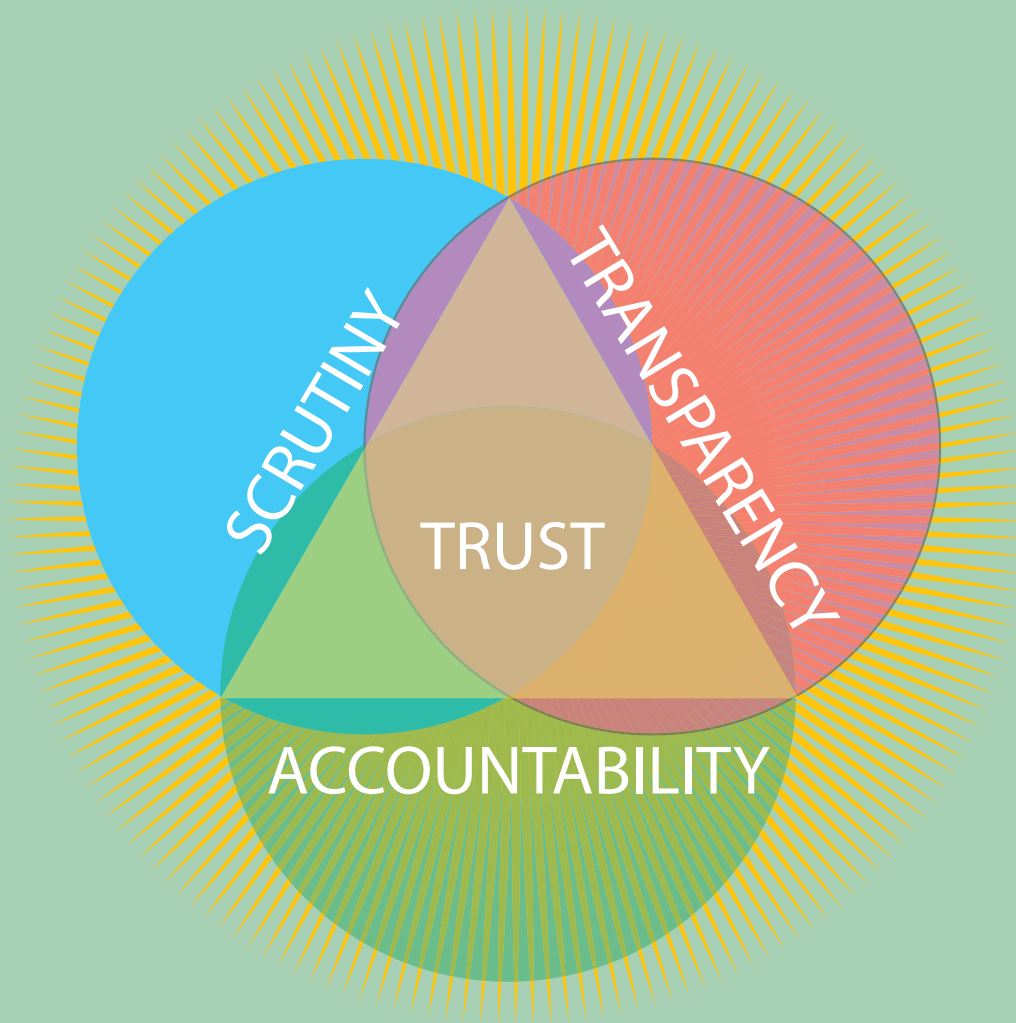


Bringing order to chaos

How does local government hold to account agencies delivering public services?



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APSE (Association for Public Service Excellence) is a not-for-profit local government body working with over 300 councils throughout the UK. Promoting excellence in public services, APSE is the foremost specialist in local authority front line services, hosting a network for front line service providers in areas such as waste and refuse collection, parks and environmental services, leisure, school meals, cleaning, housing and building maintenance.



The Local Governance Research Unit, based at Leicester Business School (De Montfort University), is an internationally recognised centre of excellence for theoretically informed, robust and rigorous policy relevant research into British and comparative local governance. Its recent work focuses on community cohesion and local citizenship, neighbourhood governance, local democracy and local politics. The Unit is committed to providing a strong and vibrant link between academic research and the needs of the research user. It undertakes research for a wide variety of bodies. The Unit has strong research links with other leading universities in the UK and across Europe and the USA.

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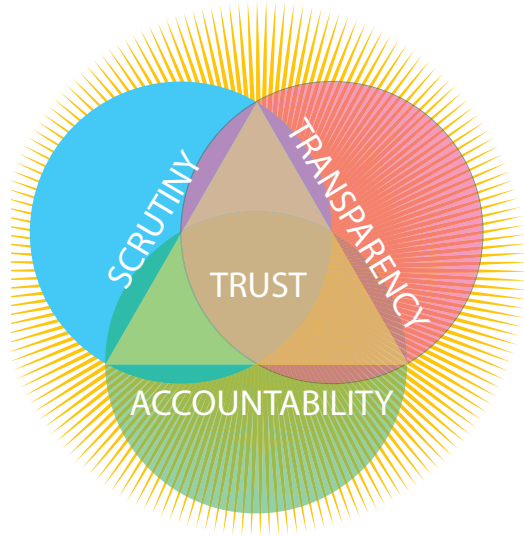
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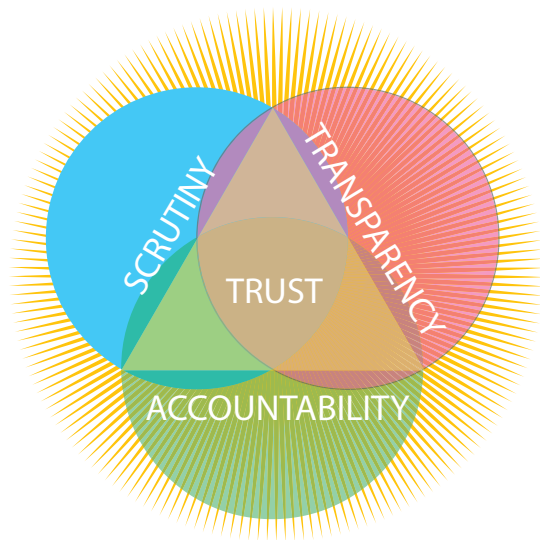
Foreword

Across the UK, and over a number of decades the way in which public services are delivered has significantly changed. New duties and responsibilities have been placed on local councils at the same time as drawing up other duties and responsibilities to new agencies or central administrations. New Public Management encouraged the use of competition in public services and mimicking of markets, without recognising the often unique dynamics of public service delivery. All of this has resulted in a complex local network with both formal and informal boundaries between local government, other public agencies and the private and third sector, who are often contracted to deliver public services. This fragmentation arguably damages the ability of local government to act as stewards of place; to guide and coordinate those disparate actors towards holistic outcomes for local areas. This can lead to a lack of accountability; even though public resources are often utilised or impacted upon by how those agencies behave at a local level.

This research therefore attempts to pull together these issues of messy local agency into a more orderly approach questioning how all local actors, including local councils, can work together for better local outcomes. Instead of working in splendid isolation we question the role of accountability of those agencies to the only democratically elected body at the local level being local councils. In our view local councils are best placed to use the knowledge of the local area to gauge the impact of other agencies and ensure that local networks are harnessed to work in the best interests of the local area. Those who behave in a way which damages the wider public interest should be accountable at a local level; at the same time bringing accountability to the current chaos will provide a vehicle to enrich the efficacy of local networks ensuring that those delivering public services do so in a way which enhances the public interest and safeguards local communities.

Cllr Archie Dryburgh

APSE National Chair 2017-2018



Executive summary

1. The complexity of the landscape of public service provision has resulted in difficulties for the public in identifying and holding to account organisations delivering or making decisions about public services.
2. The often chaotic network of public, private and third sector organisations responsible for public service provision means that a vital role for local government is holding those organisations to account and exerting influence over them to ensure the policies they develop match local needs.
3. Local government's accountability role operates in two dimensions:
 - a. The strategic: normally, but not exclusively the territory of executive councillors
 - b. The functional: concern about the impact of service delivery in specific wards or divisions (a dimension in which all councillors are involved)
4. Accountability becomes difficult for councils to ensure when local government has little or no role in the delivery or provision of a particular service or decisions about how that service will develop.
5. A major task of local government and councillors today is to influence, shape and lead the activities of a disparate and diverse set of public service providers and to forge those activities into a coherent whole.
6. Formal council structures often provide few opportunities for all councillors to explore, in depth, the policies and service quality provided by external agencies
7. Accountability of external service providers is not a process that should be restricted to formal overview and scrutiny meetings; rather, it is a wide encompassing political task for all councillors as part of their role in governing the locality.
8. Creating a culture of accountability within local government is essential to ensure councillors recognise the role they have in holding external providers to account.
9. Councillors are today required to draw together different priorities held by different public service providers to ensure they meet local needs.
10. Local government is often confronted by public service providers who make decisions with little or no input from councillors as elected representatives or from the council as an elected body.
11. Some service providers appear to resent and obstruct democratic oversight by councillors who can face limited access to, communication from or co-operation with, external service providers. Some councillors recognise that the title 'councillor' carries little weight when it comes to attempting to engage with some external agencies.
12. Publicly accountable services and decision-making are essential to the health of local democracy, but this view is not shared across the entire public sector.
13. Local government needs to be a 'critical friend' of external bodies, while at the same time remaining a 'friend'.
14. Public accountability must be focused on outcomes and on the improvement of public services.
15. Holding to account all those organisations that provide services locally must be a political process, involving councillors, rather than solely a managerial process.
16. Local government must be prepared to have its own arms-length or trading companies

subject to rigorous accountability by councillors and the public. Without local government acceptance that it must respond to accountability, it will weaken its case for demanding that others be accountable to it.

