

Developing Neighbourhood Governance and Management in Luton

Chief Executive's Task and Finish Group

March 2008

1. Introduction:

1.1. The Council needs to respond to the basic themes and principles initially set out in the White Paper 'Strong and Prosperous Communities' which are now reflected in the Local Government & Public Involvement in Health Act (2007) (LGPIH). Amongst the key themes are:

- extending community leadership and strategic partnership working
- reviving and deepening democratic governance and the role of local councillors
- encouraging and enabling community empowerment
- enacting devolution of accountability and/or service delivery
- demonstrating achievement of agreed outcomes which are identified and influenced at neighbourhood level
- demonstrating performance improvement at neighbourhood level
- greater involvement and collaboration in service delivery at neighbourhood level across Council and other public services

1.2 The Secretary of State has recently opened consultation on a forthcoming White Paper (due Summer 2008) aimed at outlining how the Government believe we can further 'empower communities' and there is also a specific consultation on 'participatory budgeting' as key means of achieving this.

1.3 Over the past year the Council has been engaged in detailed work to ensure that the Luton Forum – Luton's Local Strategic Partnership – is 'fit for purpose'. This has involved restructuring the thematic partnerships within the Forum; aligning them with the statutory requirement to have partnerships around children, community safety and health and well being; and, improving Executive Governance and performance management through the local Public Service Board and the performance management sub group.

1.4 The LSP has been leading on the development of a Sustainable Communities Strategy setting out a vision for Luton up until 2026 and a Local Area Agreement 2008-2011. The LAA contains the 35 performance indicators agreed by the Partnership and Government Office as the most important areas for improvement and the statutory indicators for children's services. The LAA also contains additional local indicators chosen as important areas for improvement by the LSP.

- 1.5 These new arrangements for the LSP have been put in place to meet the requirement of the LGPIH Act and to ensure that Luton Council can provide the community leadership the Act requires whilst ensuring that all other partnership can fulfil their 'duty to co-operate'.
- 1.6 The White Paper also talked about a renewal of democracy at a local level. This agenda is not new to Luton and the Area Board had already agreed the piloting of new arrangements at Area Committees aimed at strengthening these committees as a forum through which the public can hold services to account
- 1.7 There are two aspects to the new framework. Firstly, a desire to provide communities with more local mechanisms to hold services to account and to influence decision-making. In this report we refer to this as Neighbourhood Governance. The second aspect we refer to as Neighbourhood management which we believe represents a spectrum of ideas ranging from improving the ability of the public to hold services to account through to those services being managed in some way at a more local level.
- 1.8 This report recommends a phased and incremental approach to the development and implementation of neighbourhood governance and in particular neighbourhood management. This is to allow time for learning and development by both officers and elected members and to provide the opportunity to pilot ideas in a structured way.:
 - The first proposals relate to neighbourhood governance and advocate the development of Area Committees as Neighbourhood Boards. This will run from April 2008 to March 2010, with a final evaluation of the effectiveness of these arrangements taking place toward the end of 2009.
 - The second section considers the possibility of neighbourhood management in Luton. It outlines the possibility of a pathfinder project that would run along side the neighbourhood governance proposals, but would undertake specified work on trialling approaches to neighbourhood management that at this stage would be impossible to offer on a universal basis across all Neighbourhoods. Evaluation would be completed in late 2009 with a view to decisions made on extending the scheme or not being made by March 2010.
- 1.9 This approach will draw on the learning generated over the past 7 years from the experience of Area Committees, the development of neighbourhood partnerships, and the Marsh farm New deal for Communities project.

2. Neighbourhood Governance – general principles:

- 2.1 The proposals aim to ensure that Luton has a better balance between governance at the following levels.
1. The basic building block will be the Ward Forums led by the elected Councillors for the ward.
 2. Our neighbourhood governance basis will be the 5 Areas currently reflected in the Area Committee structure. These have the additional advantage of being linked to Police structures for safer neighbourhood policing.
 3. Our locality governance will continue to be based on community leadership exercised through the Council constitution including Executive, Scrutiny and Full Council, and the Luton Forum.
- 2.2 The goal is to establish a governance framework for Luton that will enable the Council and its partners to establish strong linkages between these different levels. The model aims to strengthen the role of ward councillors through deepening democratic engagement and accountability. Such a framework should provide a greater opportunity for the public to influence decision-making and to hold services to account for their performance. It will also improve the means by which clear connections can be made between the strategic decision-making and resource allocation of the Council and its partners, as expressed through the corporate plan, Sustainable Community Strategy and the LAA, and the aspirations of communities and neighbourhoods.
- 2.3 The development of this framework should also empower local people to exercise their rights of citizenship. It should provide a catalyst for public services to develop appropriate levels of devolution and accountability and to deliver more flexibly against community and neighbourhood issues and priorities. In short, it will create an offer to local residents and opportunities for the Council and its partners to:
- ensure a clearly defined governance and management process for enabling and responding to citizens' voices and aligning service planning and accountability.
 - communicate the aspirations and performance of the Council and its partners in a context of accountability
 - assess the feasibility and desirability of aligning and pooling budgets across services and partners and at a neighbourhood level

