Meta-Evaluation of the Local Government Modernisation Agenda:
Progress Report on Accountability in Local Government

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Preface

The 1998 and 2001 White Papers introduced more than 20 policies to modernise local government. These policies are collectively referred to as the Local Government Modernisation Agenda (LGMA). Many of these individual policies are the subjects of large-scale evaluations charting progress since their introduction (as set out in the accompanying list). But what of the combined impact of the LGMA? Has the LGMA improved local government performance, enabled local government to work and interact better with its users or changed the way it is viewed by the public?

In order to explore the potential combined impact of individual policies within the LGMA, the Office of the Deputy Prime Minister commissioned a meta-evaluation. Its remit is to identify the initiatives which have been key enablers of desired changes (as well as those which may have been counterproductive in their impact) and to explore whether the LGMA policies add up to more than the sum of their parts. The meta-evaluation brings together the findings from evaluative research into the individual policy elements of the LGMA and also draws upon the results of surveys and case studies undertaken specifically for the meta-evaluation.

The Evaluation Partnership, made up of all the evaluation teams undertaking research on the LGMA, is overseen by a steering group with members from the following organisations: Audit Commission, Employers Organisation, IDeA, LGA, ODPM and SOLACE.

The meta-evaluation explores the totality of the impact of the LGMA policies across five over-arching areas:

- Service Improvement
- Accountability
- Community Leadership
- Stakeholder Engagement
- Public Confidence

Each of these areas is the subject of a progress report. This report focuses on accountability and addresses the following key issues:

- Has accountability in local authorities in England been increasing?
- Are changes in accountability due to LGMA policies?
- What have been the key drivers of accountability?
• What are the implications of these findings for policy makers and practitioners at national and local government levels?

The research is being undertaken by a team led by the Centre for Local and Regional Government Research at Cardiff University which includes partners from Bristol Business School and the Cities Research Centre (University of the West of England), INLOGOV (University of Birmingham), Local Governance Research Unit (De Montfort University), Local Government Centre (University of Warwick), MORI, PriceWaterhouseCoopers and York Consulting.

The views expressed in this report are those of the authors and do not necessarily represent the views of the Office of the Deputy Prime Minister.

Further information about the meta-evaluation can be found at:

http://www.clrgr.cf.ac.uk/lgma/
ODPM funded evaluations of LGMA policies

ODPM has commissioned a programme of evaluations of LGMA policies. This progress report draws upon evidence from a number of these studies as well as new primary data collected specifically for the meta-evaluation from a national survey of local authority officers and in-depth interviews in six case study authorities.

The following studies are on-going:

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We also acknowledge the contributions of our colleagues at Cardiff. James Downe has managed the day-to-day running of the research and played a key role in survey design, case studies and data analysis. Tom Entwistle has led the case study research. Alex Chen has been responsible for data analysis.

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For further information about the research see www.clrgr.cf.ac.uk
Executive Summary

1. Introduction

This is the first report from the team examining the impacts of the Local Government Modernisation Agenda (LGMA) on local government accountability, within the meta-evaluation of the LGMA. The team has collected evidence from government documents, published and unpublished research evaluating individual policy streams of the LGMA, and through primary data collection in the form of a survey of local authority officers and case studies in six local authorities (involving interviews with members, officers and other stakeholders, and focus groups with residents).

2. Accountability within the LGMA context

Improvements in local authority accountability are high on the Government's modernisation agenda. This is reflected in policies on political management and ethical standards, finance, performance, e-government, local democracy and partnership, community leadership and well-being. We have defined accountability in terms of four key dimensions: taking into account, giving an account, holding to account and redress. However, the LGMA operates in a wider local and national context and consequently we identify other factors that may impact on accountability, either positively or negatively.

3. Changes in local government accountability

There has been some increase in accountability, especially in relation to taking into account and giving an account. The evidence of accountability improvements in relation to holding to account are less clear, with some instances where accountability has not changed or has decreased. There is little evidence of changes to levels of ‘redress’.

There are high and increasing levels of engagement with key stakeholder organisations, and this is more pronounced than involvement with the general public. Officers perceive that local authorities are explaining their decisions more effectively to stakeholders, service users and residents than three years ago. However, residents, who report problems in relation to councils' ability to
communicate information, particularly in two-tier authorities, do not share this view.

Accountability is now a higher priority for councils than three years ago. The accountability of senior managers has increased to a greater extent than that of elected members and frontline staff. This may be due to their greater exposure to the community as a result of involvement in consultation and partnership working.

There are weaknesses in the accountability of partnerships, but local authorities are taking a lead in ensuring that Local Strategic Partnerships (LSPs) have enhanced accountability.

4. Policy impacts on local government accountability

Are accountability improvements due to LGMA policies?
LGMA policies have had a strong positive impact in making local authorities more accountable. Comprehensive Performance Assessment (CPA), Best Value, Community Strategies and Local Strategic Partnerships (LSPs) have had a significant impact, followed by new political management arrangements and Local Public Service Agreements (LPSAs). The introduction of New Council Constitutions was mainly seen as a driver for improving the accountability of elected members.

What have been the other main drivers of accountability improvements?
Leadership by members and officers has been a particularly important internal driver for accountability improvements. This is particularly the case where councils had a pre-disposition to the LGMA policies in this area. Demands from residents were identified as a key external driver by officers, possibly arising from the greater use of consultation and ‘taking into account’ mechanisms.

Do elements of the LGMA hinder accountability improvements?
Most of the LGMA policies have contributed to increased accountability but several policies have also introduced some limitations on improvements in local government accountability – in some cases due to transitional problems of moving from one system to another (as in the creation of effective scrutiny of the executive or in grappling with the potential contribution of e-government) and sometimes due to the more
complex institutional arrangements that LGMA policies have created, for example in relation to LSPs and postal voting.

There are three main accountability limitations. One is the tension between the gains from partnership working (especially in terms of service improvement and stakeholder involvement), and the weaker accountability arrangements it brings. The second is the relationship between managerial and political accountability, especially where managers are now operating more in areas that were traditionally seen as the preserve of politicians. The third limitation is between contracting out and accountability, where there may be gains due to clearer specification and monitoring but also limitations due to arm’s length provision.

Do LGMA policies have different accountability impacts in different types of council?

The LGMA has had a varied impact, even though an identical (or very similar) set of policies is being implemented by all local authorities, because each operates within a unique historical, political and organisational context. For example, officers working in London and Metropolitan Boroughs are more likely than officers in District and Unitary Councils to report that accountability is now a higher priority than it was three years ago. Improved accountability has long been a high priority for officers working in excellent, weak and poor councils, whilst officers in weak or poor authorities are more likely to agree strongly that accountability is now a higher priority than it was three years ago. This could be explained by the fact that these authorities have experienced more contact and engagement with central government over the last three years.

Do LGMA policies on accountability reinforce each other?

There are complementarities between policies on new political arrangements (especially regarding visibility of decision-makers), elections and e-democracy, and public participation, although there are also some limitations here in respect of scrutiny processes that are not well developed and where public participation is limited. The main inconsistencies arise in relation to the balance between central and local accountability and the introduction of partnerships that confuse the already complex lines of accountability within a local authority. A further key conflict concerns the tension between traditional representative forms of accountability and more deliberative forms, such as duties to engage and consult with the public.
5. Conclusions and implications for policy and practice

The evidence suggests that there have been improvements in accountability since the introduction of the LGMA. However, it should be noted that there are also a number of areas where there is mixed evidence or no change. The LGMA policies which have had most effect are not those with the strongest direct focus on accountability – for example, whilst new political management arrangements, Community Strategies and LSPs are all seen as key drivers of accountability by at least two thirds of local authority officers, the policies cited most frequently (by four-fifths of respondents) are CPA and Best Value, which focus more on accountability to central government rather than local stakeholders. There is limited evidence that improvements in accountability have promoted increases in public confidence in councils.

Implications for central government

NEIGHBOURHOOD GOVERNANCE

Proposals on neighbourhood arrangements offer new mechanisms through which the four aspects of accountability could be enhanced. They also have the potential to increase accountability of non-local government agencies delivering local public services, especially through a focus on accountability for outputs. Our research highlights the need to be conscious of the way in which these arrangements will increase the complexity of local government accountability, especially if new agencies are created to deliver elements of local government's remit.