17. There is a tension experienced by councillors who sit on the board of arms-length (and other bodies) between the relationship with the arms length-body and the council which can dilute and damage accountability. Councillors, often find that in such circumstances they may need to operate as a member of the board, often adhering to the rules of company law, which may conflict with their role as a local councillor.

Recommendations

1. Councils must provide adequate support for all councillors in their role in holding external agencies to account and in seeking to shape their activities and policies.
2. Securing public accountability must be developed as a role for all councillors and not restricted to a functional overview and scrutiny committee process
3. Robust accountability processes need to be put in place for all arms-length bodies created by a council. Mechanisms must be put in place whereby all other councillors are able to challenge, question, seek justification from and influence the actions of arms-length bodies and scrutiny and full council should be engaged in such a process.
4. A councillor should be appointed as 'accountability champion' with the role of ensuring that councillors have adequate opportunities, beyond overview and scrutiny, to question, challenge, seek justification from and engage with external public service providers, including at the procurement or commissioning stage, to ensure that providers are compelled to cooperate on issues of performance and accountability.
5. All councils should map the network of agencies and organisations that provide public services or with whom they interact to influence policy and decisions, to provide a clear picture of the local governance network
6. All councils should produce a local 'governance framework' policy document which identifies all those organisations with which the council interacts and which creates a shared vision of the development of public services across the councils area
7. Councils should create a 'governance forum' where all those organisations with which the council interacts, can regularly meet to ensure a co-ordinated approach to public service delivery and long-term planning for service development and contribute to the 'governance framework' in 5 above
8. There should be a legal requirement – through an extension of the principle of a 'duty to co-operate' - on all public service providers to engage with local government, at the earliest possible time, when developing policy and taking decisions about public services
9. Councils should have statutory representation on the boards of all those organisations responsible for the provision of public services
10. Local Public Accounts Committees should be formed by all councils and be given the same statutory powers over external agencies as has health scrutiny in relation to the NHS

Introduction

Local government exists in a fragmented and often chaotic network of competing and interacting agencies and public, semi-public and private bodies. Those bodies have different purposes, objectives, resources, policies and structures to local government and very many also operate beyond the boundaries of any one council area. Local government however, remains the only multi-purpose governing institution with a democratic link to communities and citizens and an electoral mandate to legitimise its activities and policies. Local Government's role in public accountability reflects the underpinning principles of the Ensuring Council concept developed by APSE (2012) and securing good **stewardship**, effective **collaboration** and healthy local **politics** is fundamental to public accountability.

While the role of local government as a service provider remains constant, the range of services it directly provides, the way it provides them and the regulations it must follow, are set by central government. In addition, local government must answer to local voters for its policies, decisions and actions and the quality of local services. Yet, for great swathes of the public sector there is no direct line of public accountability to communities and no direct electoral legitimacy for the policies developed, decisions made or resources employed. Indeed, there exists a complex and often chaotic network of interactions between a range of actors, within the localities, which operate beyond the normal restraints imposed by a democratic link of accountability to the public. That absence of a democratic link or source of legitimacy adds to the chaos of governing networks as they are not rooted within the localities in the same way as local government. The Grenfell tragedy however, showed that even where local government may not directly provide, run or oversee a service, in the traditional sense, that it cannot, nor should it, escape rigorous public accountability. Grenfell also shows the need for a culture of accountability to be developed and sustained across the public, third sector and private sector when it comes to public services.

Despite interacting with a vast range of external bodies, local government is in a unique position and that is because the decisions it takes and the policies it develops are the product of an electorally legitimised process. The electoral process links local government to citizens and communities in a way that any amount of public consultation by other bodies seeking to spend public money and make public decisions, simply cannot achieve.

As the role of local government and its service responsibilities change over time, we are left wondering how, if at all, local government uses its electoral legitimacy to ensure the accountability of other bodies within governance networks, such as those listed above. Accountability is a two-sided process based on giving account and being held to account and therefore needs to be understood from the effectiveness of the processes by which both those factors operate and are achieved. Another dimension to public accountability is how far elected councils are able to influence and shape the policies and decisions of non-elected actors within complex governance networks and the processes by which they achieve that task.

As well as navigating complex local networks to influence and shape the decisions made by others, local government must also manage the varying pressures of urbanisation, globalisation, austerity and the demands for increasing and more complex service provision (Denters and Rose, 2005). It must respond to demands from communities for greater participation within local decision-making and greater responsiveness to the views, opinions and concerns of local communities (Denters and Rose, 2005). These factors are not a new concern for local government; rather, they have formed long-standing features of the environment within which local government has had to operate and also pre-date the current economic crisis. But, urbanisation, globalisation, austerity and increasing demands for public services at a time of financial restraint, add new imperatives to how local government interact within complex networks, how it attempts to influence, shape and co-ordinate

the policies and decisions of others and how it develops a strategy to construct a shared vision for the development of its community.

It is also not new for local government to have to interact with other non-elected bodies and it is a long-standing feature of local government that it operates in complex and evolving networks (see, Stoker, 2011). What has changed over-time is the balance of power and responsibilities between local government, as an elected institution, and those with which it must interact. We have seen, over-time, a shift of power away from local government and towards the institutional players that inhabit an ever changing network of decision-makers, resource allocators and policy-developers. In such networks local government must wield influence rather than power over a range of external organisations, competitors and partners. In addition, local government is faced with attempting to shape the policy and decisions of others and to question, challenge, critique and seek justification from other powerful organisational players: that is, local government must hold to account a myriad of bodies for what it is they do, or do not do.

What this report aims to provide is a clear understanding of the effectiveness of local government and the councillors elected to it in acting as a vehicle for the accountability of public services and for the decisions taken by those operating within governance networks. Governance networks and the public and private sector organisations which comprise a networks membership, operate within a complex and often chaotic set of relationship and interactions. That chaos occurs through the often un-coordinated activities and decisions of network players where decisions are made which either suit an individual player or set of players, with little overall strategic approach across the public sector. The research seeks to understand how public services and the decisions made about them by unelected bodies can be held to account by local government as an elected governing body. Moreover, it seeks to understand the developing and expanding role of local government as both a vehicle for public accountability and in influencing and shaping the governance networks within which it exists and how it can effectively bring order to governance chaos. The main questions the report seeks to address are:

- How can local government best influence and shape the policies and decisions of players within governance networks so as to provide for the giving of account and holding to account of those players?
- What strategies do councils and councillors develop to forge the accountability of governance networks?
- What mechanisms and processes provide for effective public accountability by local government within governance networks?

As direct provision of public services and even decision-making, shifts in and out of local government, a new role is emerging for councils and councillors and we need local government to grasp the nettle of acting as a vehicle for public accountability. In order to stimulate that role a clear understanding is needed of how local government currently acts to secure public accountability within a chaotic set of multiple partnership interactions that comprise governing networks and how effective it is at that task. Indeed, a major challenge now facing local government is who governs locally within those networks: elected local government or unelected partnerships and appointed bodies. Table one below, presents an indicative list of the external organisations and agencies with which local government interact and must seek to influence and hold to account.

The research for the project involved forty semi-structured interviews with councillors and officers designed to explore all facets of the way councils sought to influence and hold to account a range of public and private bodies. Interviews were conducted in all types of councils: county, district and metropolitan boroughs.

In addition to the research conducted only for this project, the report draws on a related project

which also explored, among other things, how councillors and councils, hold other bodies to account and seek to influence their policies and decisions. Thus, the research reported in this paper also drew on 31, roundtable discussions with councillors (at which over 300 councillors attended and took part in the discussions). The research also focused specifically on three councils to be used as illuminative case studies within the report: Barnsley, Leicester and Wolverhampton.