- provide increased and demonstrable customer focus in the drive for transformation of services
- potentially provide opportunities for services to reconfigure front-line teams around common work programmes with sub-locality focus and flexibility

3. Developing Neighbourhood governance:

- 3.1. Below are set out some proposals designed to strengthen arrangements for neighbourhood governance that will improve community engagement and empowerment, and provide the basis for a fuller exploration of neighbourhood management.
- 3.2 Research on Luton indicates that there may be as many as 35 'natural communities' in Luton and that many of these would consider themselves as a neighbourhood. They are very useful for data purposes and are for example used by the police to build up their profiles of the town. The working group considered the feasibility of utilising them as a model to develop neighbourhood governance but rejected the idea as impractical as these 'natural communities' do not link clearly with the electoral wards of the town.
- 3.3 The group considered the electoral ward and the ward councillor as fundamental building blocks for neighbourhood governance.
- 3.4 We recommend therefore the use of the current 5 areas, with their close links to wards, as the building block for Neighbourhood Boards. This model locates decision-making powers, partnership arrangements, the potential development of devolved arrangements for service delivery and budgets at this level. It assumes however that wards, and therefore, Ward forums, serve as the most rational and appropriate level for community engagement.
- 3.5 The building block for the arrangements is therefore the ongoing provision of an open, community-based forum at ward level. This enables the direct involvement of ward councillors, local people, community organisations and other partners. It's a purpose is to influence 'place-shaping' by focussing on the aspirations and concerns of residents, identifying the main issues for the ward community, and potential solutions which can be translated into outcomes and targets for improving services and the quality of life within the ward.
- 3.6 If the ward forums are to successfully influence decision making, planning, service delivery and resource allocation we have to ensure:

- That there is a fundamental commitment to the idea of neighbourhood boards and that ward councillors will accept the key role they have to play in these arrangements.
 - That local ward councillors, supported by designated officers, can effectively lead local discussions and build consensus on community priorities, given the ward councillor is the key linkage to the Neighbourhood Board.
 - To be effective the ward forum will need to take an innovative and inclusive approach to community engagement at a local level, ensuring that the voices of groups that may not participate fully in the 'traditional' ward Forum (young people, ethnic, religious, cultural and identity minorities, disabled people, women) are recognised and heard, and that innovative ways of enabling and motivating different levels of involvement are developed.
- 3.7 The group proposes that the primary task of the ward forums is the development of a realistic set of evidence-based proposals as the basis for the development of a neighbourhood plan to be agreed by the Neighbourhood Board prior to submission to the Council and the LSP. There is a critical role for the ward councillors in brokering agreement at the Neighbourhood Board on which priorities should appear in the neighbourhood plan. In this way Neighbourhood Boards can feed directly into strategic decision-making at Council and LSP levels provided there is clarity on the timescale and process by which neighbourhood plans would feed into the decision making cycle. This we believe would be phased in over the next 2 years.
- 3.8 It is also envisaged that services will account for the quality of their delivery directly to the Neighbourhood Board. This will be done in the following ways.
- Reporting arrangements will be developed so that the performance of all Council services can be monitored at Neighbourhood board level as required.
 - Through the LSP a similar approach will be negotiated with other partners with a view to providing the Neighbourhood Board with a comprehensive picture of the quality of delivery of services within the neighbourhood area.
 - The development of these proposals should ensure greater transparency and accountability on the quality of services across the town.
 - This should assist the neighbourhood board to identify neighbourhood issues and to identify and actions that will improve service delivery in the neighbourhood

- As part of the process we also recommend that all services contribute to the development of a neighbourhood charter setting out the minimum standards the community can expect from public services in their neighbourhood.

