

Localism and Decentralisation in London

Survey of Borough Chief Executives

Findings and Analysis

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London Councils

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Executive Summary

This report details the findings of a survey sent to London Chief Executives on 1 March 2012. This survey looked at two related, but distinct areas: specific provisions within the Localism Act and wider aspects of decentralisation. It was conducted in order to build up a picture of borough activity and provide an evidence base for ongoing policy development and lobbying.

The key findings of this research are summarised as follows:

The Localism Act

Responses to survey questions regarding the Localism Act indicated a general caution regarding its new provisions:

- Two boroughs indicated that they would likely pass a resolution to change local governance arrangements within 2012-13.
- The majority of boroughs indicated that they would wait for final guidance before establishing a local standards code.
- Three boroughs indicated that the introduction of pay policy statements would lead to a substantial change in policy or pay.
- The average ratio between the highest and lowest paid employees is 1:12.
- Twelve boroughs indicated that they had no firm plans to use the general power of competence, but three responded that they saw a potential use for these provisions in tackling housing issues.

Decentralisation

Responses to survey questions concerning wider aspects of decentralisation indicated a widespread enthusiasm for engaging communities and civic groups:

- An average of 7 per cent of borough revenue expenditure was spent on services delivered by civic groups. This represents just over £26 million per local authority, although this headline figure masks a significant degree of variation between boroughs.
- Seventy-six per cent of borough respondents indicated that they would either not change or increase the amount of revenue spent via civic groups over the next two years.
- The majority of expenditure through civic groups is spent on adult social care and children's services.
- As yet, there has been very little direct interest in either the community right to challenge or assets of community value.

- Ninety per cent of borough respondents indicated that they have used interactive digital technology to increase community engagement. Furthermore, ninety per cent indicated that they intend to use this technology to strengthen community engagement over the next two years.
- Sixty per cent of borough respondents indicated that they have already developed their own forms of sub-borough decision-making structures. Nearly eighty per cent of these groups have some form of financial resource delegated to their control and only one borough indicated that this level of resource was likely to fall in the coming year.
- Ninety-five per cent of boroughs responding indicated that they had not received a direct approach regarding parish or neighbourhood councils.

Conclusions

The survey reveals a mixed picture across London boroughs – cautious enthusiasm towards a raft of new proposals contained in the Localism Act; significant progress in delegating and decentralising power to communities.

The use of interactive digital technology stands out as a well-developed enabler of community engagement and its consideration provides clear examples of innovative borough practice and leadership.

It will be useful to revisit these questions in the coming months and explore how borough engagement with local communities interacts with wider questions of service transformation and regional governance.

Overview

The Localism Act and the more recently published Open Public Services White Paper propose a transfer of power from central government to local communities and the greater involvement of civic groups in the commissioning and delivery of public services.

These proposals are strategic, multifaceted and likely to come to fruition over a number of years. They pose clear challenges to London boroughs and their development will benefit significantly from local authority involvement and expertise.

In particular, policies such as the community right to buy, the community right to challenge, neighbourhood budgeting, neighbourhood planning and the drive towards making 'open public data real' will play a critical role in shaping the form and course of community engagement and public service delivery for a number of years to come.

Given the speed and enthusiasm with which the government is currently pursuing this agenda it was decided that a high-level examination of borough activity in this area would be timely and useful.

Methodology

The findings for this report are taken from a survey sent to London Chief Executives on 1 March 2012. This survey asked a number of questions regarding specific provisions within the Localism Act. It also explored a number elements relating to the delegation of powers and the engagement of communities within the context of decentralisation.

In total 25 boroughs responded either partially or fully.

Responding Boroughs
Islington
Lambeth
Haringey
Hillingdon
Camden
Wandsworth
Havering
Lewisham
Harrow
Enfield
Kingston
Ealing
Kensington and Chelsea
Richmond
Waltham Forest
Hackney
Tower Hamlets
Greenwich
Barnet
Newham
Sutton
Merton
Croydon
Redbridge
Bexley

A copy of the survey is attached at Appendix 1.

Findings

The Localism Act

The Localism Act forms the centrepiece of the government's programme to devolve power and financial autonomy to local government and communities.

It received Royal Assent on 15 November 2011 and across its 483 pages contains legislation relating to the following areas:

- **Local Government**
 - General powers
 - Transfer of functions to certain authorities
 - Governance
 - Predetermination
 - Standards
 - Pay accountability
 - Commission for local administration
- **EU Financial Sanctions**
- **Non Domestic Rates**
- **Community Empowerment**
 - Council tax
 - Community right to challenge
 - Assets of community value
- **Planning**
 - Plans and strategies
 - Community Infrastructure Levy
 - Neighbourhood planning
 - Consultation
 - Enforcement
 - Nationally significant infrastructure projects
- **Housing**
 - Allocations and homelessness
 - Social housing tenure reform
 - Housing finance
 - Housing mobility
 - Regulation of social housing
- **London**
 - Housing and regeneration functions
 - Mayoral Development Corporations
 - Greater London Authority governance

Following discussion at the Chief Executive's London Committee, it was decided that London Councils would explore the impact on London boroughs arising from policy proposals in four areas: **governance**; **standards**; **pay accountability** and, the **general power of competence**.

Governance

The Localism Act creates provision for local authorities to change their structure of governance from Leader/Executive to some other form.

During its passage as a Bill through the House of Lords, it was suggested by borough Leaders that this provision might be used locally to return to a Committee structure.

As a result, London Councils informally supported amendments to allow governance changes to be proposed at any full council meeting rather than once every four years.

Now that the Act has received Royal Assent, borough chief executives were asked whether they expected to pass a resolution to change governance arrangements within 2012-13.

Of 25 respondents only 2 boroughs answered positively, indicating that they had plans to do so.¹

Given the relative upheaval such a change is likely to cause this small number is perhaps not surprising, but it will be interesting to see how the experience of moving to a Committee system plays out and whether others are encouraged to act similarly as a result.

The Act also abolishes the Standards Board and creates provision for councils to develop local codes of conduct.

