

# POLICY BRIEFING

August 2017

Welcome to our NLGN ‘Policy Briefing’, exclusively for our members. This briefing collates the most interesting reports that we have come across over the last month.

This briefing is organised into the following headings:

- Devolution, Growth and Industrial Strategy (p1)
- Public Service Reform (p3)
- Digital Technology (p5)
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- Organisational Development (p7)

## ■ DEVOLUTION, GROWTH AND INDUSTRIAL STRATEGY

<b>Progress in Setting up Combined Authorities</b>	<b>National Audit Office</b>	<b><a href="#">Link</a></b>
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This report provides information on the development of Combined Authorities (CAs), highlighting the potential and risks. It reports that there is a clear purpose to establishing combined authorities, especially in metropolitan areas. However, evidence that investment, decision-making and oversight at this level is linked to improved local economic outcomes is inconclusive at this stage. This is partly because combined authorities and the deals they have received vary. In areas where CAs are not yet established there have been difficulties in getting councils to collaborate. On long term sustainability, the report concludes that while combined authorities add to the already complex structure of local government in England, they have the potential to improve accountability. However, capacity is currently limited and there is a risk councillors will not have the time to provide effective scrutiny. The lack of geographical coherence between most combined authorities and other providers of public services could make it problematic to devolve more public services in the future.

<b>Governing England: Devolution and Mayors in England</b>	<b>British Academy and Carnegie UK Trust</b>	<b><a href="#">Link</a></b>
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Bringing together evidence from roundtables across the country, this report explores what the future is for those regions outside the patchwork of combined authorities that have now been established; whether the change we have witnessed is real devolution or simply another round of local government re-organisation; whether the powers and funding given to the new combined authorities will be sufficient to tackle some of the regional challenges; and whether the metro mayors will ever be able to make meaningful change. It finds that many feel current arrangements are not fit for the purpose of strong economic development, with common reasons given for the development of CAs being democratic, service delivery related, or reflecting administrative convenience. The use of functional economic areas was poorly suited to areas which are not urban. It also found that in many areas there is a sense that a greater focus on identity is needed.

<b>Laying the Foundations</b>	<b>Industrial Strategy Commission</b>	<b><a href="#">Link</a></b>
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This report outlines what the commission see as the key foundations of an industrial strategy. It argues that in the context of growing economic uncertainty industrial strategy should become the organising principle for UK supply-side policy across all government departments. The commission argue this is not about the government handing out money to chosen businesses or sectors but to create the conditions for long-term investments in productive and innovative business activity, ensuring that the economy is geared towards meeting key national challenges. It goes on to argue that current challenges – poor productivity performance; pronounced regional differences in economic performance; a low rate of investment; uneven skills distribution; a weak trading performance and a weakening diffusion of innovation – will not be addressed by existing policy and there is a need for decentralisation.

<b>Policy Priorities for the New Government</b>	<b>The Royal Town Planning Institute (RTPI)</b>	<b><a href="#">Link</a></b>
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This statement to the new government from the RTPI sets out key priorities for planning, industrial strategy, housing, climate change and mental health. Among priorities listed are:

- Boost local authority capacity to deliver (including raising planning fees)
- Allow local authorities to dispose of land with the benefit of planning permission they have granted
- Introduce measures to support neighbourhood planning
- Ensure housing requirement policies address needs of older and disabled people
- Give local authorities the power to capture the uplift in land value that follows when land is earmarked for development, allowing the benefits of growth to be reinvested into high quality affordable housing and infrastructure for communities
- Confirm and elaborate on the ‘Digital Land’ plans outlined in the manifesto. Opening up the Land Registry and making information on land more transparent has cross-party support, and from developers and civil society
- Get more people building homes by offering ready permitted sites to SME builders
- Use the Industrial Strategy to set a mission to deliver one million new homes.

<b>What Investors Want: A Guide for Cities</b>	<b>Centre for Cities</b>	<b><a href="#">Link</a></b>
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This report argues that at a time of low government investment, economic growth in cities requires private sector investment. Investors are attracted to cities that have a strong economy with growth potential, excellent transport connections, a pro-investment city leadership, and a responsive, pro-investment planning system. It argues that to develop investment opportunities further, city leaders should focus on:

- Using expert resources to ensure they understand how investors think and behave
- Providing an ambitious vision and plan to ensure investors know what is required and the information they need to provide it
- Building networks to sell the city rather than wait for investors to come to them
- Closing the deal by being more active and using assets to leverage investment.