3.9 The effectiveness of ward forums and Neighbourhood Boards will be measured by their success in:

- enabling a diverse and representative range of local people to get involved directly in deliberating and identifying priorities for their neighbourhood and communities, and increasing their confidence and know-how in so doing
- influencing the service planning and delivery of service providers and organisations so that they better reflect and meet local needs and priorities
- generating increased satisfaction with public service performance amongst local people
- identifying gaps in service provision or community activity, and promoting self-help as a means of addressing the gaps
- developing learning and developing capacity building for service transformation and commissioning in response to neighbourhood needs
- delivery of agreed outcomes at neighbourhood level
- demonstrating impact on performance as measured through the 198 national performance indicators.

3.10 During this pilot stage the Council can also consider the extent to which it can increase the level of resources delegated to Neighbourhood Boards thereby enabling them to meet local priorities.

3.11 Officers further propose that the Council should convene a Neighbourhood Board Chairs group chaired by the leader of the council to oversee neighbourhood arrangements and the pilot scheme.

3.12 Neighbourhood Boards, underpinned by the community engagement and empowerment offered by the development of ward forums, will also be the basis under which we can meet the probable statutory requirements to ensure a facility for ward councillors 'calls for action' (statutory guidance pending) and to meet the statutory duty 'to involve, inform and consult' due

to be implemented from 2009. The development of their remit should be developed through consideration of the following functions

- responsibility for formally developing responses to neighbourhood priorities through area plans recommended to Executive and the LSP for adoption
- strategic co-ordination and integration of different neighbourhood priorities across areas, and identification and allocation of resources to address agreed priority outcomes
- integration and alignment of ward priorities with the Borough's strategic planning framework, including the corporate plan, SCS, LAA, and LDF
- performance monitoring relevant to devolved activities and the SCS/LAA
- management and monitoring of responses and feedback to ward forums on the proposal of priorities and charter recommendations, and accountability back down to ward forums through councillors and community representatives
- assessing opportunities for the development of participation in budgeting by providing accountability for agreed neighbourhood priorities and informing strategic planning at council and LSP levels that contributes to budget building, whether through growth proposals, bending and/or pooling existing budgets, or attracting external investment
- assessing opportunities for management and allocation of increased levels of devolved pump-priming resources and community grants according to neighbourhood priorities (including investment decisions for regeneration funding)
- building and commissioning delivery partnerships from appropriate providers, including developing capacity building partnerships with VCS organisations in order to meet neighbourhood priorities and the needs of diverse communities
- advocacy for particular priorities at locality (Council/LSP) levels where area services or resources prove insufficient
- feedback to neighbourhoods and ward forums on the feasibility of achieving priority outcomes and identified actions where the area body decides these are not strategic priorities

4. Neighbourhood Governance and the LSP:

- 4.1 It is proposed that the Neighbourhood Boards will be directly linked to the Safer & Stronger Communities theme group and that either the Chair, or possibly all of the Chairs of the Neighbourhood Board Chairs group should be members of the 'stronger' LSP group.
- 4.2 It is important that we achieve strategic alignment of working relationships between neighbourhood and ward, corporate and community planning processes led by the Council and including partners through the LSP.
- 4.3 Two key functions will be required at this level to ensure that this overarching community governance model can demonstrate sufficient responsiveness and feedback from neighbourhood to strategic level, and back again:
- A. Co-ordinating priorities agreed by neighbourhood boards with corporate and LSP strategic planning through:
- the Council's and Forum partners' corporate, budget and service planning cycles
 - the LAA and the Sustainable Community Strategy
- B. Ensuring strategic partners translate commitment to community engagement and empowerment into action by:
- accountability for service performance at neighbourhood level
 - exploring neighbourhood alignment of services and devolved area arrangements
 - formal accountability for responses to neighbourhood plan priorities through formal partnership arrangements
 - partnership charters/protocols to underpin the community governance framework at all levels
- 4.4 A key consideration in developing this overall framework will be to build in an appropriate role at neighbourhood level for the Luton Assembly as the 'voice of the third sector'.

