paying great attention to external image.
2 Following fashions in local government.
3 Emphasis on how things are done rather than what is done.
4 Concentration of resources on image building.
5 A corporate identity for service promotion.
6 Helpful responses to enquiries from the public.
7 Good relations with the local media.
8 Recognition of employees for the work they do.
9 Enthusiasm amongst staff for the authority’s way of doing things.
10 Team spirit.
11 Willingness to try new things.
12 Willingness to learn from other authorities or organisations.
13 Interest in experimentation.
14 Knowledgeable and accessible staff.
15 Easy relationships up and down hierarchies or chains of command.
16 Lack of bureaucracy.
17 Good information and publicity materials.
18 Concern to put corporate values into practice.
19 Knowledge amongst lower level employees of the authority's values.
20 Statements available to staff about the values the authority pursues.

The first four statements portray a negative view of style, suggesting that it is concerned only with an external image. This view of style may come from experience of authorities which have pursued their media image at the expense of public service. Equally, it may come from reasonable reservations about the sense of pursuing too hard a notion as intangible as style.

The other items make positive statements about the different aspects of style:

- public image and responsiveness (items 5–7)
- approach to employees (items 8–10)
- attitudes to innovation (items 11–13)
- internal and external communications (items 14–17)
- values (items 18–20).

You may have found that you think of style in terms of some but not all of these characteristics. Equally, your authority may display style more clearly in some aspects of its work than others. As you read through this chapter, consider which of the practices described could help to enhance your authority’s style and so make its work more effective.

Public image and responsiveness

... whatever public relations is, in local government terms at least, there is not enough of it done! Otherwise why does local government have such a poor image ... (ADistrict Council Public Relations Officer in Local Authority Digest, Summer 1984)

Anyone who visits a number of councils over a short period of time cannot fail to be struck by the variations in appearance and atmosphere of public reception areas. Some are airy, well-lit and comfortable, with an open desk staffed by helpful and knowledgeable people. At the other extreme is the small hatch on the landing of a converted house, attended by a junior who, in response to every question, disappears to return with a second-hand reply. Yet reception areas, together with telephone
switchboards, are the front line in dealings with the public. For some people they will be the only point of direct contact and they are entitled to a far better service than many councils afford them.

Poor accommodation and restricted entrance areas are not necessarily the cause of the problem. One department of a major authority occupies a modern office block with a potentially attractive foyer. Yet the visitor is greeted by an empty space and is required to locate a set of three small buttons beneath which are printed, on small strips of embossed tape, the names of the different sections described in terms which would mean little to the average person.

Responsiveness is, of course, about much more than reception desks. It is about switchboard operators who connect callers quickly, correctly and courteously. It is about prompt and helpful replies to complaints or enquiries. It is about keeping people informed of progress on matters affecting them, especially when delays are expected. It is about officers arriving promptly for pre-arranged visits. It is not about giving people everything they ask for but rather about recognising their concerns.

The other aspect of the public image issue concerns the more traditional public relations role. This involves, among other things, contact with the news media, the publication of guides and other literature for the public, and the projection of a corporate identity. Despite the move to a more conscious approach to public relations after 1974, it is still a neglected function in many authorities. Often, chief officers are left to handle their own public relations and they tend only to be reactive, responding to the media when approached. Publications are kept to a minimum and are often only produced in response to a central government requirement. Such an approach tends to be piecemeal, defensive and liable to present an adverse, rather than a positive, image.

However, in recent years, some local authorities have become more aware of the need to be positive, even aggressive, in projecting both themselves and local government as a whole. Each local authority needs to develop its own style of responsiveness and publicity. Often this can be done by providing a range of straightforward, cheap publications, posters, leaflets and advertisements. Issues to think about are covered below.

Reception

Few authorities have only one central enquiry desk. Many will be housed in several buildings and the larger ones will have divisional or area offices, not to mention various outlying depots and establishments. This emphasises the confusion there can be in the minds of the general public, especially when the picture is further muddied by two tiers of local government and the occasional development corporation.

To combat this, some authorities have produced maps and explanatory booklets, and a coordinated programme of training for reception staff. A directory of service points and contacts—often an extension of the telephone directory—is also helpful.