The next section briefly sets out the complex political, governing and organisational environment within which local government operates and the imbalance of resources and powers that exist within that environment. The section sets the context within which local government has to seek both the accountability of others and also to shape and influence the policies of others and the services they provide. The third section examines in detail the strategies that councillors develop to hold others to account and to influence what they do. It provides examples of how councils have approached the issue of the public accountability of others and identifies two dimensions on which accountability and influence operates for councillors: the strategic and the functional. The final section sets out the lessons for local government in developing a new and challenging role, that of bringing order to the chaos of competing and often conflicting agencies and bodies with which local government must interact. The report concludes by suggesting an *incremental* and *radical* approach to ensuring local government may govern its area to greatest effect.

The landscape for public accountability

Introduction

Local government operates within increasingly complex, complicated and elaborate networks which involve interactions with a myriad of different organisational players or varying purposes, resources, spatial scale, boundaries and with often conflicting or competing sets of goals and objectives. Those players with whom local government interacts all make decisions, spend public money and develop and implement public policy that shapes public services and which has an impact on the well being of local communities and they do so without any direct line of accountability to the public. Local government has one thing that those organisation lack and that is a democratic mandate which is periodically renewed at the local elections and a direct and clear line of accountability to the public. APSE has pointed out (APSE 2017), in its work with the Centre for Public Scrutiny, that accountability is central to both good governance and public trust and confidence in decision-making. Moreover, in times of austerity, uncertainty and a rapidly changing political, social and economic environment, decisions that are made must be transparent, inclusive, and based on the clear accountability of those involved. Those principles apply across the range of organisations responsible for developing and delivering public services.

While elected local government is vital to any understanding of local representative democracy, councils no longer automatically inhabit centre-stage in the locality; rather our councils face a struggle for engagement in a complex series of governance networks and are faced with exerting influence rather than wielding power (see, Sorensen and Torfing, 2005, Lowndes and Sullivan, 2008). The shift from local government to local governance has seen, over time, slices of local government responsibilities removed and handed to un-elected and unaccountable bodies. As a consequence, local government has been hollowed out and other organisations have increasingly been making decisions and delivering services with scant accountability for what they have done or the outcomes of their decisions. Operating in such a context places a new burden on councils, who must now engage in and exert influence over, complex multi-layered networks, within which they confront higher-level players (Wilson, 1999, 6P, *et al*, 2002, Stoker, 2004, Denters and Rose, 2005). Councils, however, by virtue of the public vote, have a legitimacy and moral leverage lacking to most of those with whom they must now work within the complexity of modern governance networks (Saward, 2003, Bekkers *et al*, 2007, Klijn and Skelcher, 2007).

Given the diversity of the networks and players within them, with which local government must engage, we are left wondering whether or not the electoral mandate of local government counts for anything. As it is increasingly difficult for local government to act alone across a range of policy domains and as it is subject to the ebb and flow of services responsibilities being removed or shared with other providers, then two alternative, though not singular, political actions remain:

- hold those making public policy decisions and spending public money to account
- exert influence over networks and individual players with them and seek to shape the policies, strategies and decisions that merge from them

As local government responsibilities change, often through the reconfiguration of public services by central government, or through financial pressures, and as more agencies are involved in service delivery, then the task of local government becomes more and more seeking to hold others to account. It can ensure accountability by employing as leverage a council's democratic mandate, which means that councils can stress their governing role and give a clear and strategic purpose to engagement with other public, semi-public, third party and private organisations and bodies that provide services. But, to be able to shape, influence, hold to account a range of organisations and to bring them into

alignment with the policies and strategies of the council means that local government must first understand who it is they are interacting with and why; and, second must have a clear strategy of seeking influence and securing the public accountability of others.

Public accountability and influence is a political process and therefore a surveying of the landscape of organisations with which local government interacts is necessary. Each council will have their own specific set of partners and networks which will contain players specific to the locality. But, common patterns emerge across the country as councils find themselves interacting with national and regional bodies as well as more unique and specific local organisations.

The next section briefly provides an overview of the type of organisations with which local government must influence and hold to account. It does this to set out a framework within which councils can develop effective strategies for influence and accountability.

Know your Network

In developing a deliberate strategy for public accountability and influence over others, councils must have a clear objective that they wish to achieve from engaging with others. Accountability and political influence cannot be left to chance and it must not be a piecemeal process or one where local government is simply reacting to events shaped and driven by others. A clear vision of what each council wishes to achieve, over time, and of who they wish to influence or hold to account needs to be created. The first step in developing such a strategy is to know your network.

It is not just senior council officers who need to have a clear picture of the organisations and powerful individuals that can shape policy decisions in the locality. All councillors need to have a similarly clear view of those they must seek to influence and hold to account and they need that view on two levels: first the strategic, across the council area and into a sub-regional, regional and national arena; and, second, at the level of their own ward or division. What is presented below is an elaborative example of the nature of the organisations which form parts of the complex governance networks which councils must navigate. Table one sets out some of the statutory, and non-statutory but often regulated bodies, in that network.

Table One: Local government networks

National Health Service	Environment Agency	Joint Waste Authorities
• Health service trusts	Highways Agency	Joint Waste Disposal Authorities
• Clinical Commissioning Groups	Department of Work and Pensions	Arts Council
• GP trusts	Jobcentre Plus	ALMOs
Local Economic Partnerships	Education and Skills Funding Agency	Housing associations
Combined authorities	The Health and Safety Executive	Leisure trusts
Police authorities	Natural England	Airport boards
Transport authorities, agencies and providers	Sport England	Housing companies
• Passenger Transport Authorities	English Heritage	Wholly owned arms-length companies
Probation service	National Park Authorities	
	Fire and rescue authorities	

In addition, to the bodies noted in table one there are also other players which interject themselves into these networks, such as:

- Private companies, joint ventures, private partnerships of local, regional, national and international scale and operation

- Specific local bodies existing within a particular council area
 - Local organisations on which councils have representatives
- Third sector bodies

While the table presents the example of organisations in a neat table form, the reality of the nature of the accountability and influence interactions councils undertake with those bodies, is far more complicated and intricate than the table suggests. Yet, if councils are to secure the accountability of such bodies, a more nuanced and sophisticated map of the councils network and of the networks that operate within wards and divisions, is required.

Indeed, the point about knowing your network was stressed by a councillor in our interviews who commented:

We are always talking to others, companies, agencies, etc, etc, but we do it when we need to and it's all a bit piecemeal really. So a project or issue comes up and then we try and get the right people together – we need to be a bit cleverer about how we do this... sometime we are negotiating and others try to get some sort of explanation for what's happening. It would help to be more coordinated and to have an idea of who we need to talk to, when and about what...we just need to manage things more (Labour borough executive member)

There is a complex interplay that occurs when local government is seeking to influence other significant players in the locality and to ensure that those players develop policies, make decisions and commit resources, to projects the council wishes to see developed. Alternatively councils will be engaged in brokering agreements between numerous players to bring together their often disparate and separate interests into some cohesive whole for the benefit of the locality (Berg and Rao, 2005).

The external leadership role of the council is one that brings the political focus of the council to bear on specific sets of problems that the council lacks the resources or powers to deal with alone and thus must generate a critical mass of support, from other players to resolve. Or, it involves the council developing a long-term strategic vision for the development of its locality and identifying those key players which can best contribute to the achievement of that vision and forging a relationship with them so as to direct their input and actions. Finally, the ability to question, challenge, criticise and explore the actions, decisions and policies of others and to hold them responsible for what they do and do not do, requires a very clear assessment of the actions and policies of external players.

The need to map the complexity of the networks within which councils operate is needed so as to simplify those networks and bring a degree of clarity to the players and the way in which they operate. Based on the research for this paper, table two sets out how a simplified understanding of the key players in local governance networks from which councils can start to develop the picture of who and how they are seeking to influence and hold to account.

Table Two: identifying key players in governance networks

Internal to the council	External to the Council
Leading councillors	Local SMEs*
Overview and scrutiny councillors	Regional companies
Ward councillors	International business
Senior officers	Local civil society organisations
Appropriate operational staff	Public agencies
Research staff	Government bodies
Scrutiny officers	Public utilities

Source: developed from Teles 2016

Utilising the above basic framework councils can begin, in the words of one councillor interviewed for the research, to: ***sort out the mess of organisations we have to work with and give us some opportunity to understand who the key people are*** (Labour borough councillor).

That point was underpinned by another councillor who commented:

The majority of my time is now spent talking to all sorts of organisations, companies, groups, any one that we can bring together for the benefit of the area. One day I'm talking to a major multi-national company about employment, the next the health service about the STP, the same day to a voluntary, group or Virgin rail, anyone and anything (Conservative executive member).

If local government is to embrace fully the role of being a vehicle for public accountability and is to be able to govern through negotiation and influence then, as well as understanding with which councils interact, there is the need to understand the relative power imbalances between network players. Moreover, there is the need to understand and account for the balance of power between councils and other players and what can be done by councils to redress any imbalance towards other network players. In addition, local government needs a powerful formal and statutory framework within which to hold other external agencies to account. It is here that the formal system of overview and scrutiny holds a clue as to how this could operate. Each council requires a form of local public accounts committee which should have the power to call witnesses and evidence from all those that are involved in the provision of public services in any area. The reports of such inquiries should then form the basis of developing public services locally and in holding to account the local delivery agents. The local public accounts committees would establish, formally and legally, the role of the council in overseeing the spending of public money, the development of public policy and quality, effectiveness and efficiency of the entire local governance network.