At the time the survey was circulated, government guidance on this subject had yet to be issued. As such, many respondents indicated that were likely to 'wait and see' before deciding on either their code or the fate of their standards committee. For example, one borough commented:

The current Standards Committee is building on the development of a local scheme. They are proposing a set of interim arrangements similar to the current code, with the intention of exploring something more local in the future. We are at a very exploratory stage, no proposals have been discussed yet, as we would ask for political consensus before adopting a new code.

Of those that did respond in detail², 4 indicated that they would keep their existing committee and 4 said that they would create a new committee. In both

¹ 2 boroughs out of 24 respondents answered 'yes' to the question: do you expect your local authority to pass a resolution to change governance arrangements from Leader/Executive to a Committee system within 2012-13?

² Boroughs were asked: please provide a brief description of your borough's

² Boroughs were asked: please provide a brief description of your borough's approach to establishing a local code.

cases there were indications that boroughs would strive to make committees smaller and the code simpler. For example one borough commented:

The indications to date are that [we] are likely to: look to amend our current code, albeit to make it simpler than it already is; retain a standards committee, albeit smaller; and, bring in much simpler procedures with greater power to the MO to dismiss obviously vexatious complaints.

Whilst another replied:

We will be seeking to develop a more streamlined process... A more transparent approach will be adopted, including informing Members of the nature of the allegation(s).

In general, it looks this issue will develop over the course of the year and that a more coherent picture is likely to emerge only after the LGA and boroughs have worked to establish a set of baseline principles that local authorities can then tailor to their circumstances.

Pay Accountability

From April 2012, local authorities are required to publish an annual pay policy statement setting out details of chief officer remuneration, the ratio between the highest and lowest paid employees and other relevant aspects of council pay.

This statement forms part of the government's call for greater transparency and follows research into fairness in public sector pay, undertaken by Will Hutton, which argued that no public sector manager should earn more than 20 times the lowest paid person in their organisation.

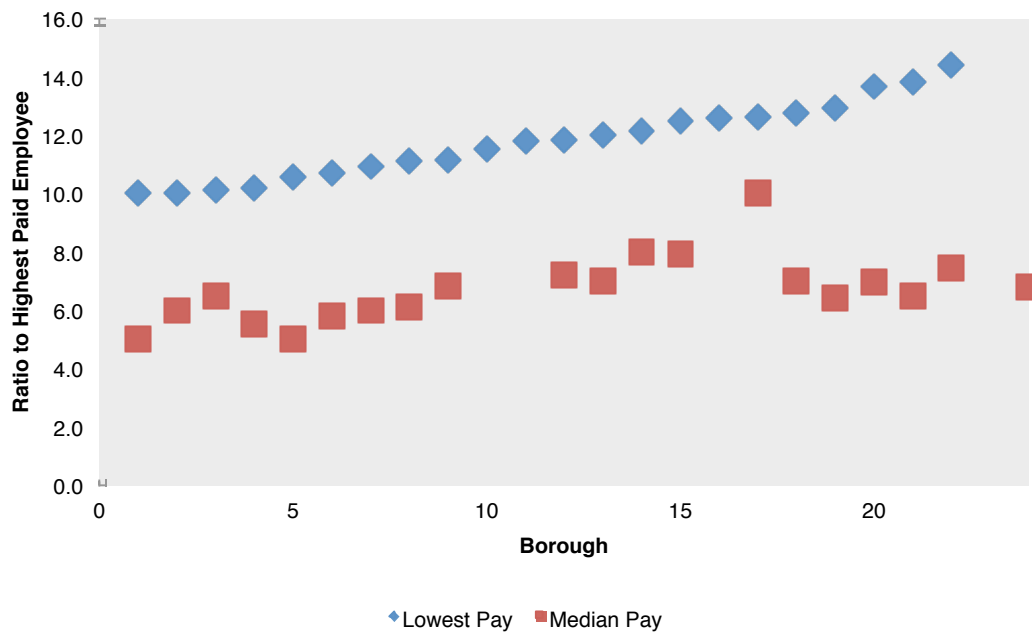
Partial or complete pay policy statements for 24 boroughs were available and analysed as part of the survey.

As illustrated by the chart below, the ratio between the highest and lowest paid employees ranges from 1:10 – 1:14. The average ratio across responding London boroughs is 1:12.

Similarly, the ratio between the highest paid employee and the median salary of all borough employees ranges from 1:5 – 1:10. The average of this ratio across London is 1:7.

Unsurprisingly, there is a fairly strong positive correlation between median and lowest pay ratios ($\rho = 0.68$).³

³ Calculated using Spearman's rank correlation coefficient $\rho = 1 - \frac{6 \sum d_i^2}{n(n^2 - 1)}$.



Boroughs were also asked to indicate whether they expected any substantial change in policy or pay as a result of their statement's publication. **Of the 25 boroughs that responded to the survey only 3 indicated that this would be the case.**

For example, one borough responded:

Our new Remuneration Committee will have an advisory role on senior pay. Council will approve any new Chief Officer pay throughout they year.

In general however, boroughs were confident that their existing arrangements would be sufficient, despite an expectation of increased media scrutiny:

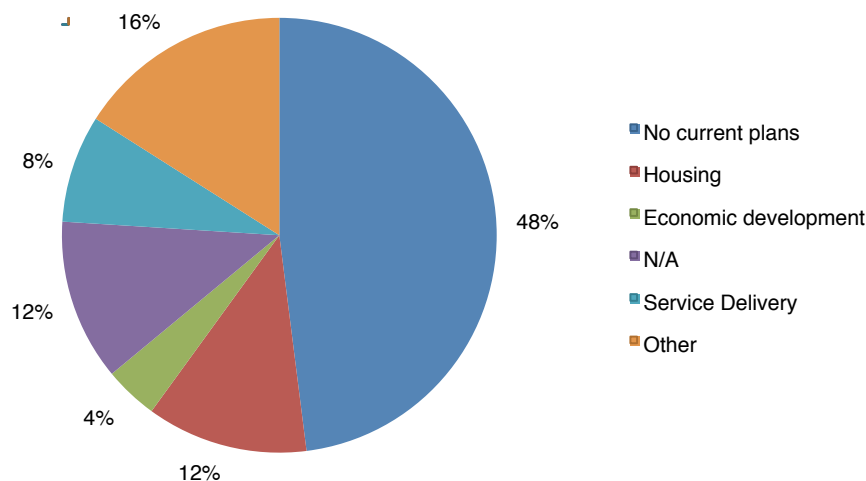
The statement commits us to even more transparency in relation to senior pay in terms of what we publish, but that will not necessarily mean there will be more pressure on pay policy as we have already have robust processes in place to manage this.