Chester-te-Street District Council may be small but it has some of the most modern and exciting civic offices that have been built in the last decade. The combined reception desk and switchboard forms an accessible central point for information about staff availability. The concourse is wide, airy and ideal for public exhibitions; the restaurant is well run by contractors and is in demand for private hire. The whole building is designed for use by the public and is an important element in the authority’s style. Facsimile 1 shows the entrance and describes the design concept.

Avon County Council was created as a totally new authority in 1974. It faced the task of establishing an identity and of bringing itself to the knowledge of the local people. To enable this to be done effectively the Council set up a powerful central Public Relations and Publicity Section. As a result the authority has established a reputation for producing attractive and informative literature. This includes the following guides to services:

- A Supplement to the Bristol Evening Post giving a full guide to all public sector services and main contact points in the County.
- A handy Pocket Guide to all local government services, produced on a district basis.
- A series of leaflets on the whole range of Social Services activities. These are easy to read and include a pamphlet on ‘Making a Complaint’.
- Various helpful maps.
- A monthly free newspaper, Avon Report, with a circulation of 380,000. This is very lively, professionally presented and fully supported by local advertisers.

Telephone and mail

Experienced telephone operators become very proficient at placing calls but mistakes still occur. Some authorities have an arrangement by which all calls which cannot be satisfactorily placed within a specified time are transferred to professional staff with a remit to handle the enquiry and call back if necessary. Again, new technology has improved telephone systems but there is always the problem of dealing with uncertain or difficult callers.

Too often the public complain of very slow, or non-existent, replies to letters, confusing or unintelligible jargon and the fact that the person signing the letter is not the person dealing with the matter. This is one of the typical faces of bureaucracy, caused by over-dependence on standard letters, defensive senior officers or simply lack of imagination.
DESIGN CONCEPT

The civic centre is in complete contrast with many 'authoritarian' civic offices where the general public feels ill-at-ease as a visitor or even excluded from the processes of government. At Chester-le-Street, the offices are conceived as part of a pedestrian route through the town. People are encouraged to walk along a glazed arcade at the 'spine' of the building – similar to a shopping mall. Off this arcade are the enquiry desks with access to the various council departments. This is an architectural expression of the ultimate in open government.

At the same time, the design satisfies a desire for 'civic pride' – as manifested in the typical Victorian Town Hall. Although the construction technology and materials are completely different, the new civic offices at Chester-le-Street have a strong 'presence' within the townscape.

HISTORY

The Chester-le-Street Council administers a district with a population of 52,000. The old council offices were contained in four buildings – scattered about the town. Communication between departments was unsatisfactory and working conditions were poor. It was clearly necessary to bring the council chamber, members' suite and committee rooms with the associated administration, treasurer, and technical departments under one roof. Faulkner-Brown Hendy Watkinson Stoner were appointed as architects in 1979 to produce a feasibility study. Detailed designs were drawn up and work started on the Newcastle Road site using a management contractor in May 1980. The Council took up occupation on 19 April 1982.

Following discussions with members and chief officers, it was decided that office space should be as flexible as possible to allow reorganisation within departments. Hence, the major spaces are planned on the 'burolandschaft' (open office) principle with private offices and meeting rooms where required. These offices are disposed along the two sides of the glazed circulation spine. This linear arrangement not only gives easy access for the public but also allows the building to be extended in an easterly direction towards the back of the site at a future date.
Relationship with the news media

There is often no reason why the local authority should not have a good relationship with the local press, radio and television. There are many newsworthy items about schooling, the police, the fire brigade, Social Services and leisure events. In view of this, it is difficult to understand why local government gets such a dull image. Furthermore, the media need local government’s help. Local radio in particular can draw on the ‘experts’ in the Town Hall, in the local college and at Police Headquarters, to give topical interviews and comment on all manner of issues.

Some of the better authorities have developed their relationships with the press by such means as:

• holding informal sessions between chief officers and editors
• holding briefing meetings before important committees
• issuing the press with a list of contacts within the authority, by topic
• controlling the production of press releases centrally or offering central advice, particularly on sensitive or important issues
• providing studio facilities within their premises for local radio.