THE RELATIONSHIP BETWEEN ACCOUNTABILITY AND PERFORMANCE

There is a need to be conscious of the impact of centrally determined performance frameworks on the way in which local authorities understand their primary accountability relationships. CPA gives a much sharper judgement on a council's performance than the electoral process, and with potentially greater impact (in relation to intervention or freedoms).

ACCOUNTABILITY TRADE-OFFS

There is a need for local and central government to understand the interactions between different policy initiatives in terms of cumulative changes to local government accountability. There may be trade-offs to be made between strategies that improve outcomes for citizens and communities and those that enhance accountability. These trade-offs can be resolved by designing 'good enough' governance arrangements, in terms of the purpose and responsibility of the initiative in question.
Implications for local authorities

LOCAL LEADERSHIP
Leadership by members and officers emerged as a key internal factor in driving accountability improvements. There may be opportunities for local leadership to address elements of the accountability framework where we have been unable to identify significant change.

CONSULTING WITH RESIDENTS
Local councils are increasingly taking the views of residents and stakeholders into account through numerous consultation and participation exercises. This research suggests that, overall, residents are reasonably happy to participate in such exercises. However, participants are not always informed about the outcome of consultations which may diminish their enthusiasm for taking part in the future.

COMMUNICATING WITH RESIDENTS
Evidence from this and other research indicates that local authorities have been producing more information on their policies and actions than ever before. However, residents do not share this view. This suggests councils might need to give further thought to the way in which they communicate with the public and the accessibility of the information they currently provide.

Implications for stakeholders

IMPROVING THE ACCOUNTABILITY OF PARTNERSHIPS
This and other research demonstrates that there are weaknesses associated with the accountability of partnerships. However, there is evidence that local councils have taken a lead in developing and enhancing the accountability of Local Strategic Partnerships (LSPs). Local authority partners and stakeholders might consider how they could best contribute to improved accountability arrangements for partnerships.

Implications for residents

HOLDING COUNCILS TO ACCOUNT
The research indicates that there has been an increase in accountability in relation to ‘taking into account’ and ‘giving an account’ but there is less evidence of accountability improving in relation to ‘holding to account’. The evidence also suggests that demands from residents are a key external driver for accountability improvements. Residents should be encouraged to use the increasing amount of information provided by their council, along with that on the councils’ performance from central government, to hold their local authorities to account more effectively.
Key Findings

Analysis of published research from individual Local Government Modernisation Agenda (LGMA) policy evaluations and primary data from the meta-evaluation indicates that local authority accountability has improved since the launch of the LGMA.

Local councils are increasingly taking into account the views of stakeholders, service users and residents.

There is some evidence to suggest that councils have been improving the way they give an account of their decisions and policies.

There is less evidence to support the view that stakeholders, service users and residents are holding councils to account to a greater extent than they were three years ago.

LGMA policies, particularly CPA and inspection regimes, have stimulated these improvements in accountability, leading councils to give greater attention to accountability to central government.

Some LGMA policies have also constrained improvements in local government accountability, partly due to transitional problems of moving from one system to another, e.g. scrutiny of executive, and partly due to the more complex institutional arrangements that LGMA policies have created, e.g. Local Strategic Partnerships.

The growth of partnerships has increased the complexity of councils’ accountability. There is evidence that they are seeking to enhance partnership accountability but they and their authority partners should consider how they can further contribute to improving accountability arrangements for partnerships.

Officers view both transparency of decision-making processes and appropriate response to complaints as vital to improving public confidence in local government but evidence is limited on the link between accountability and public confidence. Councils should make information provided for residents more accessible and improve feedback to consultees.

The neighbourhood arrangements proposed in the documents of the Government’s Ten Year Vision for local government have the potential to increase accountability of non-local government agencies delivering local public services, but also to increase the complexity of local government accountability.

Trade-offs may need to be made between strategies that improve outcomes for citizens and communities, and those that enhance accountability – ‘accountability proofing’ policies might alert decision-makers to the implications of the choices they are making.
There are opportunities for local leadership, both elected members and officers, to address some of the gaps in the local accountability framework.

Residents should use the increasing amount of information provided by their local authority, along with that from central government, to hold councillors and officers to account more effectively.
CHAPTER 1
Introduction

This is the first progress report from the team examining the impacts of the Local Government Modernisation Agenda (LGMA) on accountability in local government between 1997 and 2004. It has been commissioned by the Office of the Deputy Prime Minister (ODPM) as part of the meta-evaluation of the LGMA, which is being undertaken by a team of researchers led by the Centre for Local & Regional Government Research at Cardiff University. This report provides a basis for the development of policy and practice within local government but also in relation to the Government’s emerging Ten Year Vision for local government.

Accountability is an important element in a number of LGMA policies, for example in establishing executive decision-making, promoting greater consultation with the public and reporting on councils’ corporate and service performance. It also has a number of different aspects – taking views into account, explaining what has happened as a result, being held to account for the consequences, and redress. This report explores the intentions of these policies, the responses of local authorities, and the resulting outcomes on levels of accountability.

This progress report draws together evidence from a range of sources to explore whether local government accountability has changed. The meta-evaluation, and this report, draw on a combination of the following sources of evidence:

• The academic literature;

• Analysis of government documents relating to the LGMA and other policies having a potential impact on local government accountability;

• Analysis of published reports from researchers evaluating individual streams of the LGMA;

• Web-based searches for other research data on the LGMA and related government policies with accountability implications;

• Preliminary results derived from primary data collection through a survey of local authority officers in English local authorities undertaken by the meta-evaluation team in July-September 2004.

• Preliminary results derived from case studies undertaken by the meta-evaluation team in six councils. These involved in-depth interviews with members, officers and other stakeholders (e.g. partner organisations), and focus groups with residents.
The report is structured as follows:

- Chapter two sets out the background to the Government’s intentions to increase local authority accountability, the policies it has introduced and the impacts that it expected to achieve. We also set out the way we understand accountability and how this will be used to analyse the data we have collected.

- Chapter three presents and assesses the evidence on changes in local government accountability since 1997.

- Chapter four discusses whether these changes can be attributed to LGMA policies, what other drivers might be important, whether different LGMA policies have complementary or inconsistent impacts on local government accountability, and whether the LGMA has had different accountability impacts in different types of authorities.

- Chapter five draws conclusions, highlighting policy and practice implications.
CHAPTER 2
Accountability and the LGMA

Rationale for increasing local government accountability

The strengthening of local authority accountability has been an important theme within the Local Government Modernisation Agenda and a number of other streams of government policy since May 1997. It is rooted in a belief that councils had become disconnected from their communities, and that measures needed to be taken to build a relationship of trust. This perspective is developed in Modern Local Government – In Touch with the People (ODPM, 1998a), the White Paper that sets out the Government’s vision for local authorities, and in subsequent policy documents.

These Government statements have a strong normative stance. They present a vision of modernised local government that is connected to its communities, is open and accountable, is trusted and has a clear idea what it is working towards, in partnership with other stakeholders. For example:

‘Councils succeed when they put people first. Successful councils’ priorities are to lead their local communities. …. Such councils – modern councils fit for the 21st century – are built on a culture of openness and ready accountability. They have clear and effective political leadership, to catch and retain local people’s interest and ensure local accountability. Public participation in debate and decision-making is valued, with strategies in place to inform and engage local opinion. Members and employees of the modern council follow the highest standards of conduct’ (ODPM, 1998a: para 1.1-2)

and

‘Modern councils succeed when they put people first, when they work and take decisions in a culture of openness and accountability to local people. They succeed when there is trust between them and their local community. Within this culture they build and support partnerships to develop a vision for their locality and to contribute to achieving it. They strive for continuous improvement in the delivery of local services’ (ODPM, 1999: para 1.3).

However, there is also an underlying theme of local government accountability to central government for the delivery of this modernisation programme, and of national standards and targets in key policy areas. This emerges more strongly in relation to some policy streams, for example, finance and service
performance, than others, and is often set within the context of discretion over means and accountability for outcomes.