General Power of Competence

The Localism Act creates a new general power of competence, which has been heralded by the government as providing ground-breaking freedom for local authorities to undertake any act an individual might engage in.

During the passage of the Bill through Parliament, reception to the new power was broadly characterised by a degree of cautious enthusiasm: a welcome for greater autonomy and the possibility of local innovation, mixed with uncertainty as to extent of the power's boundaries.

Unclear as to how local authorities in London view the power, boroughs were asked for a brief overview of their approach to the general power and an indication of whether and where they thought it might be used locally. Their headline responses are summarised in the chart below:



Of the 12 boroughs that indicated that they had no current plans, many were simply pragmatic, reflecting that the power is newly established and that its utility would likely be examined on a case-by-case basis.

However, housing was specifically mentioned three times with one borough commenting:

As yet there has been no discussion about our general approach, but the new power is being considered as a basis for assisting with home ownership.

And another stating:

Our approach will generally be on a case-by-case basis i.e. as and when officers propose new initiatives or policies, we will consider whether the Power allows us to implement them. The one concrete issue that has come up so far is the possible use of the Power to tackle rogue landlords of former council stock.

Generally, the survey responses indicated that boroughs were unclear as to how the power might be used. Although, one borough concluded its response with the suggestion that plans were being developed for a more ambitious approach over the coming months:

The income task and finish group has considered how these powers could be used effectively and to develop initiatives previously not considered possible, on both a local authority and partnership-wide basis. The group has developed an overarching set of recommendations which included taking a corporate view to developing initiatives, seeking external input from other sectors and developing a commercial and entrepreneurial programme through training and support.

Decentralisation

Launched on 11 July 2011, the government's Open Public Services White Paper represents a second stage in its localism and decentralisation programme.

Framed by a policy of fiscal consolidation, the paper's central argument is that greater efficiency and higher standards of provision might be achieved by reforming public services in line with five principles:

- i. **Increasing choice** – by giving people or their elected representatives direct control over the services they use.
- ii. **Decentralisation to the lowest possible level** – by identifying on a case-by-case basis the most appropriate tier for service delivery: individual, neighbourhood or commissioned.
- iii. **Opening up services** – by encouraging providers from different sectors and of different sizes to compete on a level playing field to deliver public services and be judged on the basis of quality and value for money.
- iv. **Ensuring fair access** – by intervening in public service markets to limit inequalities facing the vulnerable and disadvantaged
- v. **Ensuring accountability to tax payers** – by promoting greater transparency of service provider performance, highlighting the role of democratic institutions and strengthening the representation of disadvantaged groups within these institutions.

Conscious of the potential for these reforms to reinforce prevailing assumptions regarding the organisation of national public services, the survey sought to build an accurate picture of the level of decentralisation already in place across London boroughs. Specifically, it asked questions regarding three areas, **delegated service delivery, interactive digital technology and delegated decision-making.**

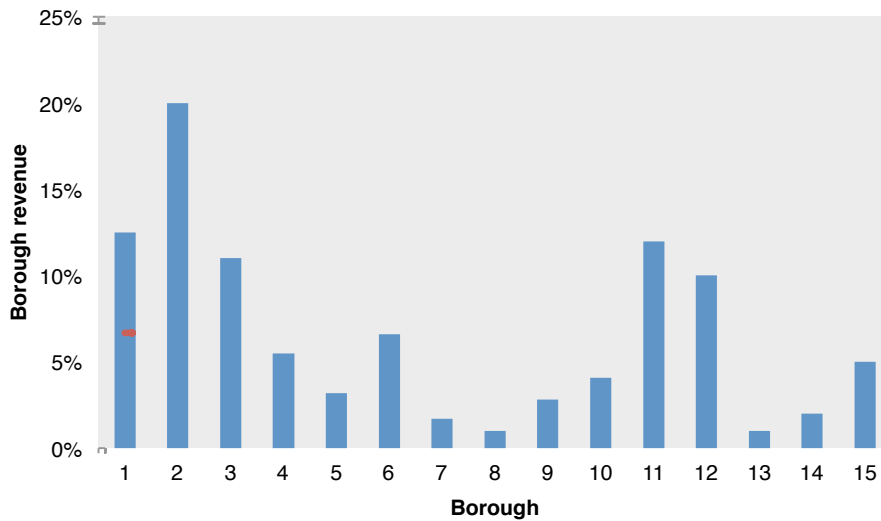
Delegated Service Delivery

A key component of the government's Open Public Services White Paper is to argue for an increased role for civic groups (i.e. charities, social enterprises, mutual, cooperatives, voluntary and community organisations) in the delivery of local services.

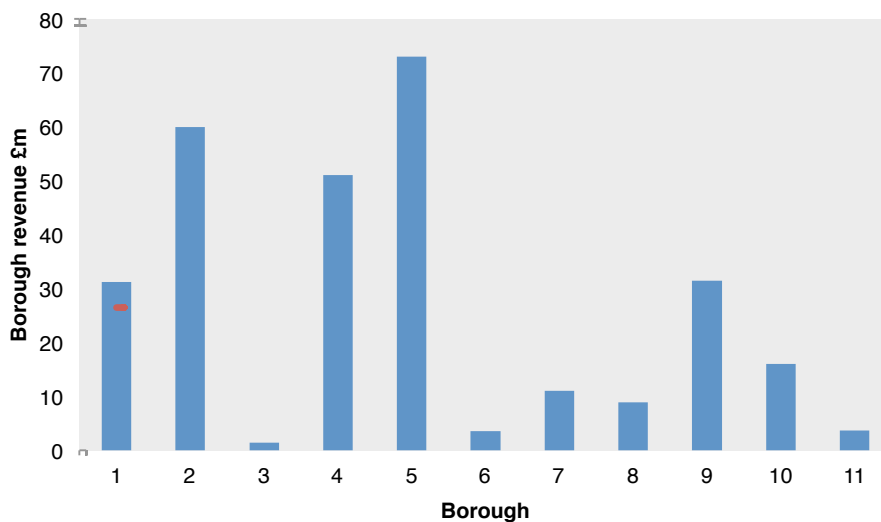
Whilst much debate has centred on issues of service quality, accountability, cost and provider capacity, London local authorities have indicated that if these challenges can be met then they are relaxed about the wider involvement of civic groups in service delivery.