Nottinghamshire County Council has a strong central unit within the Chief Executive’s Department which oversees public relations and information functions. Specialised staff are responsible for maintaining press contacts, informing the public and promoting the authority. This results in a proactive approach which includes the following features:

• regular meetings between the County Information Officer and departmental management teams to discuss a positive approach to image and other aspects of publicity
• the availability of central expertise to implement departmental programmes and to advise on specific problems
• an interdepartmental working group, chaired by the County Information Officer, looking at all aspects of the public image of the authority
• the central overview of media contact, including press releases, press articles and the arrangement of interviews
• training sessions and literature for staff and councillors, covering interviews and other media contact
• a publicity officer responsible for the promotion of tourism, leisure facilities and other trading services
• annual meetings between chief officers and newspaper editors from the north and south of the county.

Television is still not a medium which a great number of authorities make a conscious effort to use. Bradford City Council, which takes a proactive approach to public relations, used its District Trends document very effectively to gain publicity on ‘News at Ten’ and ‘Newsnight’. In a somewhat different way Derbyshire County Council has bought advertising space on independent television to emphasise the range of assistance it offers to members of the public.

Communication with the public

It is surprising how often local authorities take action locally or make changes in services without reasonable prior warning, a practice which is very likely to cause annoyance. Other authorities are more considerate. For example, where planning applications or other proposals affect a small neighbourhood, some councils notify all residents of a time when a member of staff will be in the area, perhaps at one of the houses, to explain the plans to all who are interested. This practice is not only good public relations but should reduce unnecessary opposition and resentment.

Similarly, it is now fairly common practice for highways authorities to erect notices describing major road works. This is an idea which might usefully be extended to more local schemes or even repair works, using simple re-usable boards. Private contractors waste no time in advertising their involvement in building or engineering works, so why not local authorities too?

Tamworth District Council decided in 1982 to change its refuse collection system. This involved the provision of larger, wheeled plastic bins, a change to a kerbside collection and limits on the amount collected—potentially a matter of some concern to residents. The Council began with a pilot area and the experiment was preceded by:

• an informative leaflet to all households affected
• extensive publicity, including articles in the local press
• a two day exhibition in the local shopping centre.

All teething problems were dealt with promptly and, after some weeks, all residents were invited to return a questionnaire on their views of the system. A 72% response produced a figure of 91% in favour. The scheme was later smoothly extended to the whole of the District with estimated savings in the first full year of £56,000.

Gateshead Borough Council uses new technology to the direct benefit of the public in communications about welfare benefits. Various benefits are available through several local authority departments and from central government offices. The Borough alone has ten benefit
offices and the confusion in the minds of potential claimants can be enormous. The new system involves a common claim form available at any of the offices. This is used to assess entitlements to all main benefits, whether administered by the authority or another agency. The individual is then notified of all entitlements but only those claimed are paid. It is, however, intended that this notification will assist approaches to the DHSS. Included in the process is a periodic review which ensures an up-to-date assessment of entitlements.

The corporate identity
Corporate identity is an important matter. It emphasises pride and style and should be a reminder to the public of the diversity, and quality, of services provided for them by their local council. Most authorities adopted logos for the newly formed councils in 1974, and attempted to standardise letterheads, signs on council premises and vehicle livery. Not all succeeded. One county council recently drew attention to a pre-reorganisation city council sign on premises which transferred ten years ago.

Leisure, tourism and trading activities
Unemployment and ailing local economies have caused many authorities to become involved in the regeneration of their areas. This has included an awareness of the need to promote the image of the place and the provision of leisure attractions. The latter have the dual purpose of adding to the attraction and making provision for increased leisure time. Most authorities can find some local facility, topographical feature, historical connection or interesting industry on which they can capitalise, and a number of very imaginative approaches have been developed.

Similarly other services, not traditionally thought of as 'commercial', may warrant promotion. For example, in the face of falling school meal consumption, some education departments not only marketed their products more attractively to pupils but also launched campaigns to persuade parents of the value offered. Similarly adult education, library services and improvement grants have all been imaginatively promoted by some authorities.

Councils which have hitherto felt public relations to be a luxury they could not afford may increasingly find economic justification for the employment of professional staff who, as well as improving the public image, can aid the promotion of the area and of revenue earning services.