The research for the report showed that it is the imbalance in power and resources and the distance at which other organisations operate from the council that causes local government with particular problems in developing relationships that are based on the legitimate position of an elected council to seek some influence over external bodies. When faced with a large national body, such as the NHS (see case study one), for example, the shape and size of that institution means that councils are faced with a fragmented organisation which not only does not see its relationship to local government as one of accountability, but is also shaped and structured in a way that places organisational challenges in the way of local government to secure accountability. The organisational challenge arises from the fact councils do not always shape themselves, or build an organisational structure, which supports a role in holding others to account. In other words, accountability becomes an informal, almost accidental task of a council and a part of the political and governing process which occurs only if some councillors are motivated to seek to engage with external organisations. The research indicated that when councillors do interact with others, there is little organisational support for that work.

The research also showed that as well as councillors attempting to seek the accountability of others, senior officers of the council will also be interacting with executives from external bodies, either alongside elected members or without any political oversight or engagement in that process. In such circumstances, accountability becomes more of a negotiated and managerial process between organisations rather than a political process. One of the key findings of the research is that securing public accountability is not always seen as a role for the council as an entity. Given that so much public service provision is through unelected bodies, the omission by any council of its role as a governing entity that can, and should, demand that others provide it with a continuing relationship based on giving account to the council, opens up a serious democratic deficit. As a councillor commented in an interview:

We try [to seek accountability] but there is very much a gap between what we need to be able to do and what we can do. It all seems a bit hit and miss and getting, say, the Police or the

DWP, to explain what they are doing and why and how we can work with them just doesn't seem to be what the councils expects councillors to do. It's almost as though that something else officers should be doing (Labour metropolitan borough councillor)

So far we have explored the relationship councils have with external bodies, but the research also showed the existence of an equally serious democratic deficit where councils themselves have created arms-length structures or companies, for the provision of services that are the responsibility of the council. Where such service providing arrangements exist, councillors appeared, in the research, to have a greater concern about any emerging democratic deficit than when compared to external organisations. That enhanced concern for accountability is understandable when a service is still a council function, but happens to have been located with an arms-length body, normally for financial reasons.

Without sufficient attention given to ensuring that there are avenues for councillors to challenge, question, seek justification and explanation from and have oversight of, arms-length bodies created by councils for service delivery, councils themselves can be as guilty as external originations for not placing accountability at the centre of their concerns. A councillor in interview expressed the position forcefully, thus:

We [the council] are developing the idea of providing all our services through an arms-length company but everything is being driven by the executive and scrutiny is being ignored. I can't see how we [councillors] can have any say over what happens. It's being driven very quickly scrutiny is being ignored, both in how this company is being set up and what role it will have once it is up and running (Anonymity requested)

While the specific example from the comment above focuses on 'scrutiny' as a function of the council, there is a wider point about mechanisms and opportunities for councillors to be able engage, formally and informally, with arms-lengths bodies (the point is developed further in case study two, below). The research found wide-spread concern among members that organisations created by a council, to deliver services at arms-length, often lack clear lines of accountability to councillors. Where there are some attempts to build accountability into the structure of arms-length organisations, it was often formalistic, almost ritualistic, with the scrutiny function seen as a logical point of contact.

The weakness here however, is that the process of accountability is shaped less by the need to engage effectively with an arms-length body and more by the process of facilitating a formal council meeting, or a formal meeting of a body formed for the purposes of overseeing the services provided by an arms-length body. Meetings as a process can then become more important than accountability as a purpose. In addition, councillors who are members or board, or trusts, or management teams of any sort, can face a conflict of loyalty where they are expected to owe their loyalty to the organisation of which they are a board member, rather than to the council. Councillors then are faced with operating in the best interests of the organisation, not in the interests of accountability, an invidious position for any councillor. What this means is that councils need to give attention to how their creations can be questioned, challenged and influenced, by members, the public and service users. Councils must not be guilty of creating a democratic deficit for their responsibilities as has opened up for public services provided by external bodies.

The case study below explores in more detail, some of these issues.

Case Study 1: **Housing Arms Length Management Organisation**

The case study focuses on the relationship between a mid-size northern metropolitan authority and the Arms Length Management Organisation (ALMO) charged with delivering housing services.

Though the authority is mid-size with a leader and executive cabinet model of governance, covering around a quarter of a million people, the ALMO itself is relatively large. It was set up in 2002 and is charged with management of the whole estate of almost 19000 properties previously managed in house by the local council. It was originally founded by transferring the staff and responsibilities from the council housing department into a semi independent structure. Relationships were, in most cases, pre-existing at many levels and joint working with the council well established as a result of this beginning.

The policy areas covered include; managing the waiting list, letting vacant homes, collecting rents, repair and maintenance of the housing stock, developing homes and estates and supporting people to manage their tenancies. Additionally, not common to all ALMOs, it also has some responsibilities to support people facing financial difficulties, keep estates clean and tidy and deal with any issues of anti-social behaviour. These policy areas have developed considerably since the ALMO began and involve considerable crossover responsibility with other council and other public sector agencies. Though the stock itself remains in the ownership of the council, meaning a more complex and embedded financial relationship, the ALMO does have the autonomy to build new homes and purchase homes on the open market.

One of the more interesting services provided in the ALMO charter is the direct duty to engage with and listen to customers and communities. The existence of this provision as a duty, a requirement of the council from its service delivery partner, is particularly significant when considering issues of accountability. Some elected members in the authority, in interviews, referred to this duty as an 'outsourcing of the elected member role'.

The duty to engage with customers and communities is currently performed through consultation arrangements with Tenants and Residents associations, arrangements with other special interest groups with an associated interest in local housing issues (such as equalities groups and poverty charities), estate walkabouts and via a regular series of locally held community meetings to report performance and listen to concerns and issues. These 'Your Community, Your Say' meetings function as overview and scrutiny of local performance, a forum for policy suggestions, a 'surgery' where individual issues can be raised with housing officers and even a small devolved community budget allocation allows for locally determined spend on environmental and community projects. Councillors can attend these meetings but they are not council meetings and councillors have no formal role in them, they attend, in effect, as members of the community. Attendance by elected members is not compulsory and research indicates that it is, within this particular council, inconsistent and varies greatly.

The distance that councillors have from the processes and workings of consultation meetings, presents a number of difficulties in accountability terms, not least the lack of clear mandate for participants attempting to influence what the ALMO does. The interviews uncovered that although representatives of the tenants and residents associations are usually elected to their positions in some very basic way, they are the only non-officer attendees to have a formal role: councillors have no formal role. The lessons that relate to the Grenfell tragedy are clear – that any gap that is created between a providing body and a council must be filled by elected councillors acting in a robust accountability process.

There are a number of key elements to the overall structural relationship between the ALMO and the council that have an impact on accountability. The ALMO itself is a traditionally organised business, with a chief executive and senior management structure overseen by a board of directors. The board is comprised of an independent chair (appointed via an external interview process, with council participation) and nine directors, three residents (nominated and elected via the associations), three independent members (recruited through a standard recruitment process focusing on skills and experience) and three elected members. The elected members are nominated by the council but

for several years now they are also required to pass a 'threshold interview'. The need for the 'threshold interview' process has been contentious among members. Moreover, it could be seen as putting up barriers to councillor involvement and preventing members from asking too many awkward questions.

A former elected member board appointee commented:

Part of the induction after interview had the chair explaining that we were not there to represent the council. It was explained that we had a fiduciary responsibility as board members to ensure the business of the ALMO. That said I always took the position that as the council owned the stock we were effectively like majority shareholders. Either way, you never really felt like you were representing the public, in the normal sense of being a councillor.

The conflicting view of the role of the council is supported by the absence of a formal reporting structure for council appointees back the council itself. There is no regular reporting of board activities by these members to either the executive of the council, the political group or overview and scrutiny. The main reporting comes in the form of quarterly performance reporting to the executive councillor with portfolio responsibility, a detailed annual report to full cabinet and occasional representation at scrutiny meetings.

The current executive councillor with the housing portfolio noted that the performance scrutiny was principally done by officers and against a range of pre-set performance targets which are written into the contract between the two organisations. The quarterly meeting at which he reviewed this data may result in issues and questions but the only formal way he could refer those back was through the officers. Once a year he would be invited to the board of the ALMO but this was primarily social and he did not speak at the meeting, so a minimalistic role which could not produce effective ALMO accountability.

Having explored these formal arrangements, it would be reasonable to categorise the performance aspects of accountability as being effectively devolved to the service level agreement and professional officers. Community accountability also falls within this contractual arrangement.