5. Neighbourhood management:

- 5.1 Neighbourhood management covers a spectrum of ideas ranging from improving the accountability of public services at a more local level, the appointment of neighbourhood managers to work with 'virtual' neighbourhood management of services, more 'joined up working' across public services at a local level, devolution and/or delegation of service budgets to more local levels, and the transfer of both budget and operational control and management of services to local organisations.
- 5.2 Neighbourhood management can in addition develop responses to the aspiration held by some community activists, service users and organisations, if supported by the Council and its partners, to establish, or develop, sufficient levels of self-organisation to have a more direct role in service delivery and management. There are a range of possibilities here which can enable and extend third sector involvement in service design and delivery, including:
- The devolution of service budgets to Neighbourhood Boards enabling the Board to have a direct commissioning arrangement with service providers and encourage partnerships in delivery
 - The delegation of budgets to Boards allowing them to purchase / commission services more freely
 - The development of local 'anchor organisations', involving strengthening the 'third sector' as partners, direct managers and providers of services within neighbourhoods.
- 5.3 Of the above the idea of 'anchor organisations', which may take the form of Development Trusts, Community Associations, or other social businesses, is the most radical. They are locally owned and accountable not for profit community enterprises. Such organisations could have the potential to:
- design and deliver locally focussed projects, programmes and services, to address local priorities
 - attract investment and commissioning resources to the neighbourhood, both independently, and in partnership with community based and public sector organisations
 - strengthen the facilitation of service user involvement and self-organisation in identifying needs and requirements for service improvement, particularly amongst vulnerable and excluded groups not easily engaged in the ward forum

- co-ordinate the engagement and work of the VCS locally, strengthening the sector by generating local entrepreneurial activity and enabling local organisational learning and development
- work in partnership with the Council and other public service partners within an agreed clear strategic framework for asset-transfer

The development of such organisations would require a considerable investment in capacity building at local level and would need to be aligned to the overall objective of the LGPIH Act of ensuring that we develop a stronger 'third sector' across the Town as well as at the neighbourhood level.

- 5.4 Whilst the idea of neighbourhood management undoubtedly has merits the group considered that further work was required before a viable model could be developed for the whole of Luton. Many Council services already operate on the 5 areas of the Town but they are not necessarily split into 5 separate service teams. A number of our services are best organised and provided at a Town level and need to be planned with the needs of the whole Town in mind. Nevertheless it is recognised that some improvements could be made in 'joining up' services, increasing neighbourhood accountability and in some cases organising services to have a better fit to the proposed neighbourhood boards.
- 5.5 A more measured approach would be to pilot neighbourhood management, exploring a range of the options set out above, with one Neighbourhood Board to develop learning which can then be transferred to other neighbourhoods.
- 5.6 Marsh Farm Community Development Trust is currently considering its long-term future and will be considering 'neighbourhood management' as a key element of the sustainability of the Trust. It is however not clear as to which model the Trust will develop and discussions indicate a willingness to link with the council to pilot ideas. The Trust has indicated a desire to work with the council on neighbourhood management models and to share some of the resource costs.
- 5.7 It is recommended therefore that the Area Board consider the idea of a pathfinder exploring neighbourhood management in the North Area and that we do so in conjunction with the Marsh Farm Trust.
- 5.8 The pathfinder could build for example on the successful partnership with safer neighbourhood policing and develop more robust 'joined up' working between the Police and Council services with the intention of reducing crime, improving community safety and ensuring a better environment. It might also build on some of the work the Trust has developed to date

around developing social enterprise and promoting the third sector as delivery partners.

- 5.9 Such a project would need further scoping and the resources identified to ensure that it would be properly delivered and evaluated.

6 Conclusions and Resource issues:

- 6.1. In order to ensure that neighbourhood governance, empowerment, and eventually any recommended forms of neighbourhood management are embedded in the governance and strategic service planning arrangements of the Council and its partners, clear workable relations need to be developed between the ward, neighbourhood and the Council and its community leadership of the LSP.
- 6.2. Area Committees currently provide a forum for community engagement as part of the constitution of the Council. Legal powers of limited delegated decision-making and budget holding are vested in elected members at this level. It will be necessary to review the current constitution and functions of Area Committees if they are to become Neighbourhood Boards. These Boards will focus on developing a clear picture of needs and aspirations within the neighbourhood and ensuring through the neighbourhood plan, neighbourhood charter, and service monitoring that these needs and aspirations are met. It is envisaged that all public services will in due course see themselves as accountable for performance to the Neighbourhood Boards. The boards will in the first instance therefore concentrate on
- development of an evidence base / fact file for the neighbourhood
 - development of a neighbourhood plan for the area
 - prioritisation, planning and co-ordination of responses to local priorities across the neighbourhoods
 - effective monitoring of these responses
- 6.3 The role of elected members remains central to these neighbourhood boards, maintaining constitutional control over devolved policy decisions and resources, exercising their mandated leadership by acting as a champion for their local neighbourhood's community concerns, and brokering responses to the priority issues referred to the board by their ward forums.
- 6.4 Neighbourhood boards should be chaired and led by local ward councillors. However consideration should be given to the role of co-opted/elected

resident and community representatives from the neighbourhoods to strengthen transparency and accountability.