The White Papers present accountability as an important value, but also as a step to enhancing the legitimacy of councils, for example:

‘Councils will: adopt new ways of working through new political structures, both by doing this, and more generally, improve local democracy and local accountability, thereby giving themselves a new democratic legitimacy…’ (ODPM, 1998a: para 2.13)

**Accountability – a framework for analysis**

We analyse accountability by using a framework with four components: taking into account, giving an account, holding to account, and redress. This develops the framework used by Ranson and Stewart (1994) in their analysis of public accountability. Figure 1 illustrates these relationships and the relative emphasis over time. The dotted line for ‘redress’ indicates that this is not necessarily a feature of all accountability relationships, but only applicable when things go wrong. We now describe these four aspects of accountability in more detail.

![Figure 1: Framework for assessing local government accountability](image)

‘Taking into account’ describes the ways in which a council’s decisions, activities and priorities are shaped and influenced. This process is reflected in a number of the LGMA reforms. Local authorities are being encouraged, supported and directed to consult with their citizens, communities and stakeholders in order to understand their views and priorities. This input activity can be seen in all areas of councils’ work, including Best Value (consultation on the Best Value Performance Plan and in each Review), New Council Constitutions (on the choice of constitution), community strategy preparation, and so on. The Forward Plan required in executive constitutions
also provides a mechanism for views to be offered and taken into account. Taking into account could be regarded as ‘involvement’, ‘consultation’ or, even more generally, as ‘participation’. This element of accountability is closely related to the ‘stakeholder engagement’ theme of the meta-evaluation, and the team investigating this dealt with it in detail in their progress report (Leach et al., 2005).

‘Giving an account’ is about the explanation by a council of the actions it has taken. This may be to do with major decisions or detailed service delivery. Some elements of the LGMA are clearly about enhancing account giving, for example the executive’s decision-record, the Best Value Performance Plan and asset management reporting systems. Consequently giving an account could be regarded as a key element in ‘transparency’.

‘Holding to account’ concerns the actions taken by citizens or service users once they have heard the council’s explanation. Holding to account may be exercised by citizens through the ballot box or in lobbying campaigns following unpopular decisions, or even by the council or party group in terms of nominations to the position of leader, cabinet member, etc. through overview and scrutiny processes, or by partners through changes in collaborative working arrangements. Holding to account could be regarded as ‘scrutinising’ – although the electoral process implies a more powerful role than the term ‘scrutiny’ normally suggests.

‘Redress’ is an important element of citizen and client focus in public services (Hughes, 1998). The idea is that accountability arrangements should ensure that citizens and clients have a right to gain redress when services are not delivered to the appropriate standard. Options for securing redress under modernisation might include making a complaint via the new ethical framework complaints arrangements.

Major policy initiatives with accountability implications

We now set out the ways in which the Government intended that its various policy initiatives would increase accountability. Some of these policy initiatives have accountability as the primary focus, while for others it is intended to be an important by-product.

Political management and ethical standards

The Government held a clear view about the accountability deficiencies of the committee system universally employed by local authorities prior to the reforms of 2000. It was regarded as ‘inefficient, opaque, and (it) weakens local accountability’ (ODPM, 1999: para 1.10).

In the same White Paper, the Government offers a clear prescription for increasing accountability:
'There should be a real choice for people about how they are governed locally. The choices available to people must be of forms of local governance which are characterised by:

- **efficiency**, where decisions can be taken quickly, responsively and accurately to meet the needs and aspirations of the community;

- **transparency**, where it is clear who is responsible for decisions;

- **accountability**, where people can measure the actions taken against the policies and plans on which those responsible were elected to office; and

- **high standards of conduct** by all involved to ensure public confidence and trust' (ODPM, 1999: para1.21).

Executive systems of political management (New Council Constitutions), introduced in 2000, were seen as the way of delivering the first three of these objectives. The particular accountability gains were intended to be delivered by certain features of the system, including:

1. Separation of small, decision-making executive from the majority of councillors who would be in a scrutinising role – ‘In these new forms of local governance, policy making is separated from policy implementation …. (and) the separation aids accountability’ (ODPM, 1999: para 3.53);

2. Publication of the Forward Plan, listing details of the significant decisions to be made by the executive and point of contact for comments and representations – ‘… local people and councillors outside the executive would need access to information on the decisions which are being taken by the executive and the issues being considered if accountability of local decision taking is to be maximised’ (ODPM, 1999: para 3.61);

3. Separate election of an executive mayor under mayoral constitutions.

The new ethical framework, introduced at the same time, was intended to strengthen the standards of personal conduct amongst members, especially in respect of openness and accountability:

‘To complement the new Codes of Conduct for councillors there will be new enforcement and disciplinary arrangements. The Codes themselves will play an important role in bringing about – within councils where it is needed – that change to a culture of openness and ready accountability to the local community. Moreover, in all councils their Codes need to be reinforced with an effective enforcement regime, if that culture of openness and accountability – essential for a healthy local democracy where councils serve and lead their local communities – is to be sustained’ (ODPM, 1998b: para 3.1).

The introduction of a standards committee in each council emphasised the responsibilities of councils in promoting and helping to police ethical standards:
‘Essential to the culture of openness and accountability, which we are seeking to establish, is that councils themselves will have a leading responsibility for the standards of conduct of their councillors. Central to fulfilling this responsibility is an effective enforcement regime within each council’ (ODPM, 1998b: para 3.2).

Finance

The *Modern Local Government* White Paper identified a crisis in the local government finance system and proposed steps to increase local financial accountability:

‘Strong local financial accountability is important. Crude and universal council tax capping will be ended. Local people will control the spending and taxation decisions of their councils’ (ODPM, 1998a: p 5)

The White Paper links financial and political reform, seeing them as the twin foundations necessary for councils to be accountable to citizens and meet the needs of the community:

‘Strengthening local financial accountability is vital. It is as important as creating new political structures and improving local democracy, if councils everywhere are to put their local people and communities first.

Strong local financial accountability means that local people can have an impact on their council’s spending and taxation decisions. Those decisions need to be open and understandable. Local people need to take responsibility for the consequences of those decisions. And the costs of local services need to be shared fairly between local taxpayers through the council tax’ (ODPM, 1998a: para 5.1-2).

and

‘We will clarify accountability for financial decisions. In providing greater responsibility to councils for decisions on borrowing, fees and charges and council tax, we will also strengthen the scrutiny role of councillors and reinforce the need for local consultation. Council tax bills will be clearer. They will show the annual percentage change in council tax for different authorities up front, not hidden away in a leaflet’ (ODPM, 2001: para 1.23).

The Government removed capping (but not its statutory power to cap), simplified the control system over capital expenditure and required councils to introduce asset plans.

‘The Government will introduce a cross-service allocation for the bulk of central government capital support to councils – a single capital pot. This approach offers benefits in terms of increased local accountability and autonomy, stability of allocations, and flexibility’ (ODPM, 1998a: para 9.7).
Subsequently the Balance of Funding Review investigated the issue of local and national sources of local government finance. It noted the concern that high gearing on local tax levels arising from the predominance of national grant impacted on local accountability (ODPM, 2004). Solutions to this issue are now being investigated further in the Lyons Review.

Performance

The Government placed a major emphasis on the effective delivery of public (and especially national) policy by councils, and established mechanisms to hold them to account in this respect.

‘... we will shift our focus to the assured delivery of outcomes through a national framework of standards and accountability, and away from controls over inputs, processes and local decisions…’ (ODPM, 2001: para 1.12)

‘With this framework in place there will be an increased emphasis on delivery, responsibility and accountability. By removing restrictions and requirements on planning, spending and decision making and providing new powers to trade and charge, we will free up councils to innovate and deliver tangible improvements in the quality of services and effective community leadership’ (ODPM, 2001: para 1.14).

Several mechanisms were put in place. Best Value was introduced, through which councils’ accountability for services were to be tested in a process of review, subject to external inspection and annual production of performance data:

‘The duty of best value will apply to all local authority services, and the framework to put that duty into effect will promote local accountability and sustained improvement in service performance. Central government will set that basic framework and in some areas specify minimum standards and possibly targets, but generally both standards and targets should be set locally’ (ODPM, 1998c: para 4.1).