To get a sense of how widespread the use of civic groups is already, boroughs were asked to indicate the percentage of borough revenue expenditure spent on

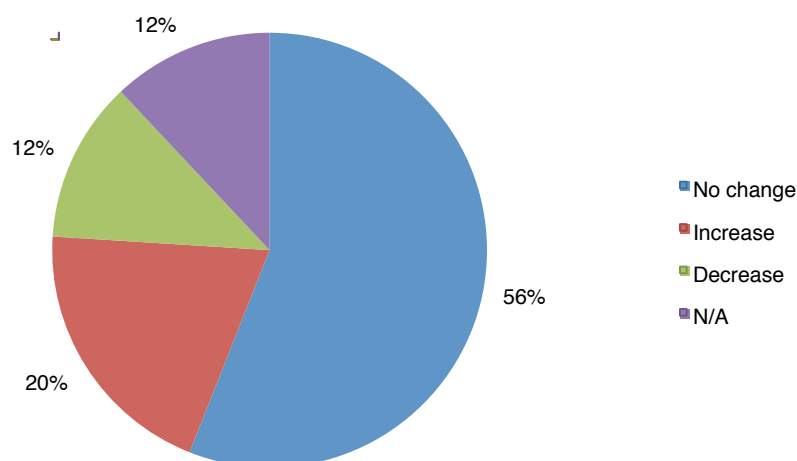
services delivered by civic groups in 2011/12. The results, set out below, reveal that **an average of 7 per cent of borough revenue expenditure was spent on services delivered by civic organisations.**



Some boroughs also supplied a cash figure; the details of this are set out in the graph below. From the chart, it can be seen that **an average of nearly £26 million is spent on services delivered by civic groups, although this figure masks a significant degree of variation between boroughs.**



Boroughs were also asked to detail how they expected revenue expenditure on services delivered by civic groups change over the coming year. As can be seen below, despite the current fiscal climate **76 per cent of respondents indicated that they would either not change or increase the amount of expenditure.**



In responding, some boroughs were particularly enthusiastic in highlighting the role of civic groups:

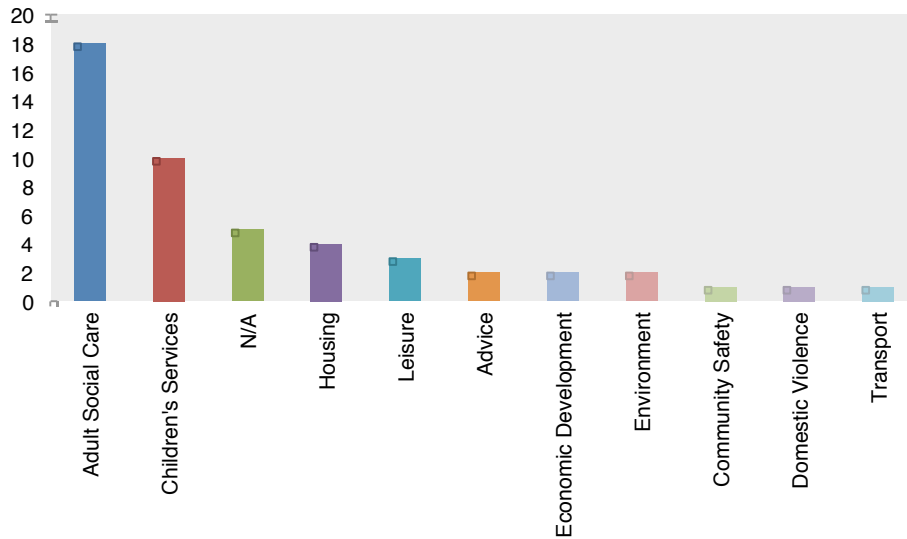
We actively encourage service delivery by the third sector and have a cabinet member for the third sector that champions this area of work. We would expect third sector organisations to continue to play an important role within service delivery and for the level of expenditure to be maintained if not increased.

Whilst another suggested a longer term refocusing of local service delivery:

The council is moving to a strategic commissioning model. This is likely to result in a greater diversity of providers over time. The council is particularly interested in exploring the potential for small businesses to play a delivery role, alongside the models listed above, as part of its 'resilience' agenda.

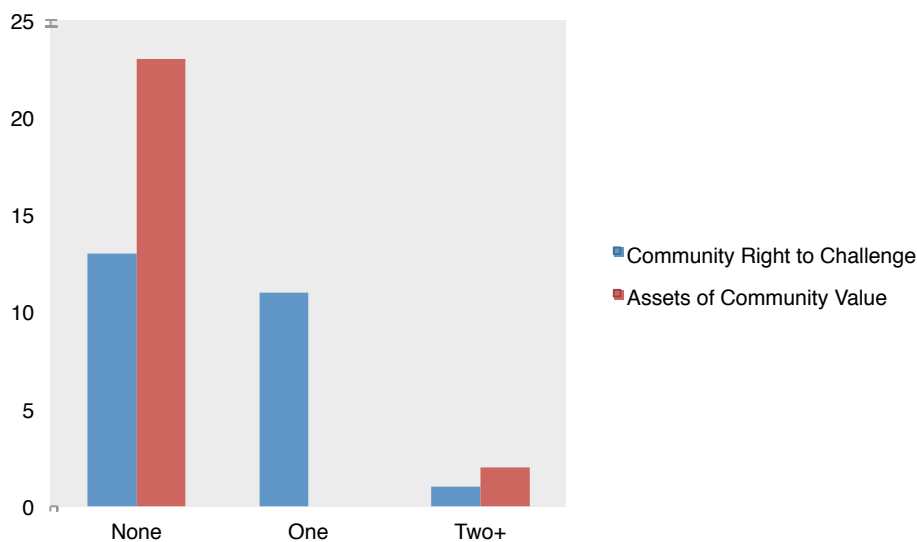
To better understand the nature of the services provided by civic groups for boroughs, respondents were asked to identify those services in which delivery is most pronounced. From the chart below, it can be seen that the service most frequently identified by boroughs is adult social care, with children's services the next most frequent.