■ PUBLIC SERVICE REFORM

<b>Rebooting Health and Social Care Integration - An Agenda for More Person-Centred Care</b>	<b>Localis</b>	<b><a href="#">Link</a></b>
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Health and social care integration has the potential to improve financial sustainability, move care away from the acute sector into the community, and create person-centred approaches that provide a better experience for people receiving services. But it is under threat. To have a future, health and social care integration must move away from notions of structural integration and reliance on central policy direction. The report makes several recommendations to government on how to reboot health and social care integration including:

- Make the question of a sustainable funding solution central to the forthcoming green paper
- Support collaboration around finance and commissioning locally by simplifying departmental responsibilities
- Support the long-term joining up of social, primary and community services in order to create person-centred local services, and set out a medium-term strategy up to 2025
- Establish a long-term health and care workforce review
- Encourage local authorities to use the capitalisation mechanism to invest in digital technology
- Legislate to make Personal Health Budgets mandatory for the most promising specific care pathways
- Make data sharing between the NHS, social care and the relevant community partners a strategic objective of the next published NHS Mandate (2018/19).

<b>Right to Home? Rethinking Homelessness in Rural Communities</b>	<b>Institute for Public Policy Research (IPPR)</b>	<b><a href="#">Link</a></b>
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Homelessness is on the rise across England, and many households in rural areas are threatened with, or experience, homelessness due to the considerable shortage of affordable housing in rural areas. Furthermore, the prevention and relief of homelessness is complicated by poor economies of scale; poor transport connections; constrained resourcing for specialist services; isolated communities; and limited alternative housing provision. This report considers the scale and nature of homelessness in rural areas, and provides six recommendations for reducing homelessness in rural areas including:

- Bespoke devolution deals on housing and planning
- A new national homelessness strategy centred on the Homelessness Reduction Act 2017
- Rural homelessness forums to share intelligence and best practice, and to develop partnership models
- Rural homelessness forums should devise a standard monitoring form to collect information about individuals who are homeless or at risk of homelessness
- Local authorities should record the ‘home’ council of all homeless households during initial homelessness assessments through standardised forms and include this in their quarterly returns to government
- Councils, working through rural homelessness forums, should set up rural community hubs and weekly drop-in sessions that provide a multi-agency response to rural homelessness.

<b>The Local State We’re In</b>	<b>PwC</b>	<b><a href="#">Link</a></b>
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PwC has produced a report based on its annual survey of local government leaders and chief executives. Against an ongoing backdrop of austerity, the sector also faces the challenges of digital disruption, engaging the public, filling capacity and capability gaps, embracing the potential of data and analytics, and working in partnership to deliver place-based growth and public sector reform. The report suggests ways in which councils can respond to these challenges:

- Developing strategies to drive place-based growth and securing a clearer economic identity and inclusive approach for their areas

- Working across places and securing the right public service reforms to underpin the delivery of key economic and social objectives and outcomes
- Focusing on building the right skills, capabilities and processes to secure organisational resilience, including commercial skills
- Embracing the value of data as an asset and investing in an analytics capability: to inform decision-making; drive smarter, earlier interventions; and to influence behaviours
- Harnessing emergent digital technologies to change traditional ways of working and create new value, experience and insight.

### Growing Places: Building Local Public Services for the Future

LGA

[Link](#)

This paper focuses on the most important issues and challenges for local councils and their residents, which will form the foundation of LGA's campaigns. It outlines the shifts in resources and approach that will need to happen to enable councils to meet these urgent priorities. Some of the paper's proposals call for:

- Increased fiscal powers locally that go beyond business rates retention; for example, allowing areas to retain a proportion of nationally collected taxes paid by their residents, such as income tax or stamp duty
- Making the future of adult social care an urgent national policy, including closing the projected funding gap facing adult social care by 2020
- Sufficient funding and increased powers for education, including changing legislation to give councils the power to direct academies to expand to meet local demand for new places and admit vulnerable and excluded pupils
- Closing the £2 billion funding gap in children's services funding by 2020
- Supporting councils to build new homes, including by lifting the borrowing cap on the Housing Revenue Account.