It was anticipated that accountability would be enhanced by the involvement of the community in specifying enhancements in performance targets in Best Value Performance Plans:

‘The Government would also expect the local community to be involved in identifying the indicators of importance to them locally and in setting the performance targets in respect of both central and local indicators which will feature in Local Performance Plans. These plans are expected to provide a useful vehicle through which genuine local accountability can be assured’ (ODPM, 1998c: para 4.14).

The drive to performance required the capacity for central government to step in and assure local accountability where councils did not live up to expectations:

‘In the event of serious and persistent failure to provide the services that local people have a right to expect, the Government will wish to ensure
that it has the necessary powers to act to reinforce local accountability’ (ODPM, 1998c: para 2.5).

The Comprehensive Performance Assessment, managed by the Audit Commission, supplemented the programme of service-based inspections in 2002. This combined service scores and corporate assessments of councils’ governance and management in order to provide a performance grade for each council. Publication of information to assist and stimulate local accountability was integral to this process:

‘To enhance local accountability the Government will publish clear and concise performance information from these assessments for each class of authority. This will include a scorecard available to the public so they can see how well their council is performing. It will also include the overall classifications and a summary of current performance levels for key services’ (ODPM, 2001: para 3.24).

Councils defined as poorly performing were subject to close supervision by, and sometimes statutory directions from, central government.

Local Public Service Agreements (LPSAs) introduced a means by which local authorities would be directly responsible to central government for aspects of their performance. In the LPSA scheme, councils agreed to deliver ‘stretch targets’ in return for governmental flexibility over regulations and policies that inhibited their delivery.

Beacon Councils are not specifically about increasing accountability, since they are essentially a national demonstration scheme for innovative ideas to improve performance. However, a number of the Beacon Rounds do have accountability aspects, and so we include them the Scheme in our analysis.

Electronic governance

The National Strategy for Local e-Government, announced in 2002, has three themes – ‘renewing democracy’, ‘transforming services’ and ‘promoting local economic vitality’. The first of these themes builds on the Government’s overall objectives for an e-democracy, which sees a strong connection to the renewal of political institutions:

‘The Government has a wide agenda to reform the UK’s political institutions and to re-engage the public with politics and governance. Hence, an e-democracy policy should be viewed in the context of those political and constitutional reforms, which seek to devolve power, extend citizens’ rights and improve the transparency and accountability of government and politics’ (HMG, 2002: p5-6).

The National Strategy provides explicit expectations of e-government in terms of local accountability:

‘Making councils more open, more accountable, more inclusive and better able to lead their communities. E-Government can enhance the opportunities for citizens to debate with each other, to engage with their
local services and councils, to access their political representatives and hold them to account. It can also support councillors in their executive, scrutiny and representative roles’ (ODPM/LGA, 2002: p 5).

Local democracy

The local democracy elements of LGMA are oriented towards engaging citizens more fully in their relationship to local authorities, to complement the changes within local government that are designed to facilitate openness and accountability:

‘Our aim is that councils everywhere should embrace the new culture of openness and ready accountability. We want to see any culture of indifference about local democracy dispersed, and local people taking a lively interest in their council and its affairs’ (ODPM, 1998a: para 1.21).

There are two strands concerned with local democracy – increasing electoral turnout and strengthening public participation. Increasing electoral turnout is promoted through innovations in voting technology, including e-voting, all postal voting and having a longer time period to vote. A number of councils took part in electoral pilot schemes run from May 2002. Although increasing the turnout was an important motivator behind this scheme, some councils also participated in order to test more efficient ways of counting and administering elections.

The second strand is greater public participation in council’s decision-making and accountability. Public participation has been promoted in various aspects of the LGMA, including New Council Constitutions and Best Value, and e-government initiatives have offered new channels for access by citizens and consumers.

Partnership working, community leadership and well-being

These strands of the LGMA are more about the overall approach of local councils to meeting community needs than their accountability. They concern the creation of local strategic partnerships, the power of well-being, co-operation between councils and other public, private and community and voluntary sector organisations, and the overall task of identifying, producing and delivering a community strategy.

Accountability drivers

In Table 1 we identify the primary relationships between the various policies of the LGMA and the accountability framework. This illustrates that there has been an emphasis towards giving and holding to account, followed by taking into account, and less emphasis on redress.

It is important to recognise that some of the LGMA drivers are about creating the conditions within local authorities to increase accountability, while others
promote external pressure. For example, New Council Constitutions and Best Value Performance Plans involve internal structures and processes for accountability, while public participation and electoral pilots increase the potential of citizens and service users to present their views and hold the council to account. The important implication of this distinction between organisational reforms and external opportunities is that changes in the level of accountability are as much dependent on citizens and service users being willing to take action as they are on local authorities being committed to LGMA policies.

<table>
<thead>
<tr>
<th>New Council Constitutions</th>
<th>Yes</th>
<th>Yes</th>
<th>Yes</th>
<th>No</th>
</tr>
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<tbody>
<tr>
<td>New ethical framework</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Best Value</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>CPA</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Public participation</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>LPSA</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Electoral pilots</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Finance</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>E-government</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Number of primary relationships</td>
<td>3</td>
<td>6</td>
<td>5</td>
<td>2</td>
</tr>
</tbody>
</table>

Finally, it is important to appreciate that accountability-related LGMA policies differ in their detail and in the extent to which their implementation is mandatory on councils. The evidence suggests that mandatory and full implementation tends to be more pronounced in relation to New Council Constitutions, finance and performance, with greater discretion and partial implementation of policies on e-government, local democracy and partnerships.

LGMA as an accountability driver – a theory of change

Our analysis of the accountability impacts of the LGMA is based on the following theory of change (Figure 2). This sets out our interpretation of the way in which the Government defined the policy problem, the policy instruments (or drivers) it used to address it, and the process and substantive outcomes it anticipated. However, the LGMA operates in a wider local and national context. Consequently we identify other factors that may also impact on accountability.

We have used this theory of change to develop a series of propositions, which are tested in the research discussed in the rest of this report.
Policy problem:
Local authority accountability requires strengthening

LGMA policy instruments:
- NCC
- NEF
- Performance
- Local democracy
- Finance
- E-government

Process outcomes:
- Increasing involvement in shaping and making decisions
- Increased information, and access to information
- Increased involvement in holding the council to account
- Increased effectiveness of redress mechanisms

Substantive outcomes
Greater public confidence and support

Increased accountability

Other policy changes:
- Outsourcing
- Partnership
Policy problem

The basic proposition which this report tests can be stated as:

*Local authorities have become disconnected from their communities and there is a lack of trust from citizens and stakeholders. Councils need to rebuild their democratic legitimacy by being open and accountable to their communities.*

Policy instruments

In exploring this proposition, we focus particularly on a number of policy instruments introduced as part of the LGMA and intended to increase the accountability of local government, as discussed earlier. These are:

1. New Council Constitutions;
2. New ethical framework;
3. Performance – Best Value, Comprehensive Performance Assessment and Local Public Service Agreements;
4. Local democracy – electoral pilots and public participation;
5. Finance;

We will also be exploring the possibility that some other policy instruments, both within and outside the framework of the LGMA, have impacted on the accountability of local government.

Process outcomes

The fundamental research questions explored in this report relate to how far the implementation of these LGMA policy levers has increased accountability in local government through the following specific process outcomes:

1. Taking into account: Has there been increased involvement of citizens and stakeholders in defining issues, shaping policy options and taking decisions?
2. Giving an account: Has the provision of information (about the local authority’s choices, decisions and performance) to citizens and stakeholders increased? Has accessibility to that information increased?
3. Holding to account: Has there been increased stakeholder and citizen involvement in mechanisms to hold councils to account?
4. Redress: Has there been increased effectiveness in redress mechanisms?