Furthermore, whilst not directly asked for, two boroughs supplied information indicating that the amount of revenue spent on adult social care accounted for up to 80 per cent of the total identified as being expended by civic groups.



The survey also briefly touched on two new powers created through the Localism Act – the community right to challenge and assets of community value. While not yet in force at the time of the survey, a sense was wanted of whether there was much in the way of pent-up demand for these rights and how boroughs planned to approach these proposals in the future.

Boroughs were asked how many expressions of interest they had received regarding these two powers over the last two months. As set out in the chart below, it appears that there has been very little pre-emptive interest in either of these provisions.



Whilst eleven boroughs have received an expression of interest under the community right to challenge, it is believed that this is the same request from a single source, sent to a number of boroughs:

One expression of interest relating to a wide range of services including business and enterprise support services, community centres, Member support services and Freedom of Information.

One on right to challenge who say they could run the whole council

It is possible that a healthy appetite for these powers will develop once guidance becomes available and regulations flesh out the detail. Boroughs were therefore asked about their future approach to these powers and their approach to neighbourhood planning. As expected, many boroughs are still developing their approach to these new provisions, but a few did provide an indication of local thinking. For instance one borough commented in relation to the community right to challenge:

We are looking at how we can improve availability of information about procurement and commissioning timetables to assist with the implementation of the community right to challenge. Engagement with local civil society organisations and active citizens suggests there is not a great appetite for this element of localism currently. Citizens are more interested in influencing service design than delivering services themselves.

Another three boroughs provided detail of their progress around assets:

The mapping of public sector assets has been completed so that it is possible to start to identify the potential properties, which might be identified as community assets. We have started to scope what is required to develop a list and are establishing relevant roles and responsibilities.

Assets of community value will be registered although the degree to which the council is expected to fund as well as administer compensation schemes is a key point of concern.

[We have] a Localism Act Delivery Group made up of senior offices from across the Council and chaired by the CEO... We have worked up a process to manage the 'right to bid' and created an Asset Register. As far as possible we propose using a web-based online tool to manage nominations to the register.

While a fifth provided a sketch of developments around neighbourhood planning:

A number of neighbourhoods have expressed an interest in developing neighbourhood plans. We have had initial discussions with neighbourhoods, which have partly focused on the not unsubstantial resources required from citizens and the council to deliver plans. This has led us to consider how we might meet some of the aspirations neighbourhoods have for their plans through existing planning mechanisms.

Overall, the impression is of progress on these new powers, but an understandable caution around balancing local action against government guidance and an uncertain demand from citizens.

Digital Technology

Over the last thirty years, the increasingly widespread use of interactive digital communications technology has transformed an overwhelming number of social and economic transactions.

Within this context, the government has argued that public institutions must now strive to ensure that citizens are provided with rich and diverse forms of digital information about local decisions and services.

Largely, this echoes similar calls made over a number of years previously, but as technology becomes more sophisticated and cheaper to deploy, there was interest in discovering how boroughs have used interactive digital technology to encourage civic participation.

Given the environment it is perhaps unsurprising that **nearly ninety per cent of the 25 boroughs that responded to the survey indicated that they have used interactive digital technology to increase community engagement with local service performance and council accountability.**

For some this engagement is relatively straightforward, with four boroughs indicating that they simply have a presence on one of the many popular social networking sites such as Facebook and Twitter.

However, for others the use of interactive digital technology is more developed, more specifically tailored to engaging communities with the activities and decisions of the council.

Upon examining this second group, three broad typologies of use are apparent. First, there are those boroughs that use digital technology to enhance democratic engagement, that seek to ensure residents are more directly involved in the councils decision making process. For example one borough commented:

We have recently introduced a new Online Citizens Panel, which gives residents the chance to express their opinions on a range of questions. So far these have included issues around service performance in the field of community safety and the related handling of complaints.

While another responded:

We have run an e-panel, a representative group of 2,500 residents who respond to internet-based surveys, since 2008. In its first year we won an award from the Chartered Institute of Public Relations for the best use of e-media for a survey exploring attitudes to street cleanliness, which led to a range of service improvements in the street cleaning service.

Second, there are those boroughs, which use digital communications technologies as part of a wider process of service transformation, changing the

way residents interact with their council and the services they deliver: through the use of mobile applications or online reporting tools. For example, one borough explained that each resident has:

[An] account, [which is] a personalised interactive council account for residents, that enables them to see and pay council tax bills, understand their benefits amounts, find out their bin collections, report any leaks, rubbish, or other environmental factors back to the council.

Third, there are boroughs, which use interactive digital technology to enhance the scrutiny of service performance, making data easily accessible to residents and allowing them to use the greater transparency to shape delivery within their neighbourhood. For example:

[We were] the first council in London to make comparative data about the performance of its services available online to our residents (armchair auditors) via our Open Council webpage. This analysis, which makes use of interactive charts, went live in January and received over 15,000 page views in the first 4 weeks. Maps also allow residents to access a wide range of spatial and service data via an easy to use mapping interface.

Some boroughs have clearly already developed a broad approach to interactive digital technology and were able to provide examples across all three typologies set out above.

Others have yet to do so, but **when asked whether they had plans to use digital technology to strengthen community engagement with local service performance and council accountability within the next two years, ninety per cent of respondents answered positively.**

When asked for details, respondents broadly indicated an enhancement of their existing usage: increases in scale, greater social media presence, better integration. For example:

We are in the process of developing our website to enable services to be mapped allowing residents to enter their postcode and access detailed information about what is available and when in their area.

However, within the examples put forward there was also often a clear sense that interactive digital technology could be put to a much more ambitious use. For example one borough commented:

As part of the Councils' drive to improve Council services and offerings, achieving more for less and enhancing customer services, the Council is embarking on a large programme of transformational work. The Council website is undergoing a major overhaul and in doing so, will allow significant channel shift, empowering customers to transact with the Council in a quicker, easier and more effective way. In addition to this, the Council is looking to invest in newer

technology that allows true integration and mobility with back office systems, providing staff with the tools to be able to take the office directly to the customer.