### Local Public Services 2040

Social Market Foundation

[Link](#)

This report sets out the factors that could affect the future of local public services over the next two decades and what new roles for local government could exist by 2040. Some major trends in society are likely to shape the demand and supply of local public services: the ageing population, increasingly fragmented families, the potential of technology and big data, environmental risks such as flooding, and greater fiscal devolution. The report introduces broad categories for how councils and local public services could evolve in response to these challenges, envisioning the state of play in 2040:

- 'Industrial councils' with strong tax raising powers and increased power over wide geographical development areas
- 'Ofcouncils': take on a regulation function and withdraw from service delivery, regulating the private rented sector, technology and utilities
- 'Tech opportunist' councils which pursue the adoption of technologies in public services – from robot carers to using data analytics to drive behaviour change
- 'Commissioning Councils Revisited': a new form of this type of council will be focused on local and voluntary sector providers as well as ways to cut costs, exploring crowdfunding
- 'Community Councils' - which are for the community, by the community. They address issues such as loneliness in carers and building resilience to floods.

<b>Housing First Feasibility Study for the Liverpool City Region</b>	<b>Crisis</b>	<b><a href="#">Link</a></b>
<p>This reports presents the findings of a study designed to test the feasibility of implementing Housing First at scale within the Liverpool City Region. The reports provide an overview of the current homelessness system within the regions including the type and amount of commissioned supported housing; the demand for this provision, and a summary of key issues. The report argues for solutions based on the views and experiences of people with lived experience of homelessness and summarises the evidence on Housing First. It proposes an integrated prevention and housing-led system, and provides details about its staffing structure, assessment and referral processes, housing procurement, and the size of the potential cohort of service users. It also considers the financial and commissioning implications of the proposed system, the potential cost effectiveness of this system, and transferring funding from current models to the proposed housing-led system.</p>		

## ■ DIGITAL TECHNOLOGY

<b>Gainful Giggling: Employment Services for the Platform Economy</b>	<b>Reform</b>	<b><a href="#">Link</a></b>
<p>Recent advancements in technology have paved the way for new employment practices, like flexible freelance projects via online platforms. This report looks at the opportunities this will provide for people with complex work barriers to access the physical, mental and financial benefits that appropriate work offers, where they might otherwise be excluded from the labour market completely. It recommends that:</p> <ul style="list-style-type: none"> <li>• The Work and Health Programme should pilot the use of job outcome criteria that are more conducive to flexible forms of work for claimants who are unlikely to consistently achieve a fixed level of hours or earnings</li> <li>• Jobcentre Plus Work Coaches should be upskilled in supporting suitable claimants to find work on online labour platforms where appropriate</li> <li>• Universal Jobmatch should use a programme for scraping and collating individual tasks from different platforms in real time, allowing jobseekers to efficiently assess the work currently available across multiple platforms</li> <li>• A machine-learning recruitment tool should be used to offer jobseekers more personalised task suggestions based on the previous work Universal Jobmatch paired them with.</li> </ul>		

## ■ FINANCE

<b>Bricks-Mortar-Money: Property Investment as a Potential Means of Securing an Additional and Sustainable Source of Revenue</b>	<b>Association for Public Service Excellence</b>	<b><a href="#">Link</a></b>
<p>Local Authorities are estimated to have invested over £1bn on property assets since 2016 for three reasons. First, to mitigate the impact of austerity on service. Second, to diversify incomes and help councils become self-sufficient. Third, to empower local leaders to improve the area. The report provides a simple 10 step approach to getting started with property investment and eight case studies. The report concludes that commercialisation and entrepreneurship are key strategies for many councils for generating income and mitigating cuts. Councils should be aware that investments carry risks, and that due diligence and on-going governance is therefore crucial.</p>		