Finally, we will also be exploring whether the extent to which improvements in accountability which have been achieved are the result of adopting and following ODPM guidance.
Substantive outcomes

In relation to the changes brought about by these improvements to accountability, we will be exploring the extent to which increases in accountability have lead to greater citizen and stakeholder confidence in, and support for, local authorities. We will also examine the converse effect – that changes in citizen and stakeholder confidence in and support for local authorities may be positively associated with changes in accountability.

In addition, we explore whether changes in accountability have impacted more on managers than on politicians in local government and whether accountability to citizens generally has increased more than accountability to organised stakeholders.

Contextual factors

In the analysis to follow, another key research question is whether the primary cause of increased accountability can be attributed to LGMA policies, rather than to other factors, e.g. changes in the context of local government. Two current changes in the context are sufficiently widespread and important to deserve specific investigation:

1. Is the extent of increase in accountability inversely related to the level of outsourcing and contracting out by a local authority?

2. Is the extent of increase in accountability inversely related to the level of partnership working by a local authority?

Accountability research questions

To summarise, this report explores the following research questions in relation to the accountability impacts of the LGMA:

- Has the implementation by councils of the LGMA accountability objectives –
  - Increased stakeholder and citizen involvement in defining issues, shaping policy options and taking decisions?
  - Increased provision and accessibility of information to, stakeholders and citizens in relation to local authorities' choices, decisions and performance?
  - Increased stakeholder and citizen involvement in mechanisms to hold councils to account?
  - Increased the effectiveness of mechanisms through which citizens and service users can gain redress?
  - Increased accountability to stakeholders to a greater extent than to citizens?
– Increased managerial accountability to a greater extent than political accountability?

• Is the extent to which the accountability objective is achieved associated with compliance by local authorities with ODPM guidance, rather than to self-determined innovation?

• Can the primary cause of increased accountability be attributed to the implementation of LGMA policies by local authorities (based on the counterfactual position of pre-LGMA trends in local government)?

• Can changes in levels of stakeholder and citizen confidence in, and support for, local authorities be positively associated with changes in accountability?

• Is the extent to which the accountability of local authorities has increased inversely related to the level of outsourcing and contracting out?

• Is the extent to which the accountability of local authorities has increased inversely related to the level of partnership working?

• Finally, have increases in the accountability of local authorities led to increases in the public’s confidence and support for them?

Conclusion

The Government placed improvements in local authority accountability high on its modernisation agenda. A series of policies were introduced to this end. The framework of taking into account, giving an account, holding to account, and redress provides a means of analysing the resulting changes. However, while the preceding discussion focuses on the objective of enhancing accountability, it is also possible that resultant changes might have a differential impact. Accountability may be enhanced for some but not for others and some aspects of the LGMA may detract from accountability. We now turn to a consideration of the evidence in order to make an overall assessment.
CHAPTER 3
Changes in local government accountability

Introduction

In this chapter we discuss the evidence on changes in local government accountability as a result of the policies outlined in Chapter two. We identify and assess the evidence on local authority accountability in order to determine whether, and in what ways, accountability has changed. We undertake this task in three ways:

1. by analysing the evidence in terms of each element of the accountability framework;

2. by considering the specific case of Local Strategic Partnerships (LSPs), operating at arm’s length to local authorities; and

3. by considering data on overall accountability levels.

Has accountability improved?

This section considers changes in each element of our accountability framework. It considers taking into account, giving an account, holding to account and redress. The analysis draws on the available research, e.g. from the evaluations of individual LGMA policies as well as original data collection undertaken by the meta-evaluation team.

Has ‘taking into account’ improved?

There is clear evidence from published reports and the evaluations of individual LGMA policies that councils have increased the level and ways in which they take the views of citizens and stakeholders into account, although this seems to be reaching stakeholder groups more than individual citizens. These issues are dealt with in greater detail in the parallel progress report on ‘stakeholder engagement’ (Leach et al., 2005), and so here we give only an overview.

The 2001 survey of public participation (Birch, 2002) revealed a steady growth in methods of engaging citizens and service users, and a marked increase in innovative ways of engaging the public. The evaluation of Best Value (Martin et al., 2003) reports that the introduction of this policy has resulted in a significant increase in the level and breadth of consultation with stakeholders.
and users. The evaluation of New Council Constitutions (NCCs) (Stoker et al., 2002) states that organised partners feel more engaged, with nearly 70% of authorities reporting that their overview and scrutiny committees involve external stakeholders. However, the team report that, to date, the reforms have had a limited impact on public participation. The research indicates that area committees are perceived to be effective and to engage members of the community. Finally, the e-government evaluation (Centre for Urban and Regional Development Studies, 2003) shows that councils have not realised the opportunities of this medium for enhancing local democracy; instead putting their emphasis on e-enabled service delivery. The indications are thus that there is greater involvement with organised sets of stakeholders than with individual citizens. Moreover, the Home Office Citizenship Survey reported no change in the proportion of the population involved in civic participation between 2001 and 2003 (Home Office, 2004).

This conclusion is largely borne out by the evidence gathered by the team conducting the meta-evaluation of the LGMA. Its survey of officers indicates very high levels of agreement that other local public bodies and voluntary organisations currently engage with local authorities at a high level and that engagement with these groups has increased over the last three years. In contrast to the research in the previous paragraph, officers in this survey also think that engagement with service users is high and increasing. Fewer respondents think that these patterns apply to the involvement of private-sector organisations and the local media (Table 2). These survey findings broadly reflect those from the meta-evaluation case studies. For example, stakeholder interviewees reported that their views had been increasingly taken into account by their local authority, whilst local authority interviewees commented on the difficulties of engaging private-sector organisations. A key stakeholder in one authority commented on the extent to which effective engagement depended upon personal contact with officers, a feature that had been exacerbated by the new political management arrangements: ‘if you don’t hit it off with the key officers or members you find yourself outside the loop, whereas in the old days you had a whole committee or council to lobby’.
Table 2: Perceptions of level and changes in ‘taking into account’

<table>
<thead>
<tr>
<th>(Percentage)</th>
<th>Agree</th>
<th>No Difference</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stakeholders Currently Engaged at a High Level</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service users</td>
<td>90</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Private sector organisations</td>
<td>62</td>
<td>22</td>
<td>16</td>
</tr>
<tr>
<td>Voluntary sector organisations</td>
<td>80</td>
<td>12</td>
<td>8</td>
</tr>
<tr>
<td>Other local public bodies and partnerships</td>
<td>91</td>
<td>7</td>
<td>2</td>
</tr>
<tr>
<td>Local media</td>
<td>62</td>
<td>25</td>
<td>13</td>
</tr>
<tr>
<td>Stakeholders with Higher Levels of Engagement than Three Years Ago</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service users</td>
<td>83</td>
<td>13</td>
<td>4</td>
</tr>
<tr>
<td>Private sector organisations</td>
<td>59</td>
<td>34</td>
<td>8</td>
</tr>
<tr>
<td>Voluntary sector organisations</td>
<td>70</td>
<td>26</td>
<td>5</td>
</tr>
<tr>
<td>Other local public bodies and partnerships</td>
<td>79</td>
<td>18</td>
<td>3</td>
</tr>
<tr>
<td>Local media</td>
<td>46</td>
<td>43</td>
<td>10</td>
</tr>
</tbody>
</table>

The evidence collected via residents’ focus groups (carried out as part of the meta-evaluation case studies) confirms that residents are regularly consulted by their local authority, but two issues frequently arise. The first concern is that being consulted does not equate with being listened to. In other words, there is a feeling that the council does not understand or take notice of the views expressed. The second issue is about whether the views expressed in consultation are translated into action by the local authority. Figure 3 contains an illustrative sample of quotes taken from these focus groups and from interviews across the case-studies. These quotes — and those in figures 4 and 5 later in the report — illustrate the variety of public attitudes to aspects of councils’ accountability. In Figure 3, for example, some respondents recognise positive changes in their council’s behaviour while others take a more sceptical view. This reveals something of the complexity of the task facing councils when they attempt to increase their accountability.
**Figure 3: Residents’ perceptions on consultation – taking into account**

*Illustration of increase in ‘taking into account’:*

‘Two years ago I couldn’t get involved with the council. I wouldn’t know who to talk to, why they’d ever want to talk to a young person anyway…now I’m involved, the amount of attentiveness and the amount they listen to you is definitely increasing, it’s definitely improved. I’d have no hesitations now about contacting someone in the council and it would be an expectation now for them to listen to me, not an ‘oh God, are they going to listen to me or not?’; I just know that they would’.