The formal structures, such as they are, offer few opportunities for elected councillors to suggest or modify the policies of the ALMO. As part of the research for the case study, councillors, including the executive member, were asked to highlight examples of policy influence that they had or could wield. The responses displayed a clear common theme of which the quotes below provide a summary: We had an issue with the heating in some local flats, residents were unhappy at the rising costs and felt that the system, which had some pipes running externally, was inefficient [the ALMO] had taken the decision not to invest in changing the system. When residents contacted local members we took it to the leader and executive member, who in turn arranged a meeting with the chief exec and senior officers of [the ALMO] and persuaded them to think again and invest in making the system more efficient (ward member)

I became aware of the number of calls members were getting about the emergency plumbing arrangements during the cold snap a couple of years ago. Plumbers were working until past midnight and vulnerable residents were without heating after boilers packed up. Or worse they being advised to use electric heating until repairs could be done, which are frighteningly expensive to run. Checking the policy arrangements they had in place it turned out they had just six emergency plumbers to call upon under contract. We thought they should also have the option to hire others on an ad hoc basis when the number of registered repair jobs reached a certain level. We called the chief exec to a meeting with the leader who negotiated a financial arrangement to do this in emergency weather conditions such as we had (executive councillor).

A change in the Housing Revenue Account calculation left us with a surplus of several million pounds. The council were clear it was ours, they believed it was theirs, both of us got our own conflicting legal advice and it took several meetings and some strained relationships to resolve the matter (scrutiny member).

These examples demonstrate the recurring theme of 'informal' meetings as a method of policy influence, an arrangement which was viewed as both effective and efficient by elected members. The importance of the relationship between senior political leaders responding to public concerns and the senior management of the service provider is clear. Even where examples of difficulties were given they also highlighted the relationships and the meetings outside formal structures as key to accountability.

Though the formal structures are viewed as ineffective they maintain a framework which allows the general operational processes to continue, where accountability is seen as most effective however is in the agency between councillors and the ALMO. The arrangement was portrayed, for all the highlighted faults, as not a major cause for concern. The council and ALMO both perform well and relationships are good. The caveat may be that the system has probably not been tested by a substantial issue or failure that would require greater accountability interventions and the task is to build into the system accountability mechanism and processes that would pass any test, or better still, prevent a test emerging in the first place.

While this direct approach, between two organisations of similar structure and delivering services across the same geographic area, can be evidenced as effective, third party service delivery has many different forms. In most cases, this would make approach more problematic.

Beyond housing

Education services for example, particularly schools, are a more diverse and less central service delivery partner. Individual schools have a great number of delegated powers and authority over policy (those not dictated nationally) with academy schools enjoying freedoms to set term dates, curriculum issues, opening times, staffing etc. Even the local authority maintained schools have seen their powers to set individual policies increase. Where most local authority areas have numerous schools, several hundred in many cases, this would make intervention at the most senior level of a local authority impractical, if not impossible. While this can potentially be mitigated by the presence of elected members on governing bodies, in this council, these are few in number and the overall impact and reporting from individual schools and governors is negligible.

Influencing policy across the education estate of a council area is therefore much more difficult. Even the basic setting of the yearly term/holiday dates is no longer 'controlled' in single place and being able to influence academies or free schools, within an increasingly mixed economy of education provision, is problematic for the council.

Policing, never a service delivered directly by the council, though often with considerable joint working and funding, has traditionally been accountable, in the council via local authority structures. The Policing panel or committee has been charged with holding the Chief Constable to account for the delivery and policies of the local force within the borough. That arrangement however, was replaced by the directly elected Police and Crime Commissioners in England. A panel of local authority representatives remains, but now with the remit to hold the Commissioner to account, especially on budget and policy decisions as stated in the local policing plan (published by the PCC).

There are two general issues which come up in discussion of the police accountability arrangements in this council:

- The reverse of the schools issue, a single policing service being delivered across multiple local authority areas creates accountability and representation difficulties. That accountability deficit holds true for increasing numbers of services (health, combined waste services, transport, etc.) where the council, often of a different size to its partner bodies and with wholly different social and political demographic, has to hold a single provider accountable. What such a system creates is that the individual intervention of an elected leader or the entire council, does not necessarily provide for effective accountability OR influence.
- The situation described in 1. above increases the nature of the second (and main) issue raised: the 'distance' created by the structural arrangements for service delivery and accountability.

Taking policing, within the borough, as the example (though as previously noted the general situation holds true across numerous other services) the routes for communication are complex. From an individual elected member wishing to raise an issue about local policing policy or performance there are several possibilities.

- The Police themselves have a bi-monthly local public forum, usually attended by local members (though not a required meeting of the council and the attendance from members is mixed), this informs decisions about local priorities for the individual policing teams but cannot influence budget or staffing issues, resource allocation or performance matters.
- To address these wider points a local member can raise the issue with one of two elected members who serve on the policing panel, they in turn can raise this via the panel (which in this case has representatives from four local authorities) with the Commissioner.
- The issue can then be raised by the Commissioner with the Chief Constable as the representative of the senior management of the force.

Within the council members expressed the view that the police accountability arrangements were: *'somewhat convoluted'* and *'a long-winded and distant route for accountability purposes'*. Clearly the logic of introducing PCCs was to increase a more direct accountability structure, however a single point of contact across such a wide service delivery area does not allow for the same level of local influence. Even individual local authority areas as a whole are further distanced from direct policy influence and performance monitoring by the introduction of this additional step. It can only be viewed as more effective in accountability terms if it is seen to bypass the council structures and instead replace them from a public perspective.

The complexity of the health and in particular public health structures, regardless of size and geographic shape, can obfuscate the routes of accountability and influence. The case study authority area as an example has one NHS trust (which covers around twelve local authority areas), two clinical commissioning groups (where most budget and service commissioning decisions are taken), numerous independent commissioned service providers (ranging from huge multi-area or national organisations to individual contractors) and a broad range of responsibilities which are in many cases shared.

Navigating this landscape of service delivery to map out a system of holding services accountable or influencing delivery or priorities is strongly felt, even at the most senior levels, to be incredibly problematic. When this wider range of public services are considered, it is clear that a single approach to accountability structures, or even a set of general principles, is a difficult proposition.

The case study shows that even when councils are careful about the interactions they have with arms-length companies and even when councillors give importance to accountability– there is no certainty that elected councillors can ensure that public accountability is satisfactorily delivered.

The research uncovered a scattered pattern of how councils approach accountability of their arms-length companies, with good, less good examples (the next section contains a case study of arms-length accountability) but it is clear that political culture and the way in which a council executive conducts its business, can shape the way councils seek to maintain the accountability of their own creations. What the research uncovered was that a culture of accountability is vital to not only encouraging councils to seek the accountability of external bodies but also of their own arms-length bodies or other arrangements for service delivery.

The research showed that a culture of accountability rests on five factors when it came to arms-length bodies:

- the recognition by councillors that the creation of arm-length bodies does not carry with it an abdication of responsibility (that recognition was found to exist among all of the councillors that were interviewed or attended roundtable discussions as part of the research)
- a willingness on the part of council executives to not only be held to account (as it was executives that drove the arms-length development process), but also to give account effectively and openly and be willing to respond to challenge
- the embedding of accountability within the organisation of an arms-length body and a separating of that process from the decision-making process
- easy access to information and to those working within arms-length bodies for councillors charged with ensuring accountability and a willingness to learn from complaints (see Local Government Ombudsman, 2017)
- an open, communicative, positive and co-operative working relationship between the executive (or leadership) of a council and members outside of the leadership

With those factors in place accountability becomes part of the cultural operation of the council. The danger is, that as with much of local politics, a culture of secrecy can develop – particularly where a majority group attempts to exclude the minority group from having the opportunities to effectively challenge what an arms-length body may do; or, where an executive attempts to exclude any other members (or any group) from being able to make any effective challenge to the activities of arms-length bodies.

The political practices of much of local government are often based on the avoidance of internal accountability and the avoidance of public debate (Copus, 2004), rather than a promotion of an open culture which promotes challenge and question. So in creating a culture of accountability there are challenges for councils themselves:

- to recognise that accountability does mean open, public debate, question, criticism and response and, that given the party political nature of local government, that such a process will be between different parties
- to accept that the expression of differences of opinion with parties, in public, is a legitimate public process when it comes to accountability
- to ensure that executive and non-executive members recognise the different roles that they have in the accountability process: executive members must give account and non-executive members must seek account
- providing sufficient resources and support to those councillors seeking to hold the council itself to account and recognise that such a role is a legitimate and necessary part of the office of councillor

So creating a culture of accountability (and the mechanisms to support that culture) is dependent on challenging traditional patterns of political party interaction in local government. If councils cannot

provide sufficient and effective accountability processes for their arms-length bodies, then complaints that external organisations do not engage in the accountability process, will ring hollow.