The approach to employees
A number of the features of good staff relationships have been dealt with in previous chapters. Here the various points are summarised and the threads drawn together to form a framework for considering the style of staff relationships.

Concern
Authorities may spend up to two-thirds of their money on staff costs; but this high level of investment is not always accompanied by a very high level of concern for the individuals involved. Staff may, for instance, be required to spend some 40 hours a week in accommodation which they would find totally unacceptable at home. It is not, however, the willingness to spend money on new offices which matters. It is more important to recognise that such things matter, to be responsive where possible and above all to show concern for individuals, their work and the difficulties involved. This is not a responsibility of the immediate supervisor alone. It reflects very much the way the authority 'does things'.

Recognition and delegation
Local government has a tradition of administration by anonymous people. Committee minutes record only the councillors who attend; reports bear only the name of the chief officer and not the person who may have spent many hours in their preparation; letters, too, are often only in the chief officer's name. In the same way, the accountability of staff for expenditure on the services they control is often lost in aggregate budgets. There is little justification for such practices and the current move towards greater delegation of responsibility should be accompanied by greater accountability and recognition. Reward systems are few in local government, but the satisfaction which comes from the recognition of a task well performed is one which good authorities understand.

One of the main constraints on greater delegation and recognition has been the fear on the part of senior management of a loss of control. However, the concept of a 'loose-tight' approach envisages a system in which the individual is given more responsibility but within a clearer framework of duties and aims. Essential to this is a regular review of progress. This is not a negative control but a valuable opportunity to discuss and recognise performance.

Coventry City Council Environmental Health Department has a well developed system of work control. This prescribes the amount of staff time to be allocated to different areas of work and regularly measures achievement against programme. On the face of it the system involves tight central control. However, it has a number of features which also enable staff needs to be met:

- The allocation of work is on a team basis. The teams discuss progress and problems regularly, and support can be given to inexperienced staff where necessary.
- Each team discusses its own progress and problems with the full management team on a quarterly basis. At these meetings junior staff are encouraged to raise issues and make presentations if they wish.
• As part of the annual setting of work programmes for the following year, each team puts forward its own suggestions for discussion with the Management Team.

• The controlling committee meets once a year on a non-executive basis to consider priorities for the following year. At this meeting the team leaders are given the opportunity to present and discuss the views of their teams.

• Annual informal staff appraisal discussions are carried out between staff and their supervisors, on a two-way basis.

Thus the process of programming and control provides the framework within which staff can contribute their own ideas, see them adopted and have their achievements recognised.

**Team spirit**

By its very nature local government lacks a sense of single purpose, of immediacy and urgency. The tempo is set in many departments by committee cycles which can be as long as three months apart. Working parties, too, not only reflect this timescale but may even owe their existence to their delaying qualities. In such a context it is difficult to engender and sustain enthusiasm and team spirit. However, things are different at the operational level. Demands on social workers, teachers or housing officers can require a quick response. Frustration and demoralisation occur when the organisation as a whole fails to echo this response. There is no easy answer and much will depend upon the quality of leadership. However, the features of motivated departments might include:

1. the use of project teams for specific tasks and intensive studies
2. the prompt recognition by management of work done
3. a background of informal staff discussion and of social activities outside the place of work.

**The London Borough of Bromley** Chief Executive recently made a report to his Policy and Resources Committee which was unusual in that it took a conscious look at the management style of the leadership in that authority. It examined the ways in which management would have to change in order to cope with the increasing pressures and uncertainties faced by local government. It then proposed a 'survival model' of management for the authority which, in summary, assumes that the priorities are:

• motivating the people within the organisation
• maintaining efficiency around the basics
• encouraging regular innovation in small steps
• avoiding calcification.

The paper is only a first step but it is important because it is part of a conscious effort to raise management performance and understanding. Moreover, it makes explicit matters which, hitherto, might not have been discussed at all, let alone by a policy committee.