*Illustration of residents’ pressure changing approach of council:*

‘They listen because we insist that they listen…and yes they did listen and they were very helpful over the financing talks and we like to think it was because we shouted, that they did keep the tax down the following year, which is great. But it’s not the end of the story and overall, yes they listen, that’s the easy bit. [But] doing something about what they’ve heard, then we come against the financial restrictions and they’re not easily resolvable’.

*Illustration of view that council consulting to meet performance targets:*

‘They’re not listening – pure and simple. They just want to tick the box for consultation with the community’.

*Illustration of view that council is ignoring residents:*

‘All these new initiatives that are supposed to be inclusive for the community, the council doesn’t really listen. It listens but it doesn’t take any notice. Forums, compacts, it doesn’t listen’.

*Illustration of lack of feedback after consulting:*

‘I think the council are making an effort to listen but they don’t hear. They send out these questionnaires for your views and you spend a long time thinking and filling them in. You send them back and there’s never any feedback, you know and whether it’s by the media or whatever, there’s never any feedback for the time and effort you have put into it. Whether anyone ever sorts of listens or puts it through the shredder’.

*Illustration of consultation fatigue:*

‘We’re all so disillusioned and consulted out aren’t we, you know?’

*Source:* Meta-evaluation focus groups with residents

MORI data provides a somewhat contradictory picture. Their surveys indicate a lack of consultation, but also unwillingness by residents to get involved with their council. 76% agreed or strongly agreed with the view that their council needed to make more effort to find out what people wanted and 78% of residents reported that their council had not asked them for their views on services within the last twelve months (MORI, 2001) However, data from a 2003 MORI survey reveal that 60% of residents disagreed with the statement
'I would like to get involved in helping my council plan and deliver its services' and 45% agreed that ‘the local council is not interested in my views’ (MORI, 2003). Perhaps the position is best encapsulated in the view of 58% of residents that said they would ‘like to know what the Council is doing but are happy to let them get on with their job’ (MORI, 2001). The key issue for the meta-evaluation is the distinction to be drawn between ‘service users’ (the term adopted within the meta-evaluation officers’ survey and ‘residents’ (subject of the focus groups) which may need to be further explored in future years of the LGMA research.

In conclusion, the evidence suggests:

- Growth in the number and range of ways of taking public views into account.
- High and increasing levels of engagement with key stakeholder organisations and service users.
- Stakeholders are usually involved in defining issues and shaping policies rather than taking decisions.
- Citizens want councils to find out their views, but are concerned that no notice may be taken of these views.
- Citizens have limits in the extent to which they want to become involved in assisting their council to plan and deliver services.

**Has ‘giving an account’ improved?**

There is currently little available research on whether councils have improved the ways they give an account of their actions, although more will be forthcoming, for example as the evaluation of New Council Constitutions proceeds. Consequently we rely principally on the research recently undertaken by the team conducting the meta-evaluation of the LGMA.

The meta-evaluation survey data enables us to refine MORI’s finding in the survey it did for the Best Value evaluation that, overall, 52% of residents feel they are ‘very well’ or ‘fairly well’ informed about the services and benefits their council provides (MORI, 2001). The meta-evaluation officers’ survey asked whether local authorities are likely to explain their decisions and actions to residents, elected members and other stakeholders. Responses indicate that local authorities believe that they are explaining their decisions effectively to all three groups and more so than three years ago (Table 3) but that these groups are not so effective at getting authorities to explain their actions.

The meta-evaluation survey data also allows us to distinguish between the extent to which councils give an account to stakeholders, elected members, or residents. It suggests that officers believe that local authorities have become slightly more effective at explaining their decisions and policies to stakeholders than to residents generally (Table 3). Similarly, residents are perceived to be slightly less effective than elected members and other stakeholders in getting the authority to explain its actions.
Meta-evaluation of the Local Government Modernisation Agenda

Table 3: Perceptions of ‘giving an account’, by stakeholder group

<table>
<thead>
<tr>
<th>(Percentage)</th>
<th>Agree</th>
<th>No Difference</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>To Residents:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Effective explanation of decisions and actions</td>
<td>77</td>
<td>10</td>
<td>13</td>
</tr>
<tr>
<td>More effective explanation of decisions and actions than three years ago</td>
<td>79</td>
<td>15</td>
<td>5</td>
</tr>
<tr>
<td>Residents more effective at getting authority to explain decisions and actions</td>
<td>60</td>
<td>31</td>
<td>9</td>
</tr>
<tr>
<td><strong>To Elected Members:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Effective explanation of decisions and actions</td>
<td>93</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>More effective explanation of decisions and actions than three years ago</td>
<td>75</td>
<td>19</td>
<td>6</td>
</tr>
<tr>
<td>Elected members more effective at getting authority to explain decisions and actions</td>
<td>67</td>
<td>25</td>
<td>8</td>
</tr>
<tr>
<td><strong>To Other Stakeholders:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Effective explanation of decisions and actions</td>
<td>84</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>More effective explanation of decisions and actions than three years ago</td>
<td>79</td>
<td>17</td>
<td>4</td>
</tr>
<tr>
<td>Other stakeholders more effective at getting authority to explain decisions and actions</td>
<td>65</td>
<td>29</td>
<td>6</td>
</tr>
</tbody>
</table>

Interviews conducted with local authority officers as part of the meta-evaluation case studies tended to confirm the survey findings. For example, as a result of the Local Government Act 2000, one council claimed to have improved ‘one hundred per cent’ and was now ‘publishing and producing more information than ever before’. Other officers commented on the public’s lack of knowledge of local government but suggested that this was not necessarily problematic as long as the public knew enough to access services. This is reflected in the focus group perceptions which reveal that whilst local authorities have become more accountable to stakeholders over the last three years, residents remain relatively unaware of council actions and decisions (Figure 4).

Analysis of the LGMA meta-evaluation focus group data reveals that there were many complaints across several case study councils about their inability to communicate information to residents (Figure 4). This communication problem appears to be especially pronounced in two-tier authorities where residents seemed to find it particularly difficult to identify with their county council and were unaware of county/district roles and responsibilities. This finding is supported by MORI data provided to the meta-evaluation team that explores how well councils keep residents informed on services and financial matters by type of authority. The results reveal that 58% residents feel their local (i.e. district) council kept them very/fairly well informed on services, with 39% kept very/fairly well informed on finances. These percentages contrast with residents’ judgements on county councils where only 26% felt the county kept them very/fairly well informed on services and 19% on finances. Furthermore, MORI report that when residents of a county council were asked what influenced their opinion of their local authority in 2003/04, only 12% referred to the council magazine and just 4% highlighted the council’s website. It is interesting to note that survey data from the Best Value evaluation
(Martin et al., 2003) indicates greater levels of satisfaction amongst users with more direct experience of services, than amongst residents in general.

**Figure 4: Residents’ perceptions on communication – giving an account**

*Illustration of improvements in ‘giving an account’*:  
‘This past two years I think they’ve got better, I really do; think they’ve got better in communicating and getting out and doing stuff’.

*Illustration of increase in council openness*:  
‘There’s much more openness about the council now. There’s much less complacency than I felt there was some years ago. I think the fact that we’ve been invited here today probably shows that’.

*Illustration of limitations of information provision*:  
‘They’re trying to inform us in some way with their little newspaper thing that comes out. But yes as other people have said are they just telling us just what they want us to know, none of us seem terribly well informed around this table’.

*Illustration of citizens’ approach to ‘giving an account’ mechanisms*:  
‘You can make attempts to have sort of websites and I think county x’s is quite good as they go and it’s got quite a lot of information. But not everyone will go and look. You can put leaflets in with the council tax envelope – and I’m as guilty as anyone else in not reading it. And I very nobly put it on one side because I am going to read it next week really but somehow it gets into the recycling bin before I actually get it read’.

‘I think the councils do actually send out newsletters don’t they three or four times a year, I find those quite interesting’.