Providing opportunities and mechanisms for accountability are however, insufficient by themselves to ensure that a genuine influence can be had on the operation of arms-length bodies. Councillors must have easy access to any and all information they deem necessary and they must have that information in a usable and clear format, to have effective oversight of the activities and decisions of arms-length bodies. Indeed, when developing the accountability processes for arms-length creations, councils can lead the way in developing a culture (and set of practices) of accountability that can then be used to challenge external bodies into improving their own approach to accountability.

Information is crucial to the process of accountability and so too is the means to launch an effective challenge to what is being done. The research found that councils can often under-perform when it comes to internal accountability and the situation was summarised very simply by a councillor thus:

It is very difficult to hold the executive to account when they are sitting on an overall majority of about 35 (Conservative metropolitan borough councillor)

A view which was supported by another councillor in a workshop discussion:

It's very difficult to hold the administration to account, because the ruling group has a majority of places on both our scrutiny committees and on the audit and governance committee (Opposition borough councillor, political affiliation unknown).

Not unsurprisingly the research found, that while there are certainly barriers to councils holding external bodies to account those barriers can be replicated within councils and even on some occasions, holding external organisations to account may present an easier prospect. That finding was summarised by a councillor in a workshop discussion thus:

Holding outside bodies to account is easier because they are more receptive and the relationship is less confrontational (affiliation unknown).

What the last comment illustrated was that was found to be the effects of party politics on accountability within local government which extends to arms-length organisations. That internally focused process becomes one of opposition versus majority group and focuses on the majority group's stewardship of the council and its services. Thus, there is an inherently political and party political element to the process which clouds discussion, restricts information and hinders public debate.

The findings of the research for this report shows that if local government is reluctant itself to be the subject of effective accountability, then it damages its own claim to be the body – with a legitimate electoral mandate – to hold others to account. The research indicates that if local government fails to be both accountable and to be able to hold others to account then serious failings in the delivery, quality, effectiveness and costs of a wide range of public services, could occur. The report now turns to examining how councils can develop and promote their role as the guardians of public accountability.

Governing without power: Councils and network accountability

Introduction

The research for the report found that local government today is increasingly becoming more and more about interactions with external bodies which includes negotiation, compromise, bargaining, developing influence and seeking to shape what others do, than it is about governing in the strictest sense. The ability to overtly control what other bodies and agencies do is a power local government lacks. In addition, the churn of service responsibilities in and out of local government and central government's re-shaping, re-organising and altering of the purpose of local government in the delivery of public services, can confuse responsibility and accountability. Shifts toward councils commissioning, ensuring, enabling and sharing services, also makes who to hold accountable for public service delivery and policy decisions difficult to identify. Service responsibility churn and the outsourcing of public services, opens up the democratic deficit and creates an accountability gap.

Accountability can be complex to achieve even when local government is involved in the public service delivery stream at some point particularly when councils develop different delivery models and approaches to service provision. Accountability becomes all the more difficult to secure when local government has no role in the provision of a particular service, or in decisions about the spending of public money, the development of public policy or the provision of a range of public services. As local government's involvement in service delivery is reshaped over-time – diminished, expanded or replaced – we are still left with the need secure the accountability, transparency and responsiveness to public demand of those organisations which lack a democratic mandate for their actions. Moreover, we are also left with the task that falls to local government: of trying to co-ordinate, influence and shape the actions, policies and decisions of others so that they more closely match the needs of specific areas and communities.

Thus we see accountability here as two distinct, but interlinked, processes: how councils and councillors challenge, question, critique, seek justification and explanation from and are held responsible for what they do and do not do; and, how councils and councillors seek to influence, shape and indeed to lead a disparate and diverse set of organisations from the public and private sector and to forge their activities into some coherent whole, that is: bring order to chaos. A point has been made so far in clearly showing that councils, as democratic institutions of local government, and councillors, as democratically elected local representatives, have a dual but also separate role in the two approaches to accountability set out above. The rest of the section examines how local government has approached the twin accountability challenge and how councillors have responded to the new demands on their office.

It is necessary before moving on to stress that this report is *not* about the scrutiny function in local government. Scrutiny is a formal mechanism for securing the accountability of the council administration, and has an external remit should it wish to undertake an investigation of external bodies. The research for this report has shown that the role of local government in securing public accountability extends beyond scrutiny as a functional part of the council political structure, into a much wider all encompassing political task for governing a locality. It is to how and how well councils are tackling the task of securing public accountability that we now turn.

The dimensions of public accountability

The research conducted with councils for this report showed a clear distinction in the way in which councils were attempting to shape and influence the decisions of other bodies and to hold them to account for those decisions. That distinction comes in the form of organisational and individual actions in securing influence over and the accountability of others beyond the council: that is what the council does as an organisation and how it sees its responsibilities for accountability; and, what councillors themselves do to secure accountability. As we saw in the section above, that distinct set of roles raises questions about how well, if at all, a council is organisationally arranged to be able to fulfil an accountability function and to shape the policies of other bodies; and, to what extent and how effectively does it support its councillors in their role as vehicles for accountability. At this level of activity, the research showed, there is a further distinction between the role of executive councillors and other councillors. Here we see executive councillors operating, on a day-to-day basis, at a strategic level and other councillors operating periodically at a strategic level, but more often at a functional level.

A lesson emerges here in that local government still needs to recognise the political division of labour that exists between councillors that are members of the executive and those that are not. There is a dangerous tendency of centralising all activity with executive members – not just power and control – but also holding others to account at a strategic level. Back-bench councillors' roles are now, more than ever becoming outwardly focused and are the group of local politicians who must take on the role of holding external agencies to account, through formal scrutiny and through general political activity.

The second dimension to accountability through political influence operates on a spatial dimension. That is the council and councillors operating across the authority as a whole and particularly operating beyond council boundaries with organisations that operate at a different geographical scale and shape – such as the NHS, transport agencies and the Police. In addition, to this local and supra-local authority spatial scale, is a need to understand how councillors operate to secure public accountability and influence over a range of public and private bodies at the level of the ward or division they have been elected to represent. The ward and divisional accountability function of the councillor can, of course, have a functional and strategic dimension with councillors operating around a specific service – a local GP clinic or rail-way station – and seeking to secure improvement to those services. Or, councillors can be seeking to influence the activities of bodies operating at a scale far beyond the ward or division to secure general improvements, join –up disparate bodies and organisations in how they affect the patch and seek to ensure such bodies are accountable, at that level, for what they do.

In the brief case study below the relationship between a mid-sized unitary authority in England and other organisations and bodies it works with who provide and, or shape public services, and who influence both public policy and public expenditure. There is a particular focus on these relationships with the health service as at the time of the research discussions about the Sustainable Transformation Plan were being undertaken. The National Health Service Planning Guidance (December 2015) requires NHS bodies and local authorities in England to develop Sustainability and transformation plans (STP) for the development of health and care services in their area. STP are five year plans covering all aspects of health spending in England and must provide for a better integration of NHS services with social care and other local authority services.

Case study 2: City health

The City Council has a party in control that has a significant majority over all other groups combined, is an urban area with a population of approximately 330,000 citizens and being the largest city within

its sub-national region. The city is led by a directly elected mayor, who leads a team comprising of a Deputy City Mayor and Assistant City Mayors with their own respective service area portfolios. The directly elected mayor has a clear and strong democratic mandate to provide leadership for the city and is clearly accountable for the decisions made by the Council. That position is enhanced by the stability of a four-year term which allows the leadership to perform confidently, take a long-term view of what needs to be achieved for the city and remain directly accountable to local people. The city mayor in question was previously a council leader of the same authority and in the research for this case study the mayor reflected on the transition from one model of governance to another and the perceived impacts on the health of local democracy and accountability.

While the case study is of a mayoral authority there are clear lessons here for all local government.

When it comes to the accountability of the council itself, the focus is on engagement with citizens and the provision of opportunities to question and challenge the council. These take the form of:

- Regular Q&A sessions hosted on widely used social media platforms
- Personal discussion and Q&A sessions with the mayor for citizens and community groups
- Regular engagement with the local electronic media particularly the local radio station

None of these techniques are the sole preserve of elected mayors but are mechanisms and approaches being accountable that can, and are, used by council leaders, councillors and even senior officers of the council. Their existence however, indicates the likely existence of a culture of accountability, or at least an accountability friendly culture, within the council.

Public accountability was categorised, by the city mayor, into **formal accountability, electoral accountability and informal accountability**. Formal accountability was used to describe the ways external bodies answered to the council, through the overview and scrutiny system – either through statutory relationships, such as with health scrutiny and through non-statutory scrutiny when other bodies, or services, are the subject of a review. There was also an element of formality in the way the mayor perceived his relationships with external bodies to operate.

Electoral accountability was something that existed only for councillors and the mayor – but as for all councillors and council leaders / executive members, electoral accountability is something which rests solely with local government. But it was recognised in this city by the mayor, cabinet and councillors, that electoral legitimacy, provided them with the leverage to start to engage with and question and challenge, those external organisations that impacted on the development and well-being of the city.