**Communications with staff**

In a large authority it is very difficult to communicate well. Chains of contact are elongated, especially where staff are decentralised, and the local press will almost inevitably be the first with the news of the previous night's council meeting. There is, however, much that can be done. The first step is recognising that communication is necessary and important, for it is more about attitudes and habits than formal systems. An authority or department which communicates well with staff will have at least some of the following characteristics:

1. An understanding of the role of the management hierarchy in transmitting ideas and information.
2. Regular staff/management meetings with two-way exchanges.
3. The appropriate use of newsletters and the internal circulation of press releases.
4. Well-sited and maintained noticeboards.
5. Managers who are conspicuous by their presence about the offices and other workplaces.

**Suffolk County Council** recognised in a review of its public image the contribution that well-briefed staff can make. It looked at the various ways in which staff in departments were kept informed and found an interesting range of spontaneous approaches:

• Four departments produced magazines or journals at least twice a year.
• Three departments produced newsletters either monthly or quarterly.
• The Libraries Department circulated summary reports of the management team and committee to all service points.
• The Social Services Department operated a 'team briefing' system working from the management team downwards.
• Trading Standards held departmental meetings on a quarterly basis.

**Attitudes to innovation**

In the 1980s, the model of bureaucracy which has served local government for so long is clearly under threat. Rapid social and economic change in the community presents new challenges; and resource cuts necessitate new approaches. New technology offers some of the answers, but not without upheaval. At the same time there is growing public intolerance of bureaucracy and of perceived inefficiency. The ways in which local authorities have understood and responded to these changes is very much a reflection of
their ‘style’.
Some of the characteristics of the authorities which appear to be succeeding in this changed environment can be identified as follows:

1. They are both forward-and outward-looking, very aware of the challenges that do, and will, face them.
2. They see opportunities and, in taking them, are prepared to challenge constraints and take risks.
3. They are prepared to change the way they do things, to look for new ways and for new sources of funding.
4. They are much more involved with the communities they serve, encouraging and supporting the resources which are already possessed.
5. They are both more sensitive to needs and more businesslike in trying to meet them.
6. They are active, and if necessary, almost aggressive in promoting the interests of their areas.

The activities which reflect this outlook and approach are varied, as the examples cited below show. However, it is clear that vision and awareness, already discussed, are important; and the willingness to work with the local business community and with the representatives of organised labour is crucial. Similarly, the trust and support of voluntary and community groups, and the development of new ways of working with them, offer the greatest hope of meeting social needs.

The use made of privatisation is more controversial, but plans should be adopted or rejected on the grounds of an assessment of public benefit rather than on the basis of doctrinaire views. Often the solution is not a straight yes or no but a partnership. There is also a need to be more active in promoting the interests and the activities of the authority itself. Publicity and advocacy are new skills to be learned.

**Examples of service innovation**

**Sunderland Borough Council** has mobilised the twin resources of external funds and local people to try and alleviate the problems of high unemployment, poor environment and social disadvantage. This action includes:

- A ‘War for Work’ campaign, begun in 1980 by the *Sunderland Echo* and the Borough Council which aims to unite the various firms and agencies tackling the unemployment problem in the area.
- A number of community youth projects using funds from central government and the MSC as well as the Council itself, aimed at involving people from the local community in the management and running of a service for disadvantaged youngsters, on a voluntary basis.
- Pallion Residents’ Enterprises Ltd, a very ambitious scheme utilising a vandalised, empty factory to provide work, workshops, and sports and leisure facilities in a very needy area. The Borough recognised and supported the initiative and helped it to acquire the premises and obtain funding from central government, the County Council, Europe and the private sector.

**Devon County Council** has demonstrated how library services, which can be somewhat staid in their approach to service provision, may become an area of great potential change (see for example Facsimile 2). The activities of the Devon service fall into four areas: **Publishing** The authority has recognised the potential value of its own publications and has established a consortium of local publishers, a marketer and County Council representatives. This looks at all material intended for publication, assesses its viability, and recommends the level of sophistication and price.

**Publicity and communications** Devon is large in terms of both area and population. The 76 libraries and 2,000 mobile stops represent effective communication points. Accordingly, a number of ideas have been tried—concessionary bus tickets are sold, job vacancies advertised, in some instances advice and information services are offered and certain mobiles will place orders for book purchases for customers. In one library building serving a large rural area a variety of community services are offered: Citizens’ Advice Bureau, Careers and Job Centre services, small firms advice and tourist information.