Whilst another suggested a refinement and tailoring of their existing platform:

Children's Services are investigating using a closed online platform for sourcing the views of young people for purpose of service design and influencing decisions that affect young people. This will be done in collaboration with the newly elected youth council.

In general, there appears to be widespread enthusiasm for interactive digital technology and an emerging understanding of crucial role this can play in enhancing service scrutiny and public engagement with local democratic process.

Delegated Decision-Making

The government has recently shown an interest in encouraging the creation of Neighbourhood Councils as a means of strengthening local accountability and increasing community involvement in local decision-making processes.

Government guidance on the establishment of these forms of 'micro' democratic structures is expected in early summer. However, from the survey it can be seen that **sixty per cent⁴ of responding London boroughs have already developed their own forms of sub-borough decision-making structures.**

These structures take on a variety of forms reflecting local priorities and decisions, with some having only a consultative role, rather than genuine decision-making power. However, the majority of respondents indicated that these structures were useful in shaping council decisions, acting as a sounding board for policy proposals.

Some were particularly positive about their experience, highlighting the critical role of ward councillors, for example:

[We have] 18 ward-based local assemblies. These are supported by a team of co-ordinators and each assembly has a budget of £18,750. The assemblies are open meetings chaired by a ward councillor. Each assembly has a co-ordinating group of local residents who work with council officers and the ward members to plan and take forward the work of the assembly. The assembly programme enables residents, ward councillors, statutory partners, local business and the third sector to work together to identify issues and solve problems.

⁴ 15 boroughs from a total of 25 surveyed answered 'yes' to the question: does your borough have ward forums or other similar forms of local decision-making structures?

Others were less enthusiastic in their response, with one borough hinting at the difficult balance between scale and flexibility:

The Council currently runs four neighbourhood forums that meet quarterly at different venues and look at issues relating to the residents within the four or five wards in each neighbourhood area. They are generally felt to be too big to deal with the very local issues that residents want to address and consequently attendance is low.

Of those respondents indicating that they had some form of local delegated decision-making structure, nearly 80 per cent⁵ indicated that these structures have financial resources delegated to their control.

As illustrated by the chart below, the amount of resources placed in the hands of these structures in 2011/12 ranges from £17,000 up to £5.3 million in one exceptional instance, with a median of £328,750. In some cases respondents included specific breakdowns of both capital, revenue and borough officer time suggesting a wide range of financial support.



There was also evidence of a commitment to maintain these levels of funding, with only 1⁶ respondent indicating that the total budget delegated to local decision-making structures would decrease in 2012/13.

Whilst not specifically addressed by the survey, some boroughs indicated these structures would develop in the coming months. For example, one east London borough responded:

We are moving to a Community Hubs based commissioning model for certain local services.

Whilst another stated:

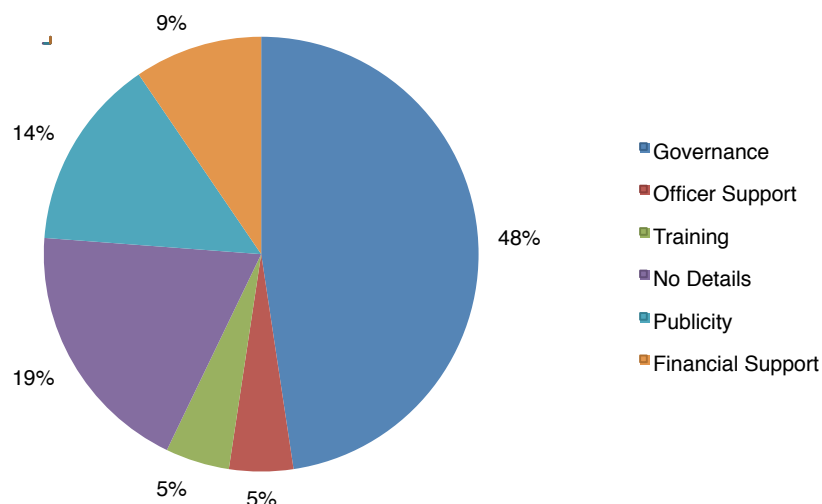
⁵ 12 boroughs from the 15 indicating local delegated decision-making structures provided details on the total budget delegated to such structures in 2011/12.

⁶ 8 boroughs from the 11 that provided budget details on delegated decision-making indicated that their budgets for 2012/13 would remain the same, 1 indicated that their budget would increase and 1 indicated that their budget would decrease, 1 did not provide an answer.

[We] are about to roll out local ward structures built on 17 wards and intrinsically linked to the local police prioritisation structure. The local community forums will be resident led and part of a community offer of local decision-making and greater resident participation. This offer will include the development of local neighbourhood agreements for service improvement, linked closely to local service standards and a programme of community champions.

This suggests that in some instances boroughs are actively considering enhancing local delegated decision-making structures and examining how these might be used to co-ordinate and align local services.

In order to better understand the role of councils in developing community engagement, boroughs were asked whether they had any initiatives or schemes to actively encourage participation with neighbourhood governance structures or services. **Seventy-five per cent responded positively to this question with the method adopted broadly broken down as follows:**



Ten boroughs responding positively indicated that the increased governance role for participating communities was an incentive in itself, that people were engaged by the prospect of having greater say over their local areas. One borough also indicated that it targeted this offer to different residents:

The Local Assemblies programme uses a range of engagement techniques to encourage participation. The council also has a young mayor programme, a positive ageing council, a learning disability parliament and many other forms of engagement.

A smaller number of respondents mentioned the role borough communications played in encouraging residents, through ward newsletters or publicity campaigns. Others indicated that either officer support or resident training was on offer to support development and maintain local momentum. Furthermore,

one borough was particularly detailed in outlining the range of financial support available:

We have established a Community Fund, which together with a Big Society Fund and other local funds provide a new form of support for the kinds of groups that would not traditionally come forward. Residents Associations that meet certain standards of governance [also] receive financial and in-kind support from the Council.

Finally, boroughs were asked whether they had received any interest from local community groups keen to develop parish or neighbourhood councils. **Ninety-five per cent responded negatively, with only one borough indicating a direct approach by community groups.**

However, there were indications of developing enthusiasm in the direction of greater local control. One borough responded:

There is some appetite within the council to develop sub-ward level neighbourhood groups, using an informal 'community budget' type approach.

