

The Office for Local Government (Oflog) – Update, December 2023

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1 Executive summary

In July 2023 the Government announced the creation of the Office for Local Government (Oflog), operating as part of the Department for Levelling Up, Housing and Communities (DLUHC).

In its introductory policy paper, Oflog was described as a “new performance body for local government, which will provide authoritative and accessible data and analysis about the performance of local government, and support its improvement.”¹

Part of Oflog’s offering is the Local Authority Data Explorer, a publicly accessible online data tool that allows users to view a range of metrics over several local authority service areas - which

¹ [Office for Local Government: Understanding and supporting local government performance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/policies/office-for-local-government)

currently include waste management, adult social care, adult skills and finance - and compare them to other local authorities. There are plans to add more service areas in the future.

This briefing will look at the history of Oflog, gives an overview of its functions, evaluates potential concerns regarding the office, and analyses its position in the wider political landscape.

2 Background

2.1 Distancing from the Audit Commission

According to Oflog's founding document:

"Oflog will not set targets or conduct burdensome area assessments – this is not about re-creating the Audit Commission. The Audit Commission was regulating, micromanaging, and inspecting local councils forcing them to spend time ticking boxes and filling in forms rather than getting on with the business of local government."

From the announcement of its creation, DLUHC has been keen to distance Oflog from the now-defunct Audit Commission, which audited all local authorities in England and Wales from 1983 to 2015. Throughout its lifetime, the remit of the Commission expanded greatly, acquiring audit responsibilities for the NHS and Fire Service, being involved in reviews of social services and local education authorities, as well as running the National Fraud Initiative program.

Over its 32-year history, the Commission attracted a range of criticism, particularly from local government, which believed its fixation on targets, performance and compliance assessments was damaging and not conducive to a culture of improvement².

Following a drive to cut public spending by the Coalition Government, it was announced in 2010 that the Audit Commission would be abolished, with auditing contracts transferred to the private and charity sector³. It was officially closed in 2015.

2.2 Levelling Up

The first mention of Oflog – albeit as a then-unnamed "new independent body" – can be found in the Levelling Up White Paper from February 2022⁴. Here, the Office is placed firmly in the context of the devolution and economic rebalancing policies of the Johnson Government. The Office is framed as a way to ensure that "devolution is accompanied by sharper and clearer accountability", which will "strengthen transparency for local people" through the publishing of comparable datasets.

² [Cut the Audit Commission, not public services | Local Government Chronicle \(LGC\) \(lgcplus.com\)](https://www.localgovernmentchronicle.com/news/cut-the-audit-commission-not-public-services)

³ <https://www.theguardian.com/politics/2010/aug/13/audit-commission-to-be-scrapped>

⁴ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1095544/Executive_Summary.pdf

This is immediately followed by a pledge to *“support local leaders to make a difference in their communities by simplifying the disparate funding landscape so that local leaders can better support economic growth, as well as bringing local leaders into the heart of government decision-making with a new role for mayors and strong local leaders in the shaping of local growth strategy.”*

The White Paper also mentions trailblazer devolution deals with the Greater Manchester and West Midlands combined authorities – which went through in March of this year⁵ - as *“blueprints”* for further bids for powers. In its initial conception, Oflog was viewed in tandem with, and seen as a part of, a *“devolution revolution”*.

3 Overview

3.1 Data and metrics

The use of data and metrics is central to what Oflog has set out to achieve. It views the availability of this information as a driver for transparency and accountability in local government by creating a data tool that can be accessed by the media and general public. The Office’s founding policy document also sees data as the key to *“highlighting excellence and showcasing”* in local government – making it clear that it exists to acknowledge best practice, as well as offer support.

However, despite being a data-centric organisation, Oflog offers a nuanced view of its usefulness as a performance indicator:

“While everything Oflog does will be rooted in robust data, data alone does not give a comprehensive account of performance. This is especially true because ‘what good looks like’ will vary depending on place, circumstance and local priorities. Therefore, when Oflog publishes metrics in the data explorer, it will be supported by contextual and explanatory information.”

3.2 Local Authority Data Explorer

The Local Authority Data Explorer is designed to present an overview of local government performance. At present, the Explorer covers only four areas of performance but intends to add more over time – *“developed through co-design and user testing with local authorities and the public.”*

These four initial areas are:

- adult social care
- waste management
- adult skills
- local authority finance

⁵ [Greater Manchester to get new powers in devolution deal - BBC News](#)

Another part of Oflog’s remit is to prevent “*serious financial and governance failures*” through the use of data analysis. However, the Office makes it clear that it will not make “*any judgement of failure that necessitates formal intervention*” and that its function will be to “*monitor the indicators – which could include areas such as governance as some in the local government sector have asked for – and use them to inform whether a dialogue needs to be opened with any such local authority*”.