**Information technology** A pilot project aims to develop local information on events and societies on microcomputers in rural libraries. The equipment can be used by the public and includes a word processing capability, the secondary intention being to acquaint people with this kind of technology. A second phase will try to link these machines into local schools and to micros in Exeter and Plymouth.

**Dual use** Six libraries have been established in schools or community colleges and can be open to the schools and the public at the same time. Professional staff are paid for jointly by the Education and Libraries budgets. Ancillary workers are provided by the Education service and the approach represents a complete integration of provision.

A number of authorities have begun to market systems or products which they initially developed for their own use. This is done either by setting up a separate company or operating jointly with private companies. **Nottinghamshire County Council** has set up a company to market sports surfaces and equipment. **North Hertfordshire District Council** and **Blackburn Borough Council** are two very dissimilar authorities which have both gone into the manufacture of synthetic window frames for their own use and for sale to other local councils. ‘Herts 288’ is a small company marketing Viewdata services which was initially funded by a consortium of **Hertfordshire County Council** and the **District Councils in Hertfordshire**.
THE S.I.S. IN ACTION

A Joint Venture by: Gateshead Metropolitan Borough Council, The University of Newcastle upon Tyne, Tesco.

With collaborative support from: Rediffusion Computers Ltd., The Department of the Environment, The Manpower Services Commission, Gregg's Bakery Co., Stephen and Keith, C&A.
Gateshead Borough Council has linked with a variety of other institutions to develop a Shopping Information Service for people who are largely confined to their homes or their local environment (see Facsimile 3). The service relies on new technology using microcomputers and interactive television sets with Videotex adaptors. Information on both shopping and a wide range of community matters is conveyed via TV sets using Prestel.

Berkshire County Council is by tradition a 'low profile' shire county in an area of comparatively high employment, good communications and attractive environment. Nonetheless it has embarked on a vigorous programme aimed at keeping employment at acceptable levels. The County shares its new shire hall with a number of high technology companies and, as well as presenting a businesslike image, this symbolises its cooperation with private sector. A number of companies contribute generously to the County's six point strategy for creating jobs, and for otherwise helping the young, the handicapped and the other unemployed. In 1984—5 the value of this help is estimated at £1/3 million and includes:

- Sponsorship of the Berkshire Enterprise Agency from a number of companies, one of which has seconded a senior manager as Director.
- Support of the 'Jobsearch' campaign which in three phases produced 350 job vacancies for young people.
- Direct help by the sponsors of the three Information Technology Centres, in the form of seconded staff, equipment and finance.
- Financial support and other involvement with an award winning 'Beautiful Berkshire' tourist campaign, which also involved two district councils and the Tourist Board. An indirect spin-off has been the encouragement of major investment in tourist facilities by the private sector.
- General involvement with and support of the Youth Training Scheme and similar schemes to help young people.

Allerdale District Council is fairly small, but several of the features of an enterprising style are seen in its approach to a particular problem. The Council covers an area with a large amount of poor quality, pre-1919 private housing. Continuing economic depression in West Cumbria has resulted in comparatively little private investment in property and the authority resolved to make home improvement a priority. The result was an increase in expenditure on Improvement Grants from less than £¼ million in 1981–2 to over £5 million two years later. Completions over the same period rose from 252 to 1,899. The exercise included a number of significant features:

- An inexpensive but very effective advertising and promotion campaign was mounted, including a mobile road show, material prepared by a local cartoonist, and coverage on local press, radio and television.
- Staff of the Environmental Health Department gave as much active assistance to the public as possible, including help in drawing up schemes and dealing with contractors and building societies.
- The Department pulled out all the stops to get the work done. Two temporary employees were taken on, and when it became really busy other staff were taken off less important work to complete as much as possible before the Government's deadline.
- Close contact and cooperation with the private sector contractors and the building societies was maintained throughout.
- The authority showed enterprise and willingness to take some risks in the way they interpreted the 'rules' in order to carry out block schemes and in offering retrospective approval for satisfactory schemes completed before the deadline.
- When government funding was withdrawn suddenly with expectations still high, another publicity campaign was launched to inform people and to protect the authority's reputation.