Another answered:

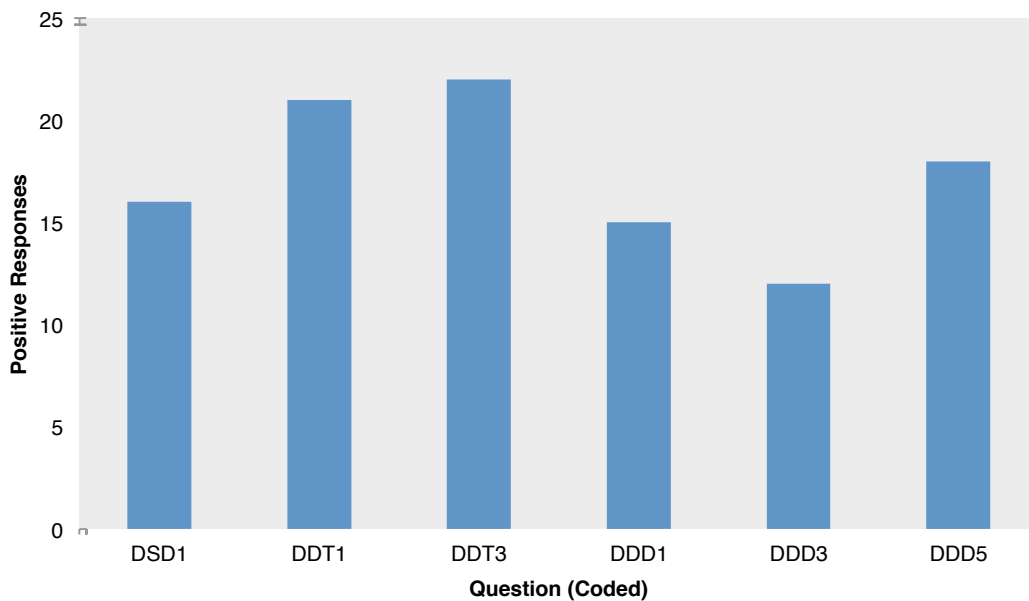
Local people are very interested in a local structure that enables them to have a direct dialogue with public services across the council, police and health service.

Thus although there appears to be a much greater interest in Neighbourhood Planning Forums at the moment, in the coming months these may provide a platform for a much more ambitious arrangement of local commissioning and decision-making.

Discussion

This survey was both relatively short and necessarily selective, however some consideration has been given to exploring potential interactions between different types of decentralist activity and comparing the survey's findings with other relevant studies in this area.

First, the number of positive responses to six questions on delegated service delivery, digital technology and delegated decision-making were analysed. As shown by the graph below, the greatest number of positive responses was received in answer to a question regarding the use of digital technology. Conversely, the smallest number of positive responses was received in answer to a question regarding delegated decision-making.



Whilst we should be careful about inferring too much from this contrast, it does add weight to the intuitive sense that digital technology is relatively easier to deploy than power is to delegate.

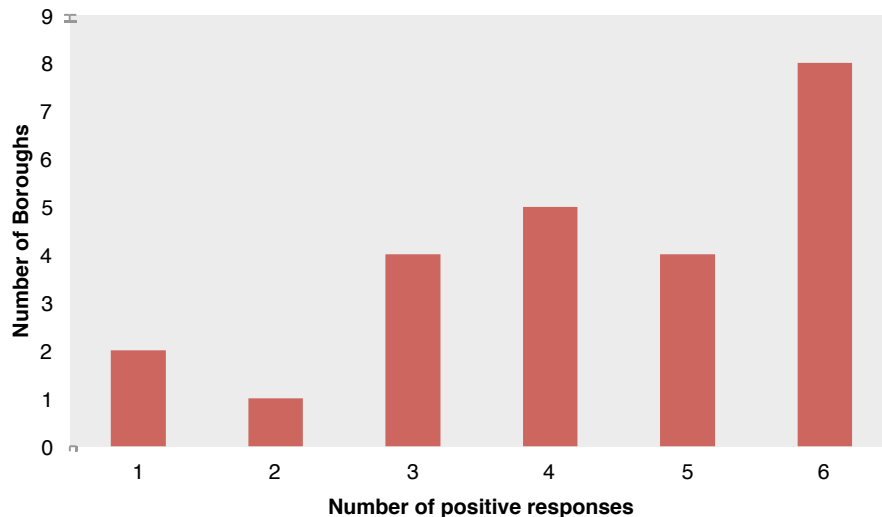
Given the operational efficiencies arising from information technology and the emergence of 'full spectrum digitisation' this is perhaps unsurprising, but it does prompt consideration of the relationship between systems developed by boroughs that help shape existing service interactions and those that support the creation of new forms of micro-democratic decision-making structures.

Although clearly a scenario that lies some way off in the future, the possibility of neighbourhood commissioned services funded by community managed budgets suggests that the development of a borough-led IT platform that enables rather than seeks to determine these interactions is likely to be of significant benefit.

For example, whilst it is unlikely a local authority would be able to provide a social media offering on a par with Facebook, it should be possible to create a set

of tools through which communities can interact and manage their activities. This could help address concerns regarding privacy and accountability without seeking to duplicate the functionality of existing commercial offerings.

With this analysis in mind, the overall level of positive response for the same six questions was determined. As illustrated by the chart below, half of those boroughs responding to the survey answered positively to five or more of the six sample questions.