Informal accountability of external bodies was identified by the mayor, executive members and councillors as providing the best opportunities to challenge external bodies but those channels of influence do not occur naturally or easily. Time and energy as well as commitment and a clear strategic purpose to questioning and shaping the activities of others as part of the approach developed in this council. The council has focused its work, as a deliberate policy, on seeking to influence and hold to account particularly the services with a clear link to the priorities of the council and a deliberate attempt made to use the democratic mandate of the council to exert a significant influence on the way that services are shaped, commissioned and delivered.

Health

There are a number of health related organisations with which the council engages, such as:

- NHS England
- City and County Partnership Trust
- City Clinical Commissioning Group

- GP Practices
- Healthwatch

The council highlighted a series of important conditions which they had considered in shaping their relationships with the health service:

- **Fragmentation:** the NHS is a fragmented organisation with an equally fragmented interface with the council as there is no single point of contact and various bodies have overlapping functions and responsibilities.
- **Under-resourced:** the relationship between the NHS and the council has often depended on respective financial situations. As one officer commented, 'if one of us was struggling, the other would support and vice versa'. He went on to comment: 'The NHS and council operate under significant fiscal pressures and this has resulted in a culture of 'financial silos' where we are all more determined to keep our hands grasped tightly on our 'own budgets'.
- **Cultural incongruence:** understandings of the Public Health functions of the council and NHS organisations are still playing catch up following the recent reform in 2013. It was commented by a cabinet member that: 'the council is still not seen [by the NHS] as a health body despite the fact that Public Health transcends a multitude of council services, which influence the determinants of poor or positive Public Health'.
- **Differing Prioritisation:** There is a significant difference in priorities over health between the council and the main NHS bodies. The latter tend to focus on treatment; the council has a mainly a preventative focus.

By investing political and managerial time in assessing this one particular body the council was able to assess the quality of its relationships and start to structure a series of processes and mechanism that were focused on accountability.

Mechanisms for local accountability

In the case of Health, the only two *formal mechanisms* in which the council holds local health organisations to account is the Health Scrutiny Committee and the Health and Wellbeing Board, and as the mayor pointed out: '*while there is a duty to ensure standards of service provision, either by the council or providers, the council's role in challenging other bodies in relation to the latter is not formalised in any way beyond the scrutiny function*'. Informal mechanisms of accountability are not institutionalised. The council and key political actors, mayor and cabinet, see the accountability relationships as not a binding process and certainly not about bureaucracy and administrative processes, but much more about responsiveness and proactivity on the part of the council. Informal accountability is based, in this council, on the willingness of senior political players to: make phone calls; use direct email conversations; attend one-on-one, or small informal meetings; develop on-going relationships with officers of the various health bodies; use networking occasions; and stimulate personal interaction.

While formal Health scrutiny has a legitimate role in proactively seeking information about the performance of local health services and institutions and in challenging the information provided to it by commissioners and providers of services for the health service' its formalistic and ritualistic setting was seen as less an effective way of shaping health actions by health bodies than a series of informal interactions.

A similar conclusion as made about the formal H&W Board, bringing together partners from health organisations to develop and deliver joint health and wellbeing strategies across the city. The H&W Board is made up of a number of City Council officers and representatives from local and national health organisations, as well as a representative from the local police force. Despite the fact this the

Board is relatively new and therefore still undergoing development, this forum places a significant emphasis on the need for public accountability, one of the four key objectives in its terms of reference being;

'To provide a key forum for public accountability of NHS, public health, social care for adults and children and other commissioned services that the Health and Wellbeing Board agrees are directly related to health and wellbeing'

While the Health Scrutiny Committee is well established and is underpinned by legislation, therefore having a degree of influence that other scrutiny functions perhaps lack, there is still some doubt as to how much real power both of these formal mechanisms have in holding health bodies to account and influencing the decisions taken by such bodies. A senior Public Health officer commented that:

'partly due to the H&W Board's role being unclear, the Board has become a 'catch all' for any health related issues. The H&W Board should be utilized as a strategic oversight body to shape policies and coordinate joint/integrated solutions, not solve all health issues big and small. They do not have the capacity to do this.'

The case study did not suggest that formal, regulatory processes of accountability, such as the scrutiny committee were unimportant, far from it; the health scrutiny committee in the city has a reputation for solid and influential work and for producing reports which make vital suggestions for the improvement of the health environment of the city. What was stressed was that the formal processes were able to provide a forum for structured debate of long-term policy options, or of health performance and problems. But, the very nature of such events resulted in – often – a defensive set of interactions. Formal structures have their place, but their limitations.

The challenges

The council holds health organisations and bodies to account on two levels; a **micro** level, such as where the council monitors individual contracts with health providers, and the **macro** level, where the council attempts to address wider issues such as hospital waiting times and overflows. At the micro level, the council, through both formal and informal mechanisms of accountability openly admits that it is far more effective at the macro level. The NHS is a strong, relatively inward looking organisation. When asked to comment, the Deputy Mayor said *'...can I stop the NHS and other organisations doing different things? No, not really.'* He went on to comment that it is problematic when the local authority is dealing with *'strong organisations who don't understand public accountability, or accountability to politicians, or the values and ethos of people having mandates from the public as representatives and this particularly is a problem with the Clinical Commissioning Group who seem to see themselves as being more accountable to GPs than anyone else.'*

An example that highlights this is the recent decision taken by NHS England to stop the provision of a specialist health service at a local hospital. Despite evidence demonstrating that the local hospital is meeting standards set by the national body and despite local investment in the expansion of the hospital already being agreed, NHS England made the decision to remove the service. It is a decision taken by NHS England despite the publicly expressed position of the council, key political players from the council, local residents and several local health bodies. Councillors and council officers feel that the decision was taken by a pan-area unelected body, with little or no involvement with the council and despite local opposition.

The Deputy Mayor highlighted a very important aspect of how the council interacts with other bodies: on the one hand, the council is a partner to a range of organisations and has a duty to work collaboratively with shared priorities and visions and also has to take decisions jointly on issues such as shared budgets.

On the other hand, the council has a role in challenging and criticising the very same bodies when it

feels that the wrong decisions are being taken, the wrong policies developed, or when action is taken which does not accord with the overall policies, priorities or vision of the council. Here lies the most prominent challenge for public accountability – balancing being an effective partner and being a ‘critical friend’ and being critical while remaining a friend.

The Mayor and the Deputy Mayor, expressed a clear consensus that the council acting to secure the public accountability of other organisations which impacted on the city and council was a vital part of the political responsibilities of the council; accountability is equally vital in ensuring effective and sustained delivery of public services.

There is a clear belief that publicly accountable services and decision making are both essential to the health of local democracy, however there are frustrations in the fact that this belief and sense of commitment is not shared across other areas of the public sector.

The case also highlights the need for councils to have a very clear idea of the purpose of public accountability. Is public accountability there for the sake of it, after becoming a fashionable buzzword in both academic and political spheres? Is public accountability there to give people a genuine say and influence? Is it there to deliver better public services outcomes? The Deputy Mayor of the City Council provided a number of relevant comments:

‘[Public Accountability] should be about delivering better engagement with citizens but also leading to better decisions, better services and better outcomes and not just something that should be sustained for the sake of it.’

‘It should not just be about ticking a box, or about the process of accountability, but what the outcomes are; what is the point if it doesn’t deliver better outcomes?’

‘It should deliver a vibrant and active democracy where people have a say and influence and are engaged in what happens around them and the services that are delivered for them.’

Public accountability, for this council, is an emerging policy priority and a way of ensuring that a democratically elected body is able to shape, influence, have oversight of and bring some coherence to the interactions not only between the council and other bodies but between a range of external organisations themselves.

The case demonstrate how councils are faced with continually attempting to balance what could be achieved through formal mechanisms of accountability, with a more robust and richer approach to public accountability which rests on the creation of ongoing, personally focused relationships that enables local government to shape broader policy agendas.

What is not being suggested here however, is that formal mechanisms have no place or are ineffectual as a means by which local government can have oversight of external bodies: that is simply not the case. Formal mechanisms, such as over-view and scrutiny, are vital to provide an official, even statutory, forum within which accountability can be secured. If accountability is a process of questioning, seeking justification and explanation and receiving an account of the actions or inactions of others and recording that process, it must be done in a setting which can pass an authoritative judgement on the actions of others. Moreover, the councillors, as elected representatives, involved in the accountability process require a formal setting in which to record their own actions, or inactions, in challenging others; informality may be more effective as a method of influence but formality provides evidence that the accountors and accountees have done their jobs properly.