Facsimiles 4 and 5 show campaign materials from Berkshire County Council and Allerdale District Council respectively. The styles of these publications are very different but each is appropriate to its authority.
Review
These questions are guidelines for assessing how effective your authority is in the area of style.

Public image and responsiveness

1. Try to find out how your authority is perceived by each of the following groups:
   a) the general public
   b) employees
   c) local government as a whole
   d) the country as a whole
   Does the authority have any strong features or perceptible style? Is its image a satisfactory one to officers and to members?

2. Find out what impression is gained by people who try to contact the authority. Rate the authority on each of the following:
   Difficult to find the right person
   Unhelpful
   Bureaucratic
   Scruffy buildings
   Inefficient, slow service
   Rigid opening hours
   Poorly informed staff

   Easy to find the right person
   Helpful
   Flexible
   Neat, pleasant buildings
   Efficient, quick service
   Flexible opening hours
   Well informed staff

   What system exists for checking and remedying these points if necessary? Is it adequate?

3. What kind of treatment does the authority get from the local media? Who is responsible for presenting the authority to the media? How successful are they?

4. What promotional literature and standard forms does your authority produce? How would you rate them for:
   a) attractiveness
   b) ease of comprehension
   c) accuracy
   d) distribution

   The approach to employees: an overview
   (See also the Review section of Chapter 4 ‘Staffing’.)

5. How would you rate staff morale in your authority? For instance:
   a) Do employees have pride in their authority and enjoy working for the council?
   b) How satisfactory are working conditions?
   c) Do staff feel involved, well-informed and appreciated?
   d) Is delegation accompanied by greater accountability and recognition?
   e) Do staff respect chief officers and have their own opinions listened to and respected?

Attitudes to innovation

6. What innovations or particularly successful service ventures is your authority known for in local government?

7. What new or experimental responses has your authority produced in response to:
   a) the worsening economic situation
   b) the need for expenditure cuts
   c) the opportunities presented by new technology

8. In which of the following areas has your authority undertaken change since 1974?
   a) organisation structure
   b) provision of services
   c) administration
   d) initiatives with other authorities, private companies or other organisations
   e) encouraging and rewarding initiative and enterprise on the part of employees
   f) involvement with the community
   g) influencing the development of the area rather than remaining reactive

Additional questions relating specifically to your authority
Action Plan

1 Which of the following improvements would be appropriate in your authority?

Reception areas
a) redesign and redecoration
b) reduction of reception points
c) use of signposting, maps, guides and other literature
d) additional training of staff
e) improved opening hours

Telephone responses
f) new switchboard or other equipment
g) more, or better trained staff
h) use of a ‘trouble-shooter’ to deal with difficulties
i) receiving enquiries outside office hours

Response to letters
j) insisting on prompt replies and monitoring if necessary
k) doing away with impersonal, standard letters
l) encouraging simple, clear English
m) letting individuals sign their own mail

2 Would public relations be improved by any of the following?
a) adopting a PR policy and code of practice
b) training staff and/or councillors in interview techniques
c) restricting radio/TV broadcasts to competent and trained staff
d) using staff with recognised PR responsibilities in each department
e) greater use of press releases and press conferences
f) establishing contact with local press and radio staff
g) developing a range of information material such as leaflets, posters and displays
h) mounting campaigns to promote services
i) informing the public of changes or temporary occurrences which will affect them

3 Would the performance and satisfaction of staff be improved by any of the following?
a) paying greater attention to working conditions
b) responding more quickly and effectively to genuine complaints
c) giving clearer statements of what is expected of staff
d) finding means of rewarding good work
e) reducing the impersonal nature of local government work so that members and others are made more aware of individuals
f) consulting staff and keeping them well informed, especially those in outlying establishments
g) arranging informal and social events
h) encouraging staff to come up with new ideas, to innovate and take risks
i) setting up project groups
j) seconding staff to other authorities or private companies for short periods

4 Which of the following would encourage innovation in your authority?

a) a suggestions scheme with a linked reward system
b) interdepartmental ideas groups
c) improved links with the voluntary sector
d) improved links with the business community
e) improved links with the trade unions
f) partnership schemes
g) use of new technology

Additional suggestions relating specifically to your authority