*Illustration of differences in citizen awareness in two-tier area*:  
‘I think County Council X have an idea of people and the few people who live near us. I have an idea that District Council Y work in the town hall, they know who they are, they are approachable. And their telephone system, you can get people’s names and because that’s so approachable it makes the perception of County Council X so unapproachable. And I couldn’t name a county councillor, I don’t know when the committees meet. Unless we buy the Friday paper I know nothing about what County X is up to and yet, I know a great deal about what District Y is up to because they’re proactive, they’re going out talking to people, put stuff in the papers’.
From this evidence, we conclude:

- Councils have improved their ability to explain their plans and activities.

- However, residents remain relatively unaware of council plans and activities.

- There has been less improvement in the ability of residents, than stakeholders or members, to gain explanations from councils.

- Officers report increased levels of communication and transparency.

- Residents in two-tier councils feel they are better informed about the affairs of their district council than their county council.

Has ‘holding to account’ improved?

Reform of council constitutions was one of the key LGMA policies in terms of holding to account. The team evaluating the New Council Constitutions (NCC) provide evidence of clearer decision-making in local authorities and improvements in overview and scrutiny (Stoker et al., 2004a). One-third of elected members surveyed by the NCC team have experienced policy change as a result of scrutiny. Despite this, however, the evidence indicated that scrutiny is more effective at reviewing service outcomes than holding the executive to account. There is also some evidence to suggest that directly elected mayors provide an additional focus for accountability but, as there are only a small number of mayoral councils, these findings need to be treated with caution.

Data on electoral turnout show that all-postal ballots and electronic voting achieve turnout levels that are higher than with traditional methods, and to that extent show that there has been an improvement in this method of holding to account in some councils. MORI data on voting at local elections reveal that residents report a wide variety of reasons for not participating in the democratic process. The results indicate that 16% of residents claimed not to be interested, 14% reported that whether they voted made no difference to the council, 15% were too busy whilst 16% were away from home (MORI, internal report).
The LGMA meta-evaluation survey asked local authority officers which accountability mechanisms have become more effective over the last three years for three key groups: residents, elected members and other stakeholders. Table 4 illustrates that executive, scrutiny and residents’ fora are perceived by officers to be the most effective mechanisms for residents and elected members. The role of full council seems to be a key concern, with only around a third of respondents agreeing that it has become a more effective accountability mechanism over the last three years, even for elected members. This reflects the findings of the New Council Constitutions evaluation (Stoker et al., 2004a, Stoker et al., 2004b). These results are clearly very positive, with the exception of full council, but it should be noted that the survey question merely investigates which mechanism is more effective for each group and does not explore the extent to which each group has actually engaged in each mechanism. This question is answered by the meta-evaluation case studies.

The meta-evaluation case studies reveal a mixed picture of engagement in mechanisms that hold councils to account. In the majority of cases both local authority and stakeholder interviewees reported that stakeholders had become involved in the scrutiny process, whilst member engagement appeared to range from actively driving the scrutiny agenda in some authorities, to disengaging entirely from the process in others. Local authority officers interviewed also expressed concerns about the role of full council with one concluding, ‘There is less debate’. One interviewee questioned the extent to which the general public understood new decision-making processes remarking ‘I’m not sure people can see the democracy’. At this preliminary stage of analysis, it would seem that the evidence on engagement in mechanisms that hold councils to account points to organised stakeholder involvement rather than engagement of the general public.

<table>
<thead>
<tr>
<th>Table 4: Perceptions of the effectiveness of mechanisms for ‘holding to account’</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Percentage)</td>
</tr>
<tr>
<td>For Residents:</td>
</tr>
<tr>
<td>Full council</td>
</tr>
<tr>
<td>The executive</td>
</tr>
<tr>
<td>Scrutiny meetings</td>
</tr>
<tr>
<td>Area committees</td>
</tr>
<tr>
<td>Residents Forums</td>
</tr>
<tr>
<td>For Elected Members:</td>
</tr>
<tr>
<td>Full council</td>
</tr>
<tr>
<td>The executive</td>
</tr>
<tr>
<td>Scrutiny meetings</td>
</tr>
<tr>
<td>Area committees</td>
</tr>
<tr>
<td>Residents Forums</td>
</tr>
<tr>
<td>For Other Stakeholders:</td>
</tr>
<tr>
<td>Full council</td>
</tr>
<tr>
<td>The executive</td>
</tr>
<tr>
<td>Scrutiny meetings</td>
</tr>
<tr>
<td>Area committees</td>
</tr>
<tr>
<td>Residents Forums</td>
</tr>
</tbody>
</table>
Our conclusions on changes in holding to account are:

- Decision-making processes and responsibilities are clearer.
- Holding to account mechanisms are used more by stakeholders than citizens.
- Scrutiny has increased the ability to hold councils to account in relation to service outcomes.
- Electoral turnout improves where there is all-postal voting.
- Full council is not seen as having improved as a forum for holding to account.

Has ‘redress’ improved?

There is little evidence on whether LGMA policies have improved redress, and indeed few LGMA policies specifically deal with this issue. One of these is the New Ethical Framework. This mechanism is being used to seek redress from members in relation to their conduct, with some 7,000 allegations between April 2002 and December 2004. However, the data is difficult to interpret due to the varying motivations for making allegations and the relatively small percentage that are found to be breaches of the code.

Redress is an important factor in increasing public confidence, which our theory of change suggests as the purpose of improving accountability (Chapter two). 92% of officer respondents to the LGMA meta-evaluation survey agreed that the effectiveness of responses to user complaints influenced levels of public confidence. This perspective is supported by data from two additional sources.

Firstly, MORI report findings from a survey of a single county council where 46% of residents reported that ‘personal experiences of the County Council’ influenced their opinion of the authority, with a further 27% stating that ‘What you hear from friends or relatives’ also influenced their view (MORI, internal report). While clearly covering only one county area, this provides direct evidence for the proposition that dealing appropriately with resident inquiries has an important impact on their attitudes. It is therefore perhaps cause for concern that MORI data suggests that only 57% of residents who had contacted the council with an enquiry were satisfied with the way their contact was handled by the council. Moreover, the data indicates that even fewer were satisfied with the final resolution of their complaints (MORI, 2001).

Secondly, data from the LGMA meta-evaluation focus groups suggests that residents interpreted their key relationship with the council in terms of contact and complaints about services. Comments from residents indicate that the resolution of complaints is a key issue for the public and one that is likely to have an influence on the level of confidence in their authority (Figure 5). As with previous illustrative quotes from the focus groups, this figure again
illuminates the complexity of the accountability relationship when seen from the perspective of the citizen.

**Figure 5: Residents’ perceptions on putting things right – redress.**

*Illustration of the redress role of local councillor:*
‘We’ve got a very good county councillor I have to say and if things have got to her notice I know she takes note. But whether she’s able to sort it out or not? She does her best, there’s no doubt about that. And I think, on the whole she’s very highly thought of within the area’.

*Illustration of council responsiveness:*
‘I’ve found them quite responsive. Highways and repairs section when I’ve appealed to them on behalf of individuals’.

*Illustration of council unresponsiveness:*
‘Everybody that you try and get hold of, you can’t get hold of anybody. I started at 9 o’clock on Tuesday morning about an attendance allowance for an old lady. I was still trying at five to twelve and the frustration’s terrible’.

*Illustration of differential response by council:*
‘This is true because, when you ring the council and you want something it’s easy if they want you to pay council rates. But if you complain about something, there’s no way you’ll hear’.

*Illustration of uncertainty about redress processes:*
‘You don’t know who to complain to or who to ask and this is the terrible thing. And by the time you’ve got counties saying, ‘oh that’s not us, it’s district’. And the districts saying ‘no it’s county’. And you’re sitting in between the two. It’s ridiculous’.

*Source: Meta-evaluation focus groups with residents, 2004.*

Clearly, the evidence available on improvements in redress mechanisms is still rather meagre. This is an area that we will investigate further in the next stages of the study.