6.5 The Council and its partners should ensure appropriate attendance from key service areas and partner organisations at neighbourhood boards.

6.6 The Council needs to appoint and/or nominate officers for each neighbourhood board with management authority and accountability to follow through relevant decisions of the board within their own organisation. This can be achieved through the following model.

- The Chief Executive and the Corporate Directors will each act as a 'champion' for one neighbourhood Board.
- To ensure that this can be achieved the Council will have to consider additional officer support to both the Neighbourhood Board and the 'champion'.
- Each Neighbourhood Board should have a minimum of 0.5FTE officer support. Ideally the support should be of a type that facilitates engagement, involvement and capacity building in the community rather than straightforward administrative support.
- Each neighbourhood champion should be supported by a senior officer paid an honorarium to recognise the additional work required to properly champion neighbourhood issues, support the development of the neighbourhood plan and the charter.
- A virtual support team made up of officers from all partners will need to be established to support ward councillors and guarantee consistent and skilful facilitation of ward forums to generate the priorities and recommendations required for the neighbourhood plan. The Council and/or the neighbourhood boards may also consider commissioning these functions from other providers
- All Council services should identify a link for each neighbourhood thereby creating a further virtual support team for the neighbourhood Boards on service issues.
- Nominated officers from key LSP partner organisations with clear remits for ensuring corporate responses to neighbourhood board decisions within their own organisations.

6.7 To ensure a strong link between the Neighbourhood boards the Council will need to consider whether the Chair of the Neighbourhood Chairs group, or all of the Chairs, should sit on the Stronger communities theme group of the Luton Forum.

6.8 The pilot scheme will actively explore better ways to improve 'joined up' working between public services by seeking to establish virtual or actual area teams across Council services and partner agencies. It will explore whether a degree of managerial leadership and/or accountability could be established

under the governance of the neighbourhood board. This could explore the establishment of devolved units of front-line staff from community safety, street services, environment, enforcement, housing landlord, youth and community development services, as well as from key partners such as the Police.

6.9 The above themes would be best explored through a properly scoped and funded neighbourhood management pilot scheme. A Pathfinder approach at Marsh Farm and Area North offers one possible way of progressing such a project.

6.10 Ward forums would require resourcing in the following areas:

- facilitation and secretarial support for the ward forums, including capacity building support for local councillors in fulfilling their community leadership role in a deliberative and participatory context.
- community engagement and development support to ensure quality resident involvement and learning at different and appropriate levels, and the equalities, inclusion and cohesion issues in the neighbourhoods are properly addressed.
- research and intelligence support to generate up to date and locally relevant information on neighbourhood needs and trends, the performance of services across the relevant area, the effectiveness of interventions in addressing outcomes, and the perceptions of local people on the quality and improvement of public services and their own community.
- communications support to give a high profile to the forum events and its achievements, to explain the priorities and demonstrate the commitment of the Council and its partners, emphasising good news of achievements on community priorities and outcomes.
- front-line service support to develop virtual teams that can ensure speedy responses to the immediate demands of neighbourhoods in particular relating to the “safer, cleaner and greener” issues.

6.11 The Council will need to give consideration to the types and levels of delegated resources held by Neighbourhood boards. These may include budgets for engaging residents and VCS organisations directly in addressing ward issues that are prioritised in neighbourhood plans. Funding is already made available to communities and community based organisations at an area level through Area Committees, and there are opportunities for extending or pooling appropriate budgets (e.g. community safety, youth grants) through the governance framework.

- 6.12 Further consideration needs to be given to the environment, opportunities and incentives for engaging and capacity building third sector organisations in the delivery of priorities within neighbourhood plans.. The development of a ‘thriving third sector’ is a proposed LAA target and as such the council will need to review its approach to capacity building and resourcing that the third sector alongside the development of devolved governance and management arrangements.
- 6.13 Though the idea of ‘anchor organisations’ may be a long-term aspiration the Council should explore ways in which they could develop. For example, in terms of access to development resources such as loan finance, and opportunities for partnering or delivering through the commissioning of services and outcome focussed interventions.
- 6.14 In order to secure and strengthen the crucial engagement of the VCS at a strategic level in the locality, and to enable the extension and deepening of community representation through the community governance framework, agreement on the maintenance and development of the Assembly’s role within the LSP arrangements will be required. This is important particularly in the context of the greater requirements and statutory responsibilities for community engagement demanded for instance by the LINKs network, and also with respect to the need to develop clear and transparent linkages between neighbourhood boards and the LSP.