<b>Building Bridges: Bringing Councils, Communities and Independent Funders into Dialogue</b>	<b>NLGN</b>	<a href="#">Link</a>
<p>This report explores the need for a new relationship between councils, communities and independent funders to support a thriving civil society and deliver on the prevention agenda. The report discovers three key barriers to a new working relationship, namely a lack of clarity about where responsibility lies in the current system; a paucity of opportunities for new conversations to remedy this lack of understanding; and a need for councils and other funders to step back and put communities in the driving seat. It makes a series of recommendations to overcome this, including the development of regional meetings to identify opportunities for collaboration and innovation in specific service areas; local authorities adopting an approach akin to co-production to develop long term strategies for civil society; and funders of civil society acting as enablers to put communities in the driving seat of defining what ‘good’ looks like in prevention.</p>		

## ■ EMPLOYMENT AND SKILLS

<b>Good Work: The Taylor Review of Modern Working Practices</b>	<b>GOV UK</b>	<a href="#">Link</a>
<p>This report believes that all work in the UK economy should be fair and decent with realistic scope for development and fulfilment. To achieve this, it developed a seven-point plan:</p> <ul style="list-style-type: none"> <li>• Explicitly direct the national strategy for work toward the goal of good work for all by recognising that good work and plentiful work can and should go together</li> <li>• Ensure fairness for those who work through these platforms and those who compete with them by being clearer about how to distinguish workers from those who are legitimately self-employed</li> <li>• Help firms make the right choices and individuals to know and exercise their rights by providing additional protections for this group and stronger incentives for firms to treat them fairly</li> <li>• Ensure good management and strong employment relations within the organisation</li> <li>• Create realistically attainable ways for everyone to strengthen their future work prospects</li> <li>• Develop a more proactive approach to workplace health</li> <li>• Accompany this with sectoral strategies by engaging employers, employees, and stakeholders.</li> </ul>		

<b>Work in Brexit Britain: Reshaping the Nation’s Labour Market</b>	<b>Resolution Foundation</b>	<a href="#">Link</a>
<p>This report examines the shifts of national life under Brexit and wider economic issues. It predicts that the UK economy will experience a dual shock of big increases in the relative cost of low paid labour and a potential reduction in the supply of it. The report discusses these forces and how business and policy makers might rise to the challenges they pose. It recommends that:</p> <ul style="list-style-type: none"> <li>• The Migration Advisory Council (MAC) should have a greater role, and additional resources, to inform decision making on the UK’s skills needs and migration</li> <li>• More occupations will probably need an exemption from the current salary threshold for skilled migration</li> <li>• We can minimise the costs of any new immigration system by allowing migration by EU/EEA nationals with a job offer in a shortage occupation</li> <li>• New temporary worker schemes should be created and for those sectors that have no experience of using these, support should be provided</li> <li>• The Home Office’s enforcement budget may need to rise from £427 million to as much as double this</li> <li>• Need to guarantee the rights of those migrants that currently live and work in the UK given how much the UK labour market depends on them</li> <li>• In the near future, the new government should publish a green paper setting out its vision for what the new immigration system aims to achieve.</li> </ul>		

## ■ ORGANISATIONAL DEVELOPMENT

Does Local Government Work for Women?	The Fawcett Society and LGiU	<a href="#">Link</a>
<p>Women make up 78 percent of the local government workforce and they are more likely to rely on the services that councils provide. But they are not properly represented among decision-makers. One in three councillors in England is a woman and in the devolved regions, all the six elected metro mayors are men. Among the women who are elected, BAME women and women with disabilities are under-represented. Women face both structural and cultural barriers. They report encountering sexist attitudes in the chamber, from fellow councillors and the party-political structure; and women with caring responsibilities face considerable barriers to participation. To address these challenges, the report makes a series of recommendations including:</p> <ul style="list-style-type: none"><li>• Setting targets for women’s political representation</li><li>• Supporting parents on councils through maternity, paternity and parental leave entitlements</li><li>• Legalising remote attendance at council meetings, including voting rights</li><li>• Establishing more powerful Standards Committees and clearer standards and training</li><li>• Introducing term limits for councillors</li><li>• Adopting requirements for gender balanced cabinets and formal shadowing opportunities through the creation of ‘deputy cabinet member’ roles</li></ul>		