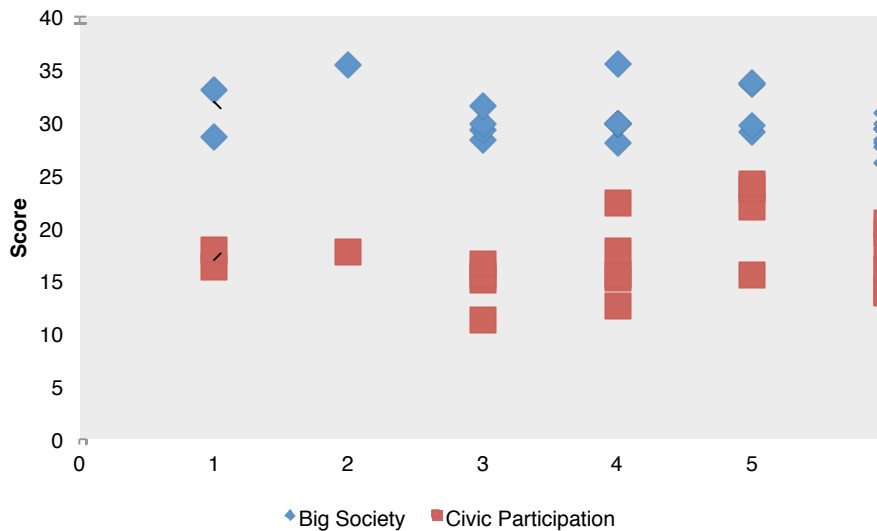
This level of positive response suggests a widespread, if not universal implementation of decentralist policies across London. It also offers a basis for comparison - with future surveys and with existing analyses that seek to explore similar terrain.

One such analysis can be found in a report published by the New Local Government Network – *Realising Community Wealth: Local Government and the Big Society*.

This research makes use of data gathered as part of the Audit Commission's 2008 Place Survey and combines three indicators relating to belonging, civic participation and participation in regular volunteering to create a 'big society score'.

Data from the survey of London Chief Executives was grouped according to the number of positive responses to the six questions outlined above. It was then plotted against both the 'big society' and 'civic participation' indicators. The results of this analysis are illustrated on the graph below.

There is a weak positive correlation between boroughs answering positively to the decentralisation survey and their 'civic participation' score. Counter-intuitively there is a weak negative relationship between borough survey responses and their 'big society' score.



In both instances the correlation would appear too weak to draw any firm conclusions. This may be due to the different time periods over which the two datasets were collected or their different methodologies. It is also possible that borough activities have only a limited impact on level of community participation in an area. However, without further investigation it is difficult to draw any firm conclusions on this topic.

Conclusion

The research reveals a mixed picture across London boroughs – cautious enthusiasm towards a raft of new proposals contained in the Localism Act; significant progress in delegating and decentralising power to communities.

In particular, the role of interactive digital technology looms large as a key enabler and supporter of strengthened community engagement. It highlights a good deal of diversity in local practice and provides concrete evidence of innovation transforming neighbourhoods.

Whilst there is clearly a good deal of uncertainty facing local authorities at the moment what stands out is that many of the current decentralist structures being put in place look likely to be strengthened over the coming years. Decentralisation as captured by this survey is not a series of top-down policy announcements, that boroughs are more or less compliant with, but something driven locally and built hand-in-hand with community groups and leaders.

It will be important to build on this snapshot in the coming months and compliment this analysis with an understanding of the developing regionalisation of power, both between and above boroughs. However, as a first step it provides much to think about and clear evidence of progress driven forward by London boroughs for the benefit of their communities.

Appendix 1 – Survey Form

Survey of London Chief Executives

Localism and Decentralisation in London

The Localism Act creates new duties for local authorities. Following discussion at CELC, we wish to determine the impact on London boroughs arising from policy proposals in four areas: **governance**; **standards**; **pay accountability**; and, **the general power of competence**.

Localism Act	
Governance: The Act creates provision for English local authorities to change from one form of governance to another.	
<i>Do you expect your local authority to pass a resolution to change governance arrangements from Leader/Executive to a Committee system within 2012-13?</i>	
Yes <input type="checkbox"/>	No <input type="checkbox"/>
Standards: The Act abolishes the Standards Board for England and requires local authorities to establish a local standards code.	
<i>Please provide a brief description of your borough's approach to establishing a local code.</i>	
Pay Accountability: The Act requires local authorities to produce a pay policy statement for 2012-2013 and for each subsequent year.	
<i>Please provide a summary of your borough's pay policy statement for 2012-2013.</i>	
<i>Do you foresee any significant changes or pressures on pay policy as a result of the introduction of pay policy statements?</i>	
Yes <input type="checkbox"/>	No <input type="checkbox"/>
Details	
General Power: The Act establishes a 'general power of competence' providing local authorities with the power 'to do anything that individuals generally may do'.	
<i>Please provide a brief overview of your borough's approach to the general power and an indication of whether and where you think it might be used locally.</i>	

We also seek to build an accurate picture of decentralisation across London to help demonstrate the impressive range of work that is already going on in boroughs and to use as a basis for future policy arguments. Outlined below are questions relating to three areas: **service delivery**, **digital technology** and **delegated decision-making**. The inclusion, where possible, of contact details of relevant policy leads would greatly support follow-up analysis.

Decentralisation
Service Delivery
<i>What was the percentage of borough revenue expenditure spent on services delivered by civic groups (i.e. charities, social enterprises, mutuals, cooperatives, voluntary and community organisations) in 2011/12?</i>
<i>How do you expect this to change in 2012/13?</i>

<i>In which services is delivery by civic groups most pronounced?</i>	
<i>How many expressions of interest has your borough received in the last six months regarding 'assets of community value' and 'the community right to challenge'? Where possible, please list the services and assets these expressions have related to.</i>	
<i>Please give a brief description of your borough's approach to the community right to challenge, assets of community value and neighbourhood planning.</i>	
Digital Technology	
<i>Has your borough used interactive digital technology to increase community engagement with local service performance and council accountability?</i>	
Yes	<input type="checkbox"/>
No	<input type="checkbox"/>
Details	
<i>Do you have any plans to use digital technology to strengthen community engagement with council decisions and services over the next two years?</i>	
Yes	<input type="checkbox"/>
No	<input type="checkbox"/>
Details	
Delegated Decision Making	
<i>Does your borough have ward forums or other similar forms of local decision-making structures?</i>	
Yes	<input type="checkbox"/>
No	<input type="checkbox"/>
Details	
<i>If so, what was the total budget delegated to such structures in 2011/12?</i>	
<i>How do you expect this to change in 2012/13?</i>	
<i>Does your borough have any initiatives or schemes to actively encourage participation with neighbourhood governance structures or services?</i>	
Yes	<input type="checkbox"/>
No	<input type="checkbox"/>
Details	
<i>Have you received any interest from local community groups keen to develop parish or neighbourhood councils as a sub-borough form of governance?</i>	