Recent events such as the issuing of Section 114 notices by Birmingham and Nottingham City Councils, as well as a multitude of stories in the media regarding the precarious state of local authority finances across the UK, has been used as further justification for the creation of the Office by DLUHC.

4 APSE Comment

4.1 Concerns about impartiality

There is concern across the local government sector about the position of Oflog as an office within the DLUHC. Although the current scope of the office is limited, there are questions over its long-term function if it remains part of a government department.

When looking back at the breakdown of trust between local government and the Audit Commission, it is vital that Oflog is viewed as an independent organisation, not at the behest of any political agenda.

Trust is vital to the success of Oflog, and any close relationship with Whitehall (perceived or otherwise), may harm its relationship with the local government sector⁶. Furthermore, Oflog must be viewed as a net gain for local authorities. The Office should seek to maximise its value to local authorities (such as by providing quality insights), whilst alleviating any impression of central government interference.

There are questions surrounding how effective the use of ‘hard data’ will really be in fulfilling Oflog’s stated aims. Some have argued the gathering of ‘soft data’ regarding issues such as culture, governance, the deterioration of services and general corporate health are crucial to predicting major financial or managerial catastrophes⁷.

DLUHC has repeatedly stated it does not want Oflog’s relationship with local government to resemble that of the Audit Commission. However, by doing its utmost to avoid a physical presence in local authorities whilst carrying out its data gathering, Oflog risks a lack of deeper insight if it

⁶ <https://www.freeths.co.uk/2023/11/06/as-easy-as-falling-off-a-of-log-what-the-new-regime-will-mean-for-local-authorities/>

⁷ <https://www.themj.co.uk/The-trouble-with-Oflog/232079>

relies solely on hard statistics⁸.

Finally, the creation of comparative data sets – a core purpose of the office - has been questioned with regard to its usefulness. Although Oflog promises to include context in its data regarding the unique circumstances of each local authority, the vast differences across councils in England and Wales risk rendering comparisons moot. Or, at the very least, so generalised that they lack usefulness.

APSE argues that some of the proposed Oflog data sets already exists and is analysed already as part of APSE's Performance Networks services; which remains the UK's largest data benchmarking service. For more information about how your authority can stay up to date with the latest in litter and fly tipping management, please sign up to our Waste Management, Refuse Collection and Street Cleansing Advisory Group, free for APSE members, [here](#).

4.2 The need for a sustainable funding settlement

As devolution deepens and more deals are agreed, it follows that local authorities can expect greater scrutiny and accountability.

However, devolution must not become a way for Government to offload responsibility – and the criticism that comes with it – on local authorities, most especially whilst much-needed financial reforms remain elusive.

Serious questions remain about the fairness of introducing this kind of organisation at a time when so many councils are struggling to fulfil their basic statutory requirements. Oflog policy documents point to "*serious failures*" in local authority finances and management as justification for its existence, but neglects any mention of the impact of austerity measures and ongoing budget challenges, following the pandemic, high inflation, the cost-of-living crisis and of course increased demands in care services, homelessness and asylum support services.

APSE reiterates the need for a new, sustainable funding settlement for local authorities. Without large-scale change, councils will inevitably raise questions over the usefulness of a comparative data tool when the current funding system is crumbling beneath them. Advice regarding the performance and financial management of local authorities is welcomed, but it needs to be balanced with an admission that the current funding arrangement is not fit for purpose.

4.3 A chance to have your say...

On 24 November 2023, The Levelling Up, Housing and Communities (LUHC) Committee launched an inquiry on Oflog, looking at the remit of this new body and how it will engage with local authorities to help raise performance and improve outcomes for people and places.⁹ The inquiry

⁸ <https://www.themj.co.uk/The-trouble-with-Oflog/232079>

⁹ <https://committees.parliament.uk/committee/17/levelling-up-housing-and-communities-committee/news/198638/levelling-up-committee-launches-inquiry-on-the-office-for-local-government/>

will examine how Oflog will support the Government's set aims of levelling up, explore Oflog's use of data and how this will help local government performance and enable the Department of Levelling Up, Housing and Communities to better support local improvement.

The Committee welcomes written evidence. The closing date for submissions is Tuesday 9 January. However it is APSE's intention to submit a comprehensive paper to reflect the views of its member authorities. We would therefore welcome your own contributions to our paper alongside copies of any submissions from our member councils to inform our response. Please send your comments or copies to George Barton and Matt Ellis on Gbarton@apse.org.uk and Mellis@apse.org.uk

Evidence sessions for this inquiry are likely to begin in early 2024.

For more information on the terms of reference, and how you can submit evidence directly please [click here](#).

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