But there are clearly weaknesses in the system and in the formal and informal processes of public accountability, not least the time and effort that councillors have to invest into such a process and with so little certainty that they will secure a positive result. A councillor interviewed for the research commented:

Being a councillor brings me into direct contact with outside public bodies and in particular the NHS organisations. I don’t feel they take us very seriously and so much time and effort

goes into getting the most basic response (Labour borough councillor)

The view expressed above, was a commonplace response received from councillors, throughout the research. It is indicative of a realisation among councillors that the label 'councillor' is no guarantee of access to other organisations, provides no certainty that information, data or communication would be forthcoming from external bodies, or that an effective co-operative accountability relationship will exist – formally or informally – for councillors with other organisations.

So, given the shifting sands of the landscape of public and private providers involved in delivering public services and given the need to hold each and every one of those providers to account – individually and collectively, it is necessary to conclude this report by setting out the future of local government's role in public accountability

Conclusions: local government a new and challenging role

The report has set out the findings of research conducted among councillors about the way they approach their emerging role as a vehicle for public accountability. That is, how they interact with a vast array of external agencies and bodies that provide public services, develop public policy and spend public money, but do so without the democratic mandate that rests with the elected council and its councillors.

Our councillors are experiencing greater and greater pressure to engage with the world beyond the council, both at strategic, council-wide level and at a more functional ward or divisional level. But, the process is the same – using formal and informal mechanisms to question, challenge, seek answers, justifications and information from, and attempt to shape the policy and decisions of bodies beyond the council. A depressing conclusion that can be drawn from the research is that great chunks of the public sector – beyond elected local government – and many within agencies and organisations providing public services, do not see part of their role as being held to account by councillors. Indeed, councillors reported during the research being made to feel like a *'nuisance'* by some organisations and that being a councillor was no guarantee that external agencies would be responsive to calls for engagement, involvement or information. There was a scattered pattern across the country of willingness by external agencies to engage with councillors and with the same national organisation displaying different levels of tolerance to councillors' engagement in different parts of the country'. One councillor summarised the situation thus: *'In that cartoon, Scooby-doo, the villain always says at the end "I'd have gotten away with it if it wasn't for those pesky kids". Well I always feel like I'm hearing "we'd have got away with it, if it hadn't have been for those pesky councillors"!*

What we see is that context matters to how councillors can interact with others and the effectiveness of those interactions. Our councillors operate in a local government system that is constitutionally weak with little real governing power and heavily constrained by the centre in what it can and cannot do. Our local government is large in scale, compared to local government across the globe, which distances it from those it represents and on whose behalf it seeks to hold others to account.

Local government operates in a marketised, mixed economy of services provision which creates a fragmented environment of many competing agencies, organisations and bodies which not only provide public services, but which spend public money and make public policy, but which lack the democratic mandate to do so that is held by councillors. As a result of the context of public service provision within which local government operates, councillors need not only to see public accountability as a vital role in governing their areas and representing their communities, but they need to conduct their interactions with other bodies from a set of realistic expectations and assumptions about what can be achieved through co-operation within governance networks.

Councillors are more and more required to engage in inter-network and inter-agency diplomacy and do so from a sense of what can realistically be achieved and that requires councillors to step away from the ideological certainties of the party of which they are a member. That step is necessary because councillors operate in a fragmented and often chaotic network of competing and interacting agencies and bodies with different:

- Purposes
- Resources
- Policies
- Structures
- Geographical boundaries and spatial scale

- Ambitions
- Powers

Moreover, the organisations with which councils and councillors interact to shape their policies and hold them to account have little or no effective and direct accountability to the public and certainly no democratic mandate.

What we have seen in the report however, is that securing the accountability of others, or influencing the policies of other organisations, is not a guaranteed outcome for local government simple because it does have a mandate that others lack. Councillors must invest precious time, energy and resources in constructing relationships with those they wish to hold to account or influence and must continue to refresh those relationships periodically as personnel change occurs among those bodies. There are two ways to bring accountability to the chaos of governance networks with which local government must interact. The first is for **incremental** change within the confines of the existing statutory and political system that local government inhabits; and, the second is for a **radical** transformation of the relationships between central and local government and the role of local government within the overall governing system.

Incremental change

Accountability can be formal – through a set of authoritative mechanisms and process; or it can be informal - through interpersonal interactions; but, the two approaches are mutually self supporting and both have their role to play in providing councils and councillors with the necessary opportunities to engage with others so as to be able to have oversight of their actions and decisions and the reasons for them.

There is a straightforward set of steps councils need to take to ensure that they, as the only elected body in town, are able to secure the strengthening of their ability to hold others to account and provide themselves with maximum opportunities to influence external agencies:

- Recognise that holding others to account for their provision, oversight and delivery of public services is a vital democratic role that only elected councils and councillors can achieve
- Create a culture of accountability within the council so that councillors are positively encouraged to engage with external bodies to secure their accountability
- Resource and support councillors in their emerging role as the vehicle for public accountability
- Do not restrict the role of holding others to account to executive members
- Ensure that the formal process – overview and scrutiny committees – are resourced and supported in their roles so they can conduct external scrutiny and have an accountability relationships with arms-length bodies
- Ensure their organisation facilitates and supports councillors in both the formal and informal settings for accountability and influence within which they operate
- Create local public accounts committees of back bench councillors and give them the necessary support and resources to call witnesses and examine evidence from all those with a responsibility to provide public services
- Map and understand the intricate networks of public service providers that operate within and across the area of the council and provide regular forums and opportunities for councillors to engage with external agencies to seek to influence their activities and decisions.

The above list of incremental changes can be achieved within the existing system of local government,

but they are likely to meet resistance from those unwilling to accept local government's role in holding them to account. Although legislative change could give local government overview and scrutiny committee's more power and responsibility there is little sign that is likely to happen soon.

There is another approach and admittedly one less likely than incremental change and that is to seek a radical reconfiguration of the role of local government and this is more of a long-term strategy that all councillors can pursue.

Radical reformulation of the role of local government in public accountability

A second approach to ensuring that public accountability becomes a reality and that tragedies like the Grenfell Tower fire are avoided, as far as possible, is for the local government community to push for a radical reconfiguration of the role of local government. That is, for stress to be placed on 'government' and on the governmental capacity and functions of councils and to recognise their politically representative role far more than is currently the case. Rather than local government needing the voluntary co-operation of those they seek to hold to account councils require a series of enhanced statutory powers to ensure that external agencies and bodies respond to and engage with councils in their policy formulation, decision-making and in being held to account for their actions or inactions.

A new constitutional settlement is needed, where the centre devolves to English local government not just a new range of tasks and associated budgets, but also provides local government with a range of powers over other agencies. Indeed, for public accountability to become a reality local government requires the power over any and all organisations (whether in the public or private sector) providing public services within their area to:

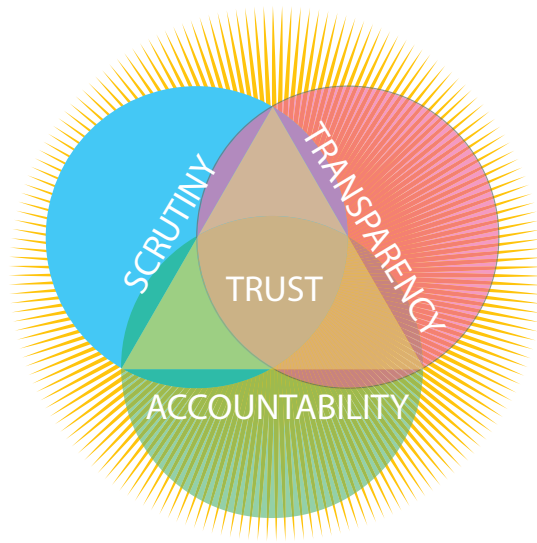
- Subpoena evidence, information and data
- Require co-operation with the council when public service providers are developing their own policies in regard to the public services for which they are available
- Enact local legislation to ensure the compliance of external agencies with the directions councils issue in regard to public services and their providers
- Set standards of performance and quality with which public service providers must comply
- Issue detailed local regulations about public service provision and development

These new powers will transform local government's ability to ensure the accountability of external agencies involved in delivering and shaping public services and spending public money. It would also see local government as a governing entity which while responsible for the delivery of some public services, also had control over other agencies and could shape and direct their activities.

A final word on accountability

When public services fail, the public rightly ask: why, who was responsible, what is to be done, how can we ensure that failure does not reoccur and what lessons are there to learn? It is our elected councillors who are best placed to ask those questions on behalf of the public and receive the answers; it is our councillors who should be best placed to ensure those answers are acted upon. Moreover, it is our councillors who should be best placed to ensure that public service failure does not occur in the first place. That they are not yet in such a position, at least in a wide-spread sense of a power for local government, shows that the role of public accountability and its importance has yet to be fully grasped. As public service provision continues to be fragmented, diverse and largely unaccountable to the local public, local government must seize the opportunity that now exists for it to have far more influence than it currently does over great swathes of the public sector. If

that opportunity is lost and further public service fragmentation occurs, we may find the continued existence of local government called into question. The local mandate must be used as the muscle to secure accountability and to bring order to chaos.



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