**Accountability and arm’s length bodies**

The discussion so far has concentrated on accountability of the council. However, there has been a substantial growth of partnerships in which the local authority plays a key role. The LGMA promoted the creation of Local Strategic Partnerships (LSPs) and so it is important to identify any changes in the accountability associated with this arm’s length body.
The national evaluation of LSPs (University of Warwick et al., 2003) found that accountability arrangements were generally weak for most partnerships, except the 87 Neighbourhood Renewal Fund (NRF) LSPs, which had stronger upward accountability to Government Office and the Neighbourhood Renewal Unit (NRU) in relation to spending. However, even in NRF partnerships there were concerns regarding the diversity of partner accountability arrangements, a lack of clear ownership by partners and limited transparency in community and voluntary sector nominations to the LSP. Further, the evidence suggests that the combination of cultures on an LSP has important implications for accountability. It seems that local authorities have been important in driving the accountability debate within partnerships and their efforts may have resulted in improved accountability amongst partner organisations. The team also report that the structure of an LSP can encourage accountability, particularly if a partnership has a broad base of members and makes an effort to find absent members. However, they are keen to emphasise that greater inclusivity does not necessarily equate to improved accountability.

From this we can conclude:

- Accountability arrangements for LSPs, especially those outside the NRF remit, are weak.
- Local authorities have been seeking to improve the accountability relationships between partners of the LSP.
- A broad membership base assists accountability of the LSP.

**Evidence of overall changes in accountability**

In order to gauge the overall pattern of accountability change arising from LGMA policies, we have counted the number of items of evidence from published research available to us about each of the four strands of the accountability framework, in terms of their conclusion about the direction of accountability change (Table 5). This method of analysing research findings is useful at an indicative level, especially since we are drawing on data from research being undertaken into almost all elements of the LGMA policy package. However, it should be interpreted with care since it assumes that each item of evidence has equal weight and that research has been undertaken (and the results identified) across the field of LGMA accountability.

The results of this analysis show that there has been at least some increase in accountability since the introduction of LGMA. However, there are also a number of areas where there is mixed evidence or no change. There are relatively few instances where accountability can be shown to have decreased. There appears to be more change in relation to taking into account than
giving or holding to account. The evidence of accountability improvements in relation to holding to account are less clear, with a significant number of neutral findings, but even here there are some instances where accountability has not changed or has decreased.

<table>
<thead>
<tr>
<th>Evidence of accountability gains</th>
<th>No evidence of accountability change or mixed evidence</th>
<th>Evidence of accountability reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taking into account</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>Giving an account</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Holding to account</td>
<td>5</td>
<td>9</td>
</tr>
<tr>
<td>Redress</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>OVERALL</td>
<td>21</td>
<td>20</td>
</tr>
</tbody>
</table>

**Source:** Reports from evaluations conducted within LGMA Evaluation Partnership.

The primary data collection undertaken by the LGMA meta-evaluation team provides an additional perspective on changes to accountability. The survey of local government officers (2004) asked about changes in accountability compared with three years ago.

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Agree</th>
<th>Neither</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Improved accountability is a higher priority for my authority now than it was three years ago.”</td>
<td>80</td>
<td>14</td>
<td>6</td>
</tr>
<tr>
<td>“The following groups are more accountable to the public for the decisions and actions of my authority than they were three years ago…”</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- elected members</td>
<td>65</td>
<td>22</td>
<td>13</td>
</tr>
<tr>
<td>- senior managers</td>
<td>74</td>
<td>19</td>
<td>7</td>
</tr>
<tr>
<td>- frontline staff”</td>
<td>66</td>
<td>28</td>
<td>6</td>
</tr>
</tbody>
</table>

Table 6 presents the results of the questions relating to changes in the accountability of the council and its members and officers. An overwhelming proportion of officer respondents (80%) agree that accountability is now a higher priority than three years ago, and that their authority is more effective at explaining its decisions and actions. However, there is a lower level of agreement that the accountability of members and frontline staff has increased. A higher proportion thinks that the accountability of senior managers has increased, although this result (and that of members and frontline staff) may be subject to respondent bias (respondents were all senior managers).

The case study interviews conducted by the LGMA meta-evaluation team present a similar picture. On the whole, the view was that there was a clearer understanding of how decisions are made under new constitutions, with executive members perceived as accountable decision-makers, particularly the Leader. However, some interviewees expressed concerns about the extent of delegation to officers with one interviewee reporting an increase in
accusations of ‘behind closed door’ decision-making under New Council Constitutions. Another commented that even after the introduction of the new decision-making arrangements: ‘the average punter doesn’t know where to protest’.

Conclusion

These data produce mixed results on changes in accountability. This is to be expected in a field as complex as the accountability of local government. Numerous policy initiatives are impacting on a complex set of institutions, and the causal relationships are not easy to predict at the start of the process, nor untangle after the event. However, our key findings are:

- Accountability of local authorities has increased.

- Taking into account: there are higher levels of involvement, especially with key stakeholder groups and service users.

- Giving an account: there is improved explanation to the public, but also evidence that residents and others remain unaware of council decisions and actions, especially of the upper tier in two-tier areas.

- Holding to account: there is greater stakeholder involvement in holding to account, rather than increased involvement by the wider public.

- Redress: there is no substantial evidence on changes in redress levels. However, residents interpreted their key relationship with the council in terms of contact and complaints about services, and this provides an important issue for future research.

We now consider to what extent the changes in accountability can be attributed to the LGMA policy instruments.
CHAPTER 4
Policy impacts on local government accountability

Introduction
Having identified changes in local government accountability, we now examine the impact of LGMA and other drivers on these changes, addressing the following questions:

1. Are accountability improvements due to LGMA policies?
2. What have been the other main drivers of accountability improvement?
3. Do elements of LGMA policies hinder accountability improvements?
4. Do LGMA policies have different accountability impacts in different types of authorities?
5. Do LGMA policies impacting on accountability reinforce each other?

Are accountability improvements due to LGMA policies?

Our analysis of existing research evidence from the individual evaluations of LGMA policies (Table 7) shows that almost all of the LGMA policy themes identified in chapter two of this report have contributed to increased accountability. The improvements include greater involvement of stakeholders, clarity in decision-making and better communication with citizens.

We have not found any evidence of LGMA finance policy changes impacting on accountability. According to the evaluation of the development and implementation of corporate capital strategies and asset management plans no evidence currently exists of how the introduction of corporate capital strategies and asset management plans has impacted on local government accountability (York Consulting, 2005). Neither is there any evidence of a link between democratic engagement and the balance of funding (Kleinman et al., 2002; ODPM, 2004). We were unable to identify any evidence from research concerning the accountability impacts of the implementation of Local Public Service Agreements.
LGMA policies have introduced some limitations on improvements in local government accountability, however. In some cases these limitations could reasonably be ascribed to transitional problems of moving from one system to another (as in the creation of effective scrutiny of the executive in authorities with no tradition of a separation between executive and other members, or lack of familiarity with the potential contribution of e-government identified in an evaluation of this policy). Other accountability limitations are a consequence of the more complex institutional arrangements that LGMA policies have created, for example in relation to Local Strategic Partnerships and postal voting.
<table>
<thead>
<tr>
<th>Policy theme</th>
<th>Accountability gains</th>
<th>Accountability limitations</th>
</tr>
</thead>
</table>
| Political management         | • Decision-makers more clearly identified  
• Information on forthcoming decisions  
• Scrutiny of service outcomes  
• Scrutiny involves stakeholders  
• Area committees  
• Mayors’ electoral legitimacy gives personal focus for accountability                                                                                                      | • Definition of key decisions  
• Impact on public participation, little public interest in scrutiny  
• Scrutiny of executive  
• Role of full council  
• Area committees increase decision-routing complexity  
• Confusion of roles in alternative arrangements councils  
• Scrutiny weak in alternative arrangement councils  
• Limited diversity of councillors                                                                                                                                           |
| Performance                   | • Significant increase in level and breadth of consultation  
• Development of local performance indicators  
• Comprehensive Performance Assessment increases transparency of information about a council’s performance  
• Identification of council as poorly performing increases accountability to central government                                                                 | • Difficulty of engaging members in Best Value  
• Performance plan not effective for holding council to account  
• Identification of council as poorly performing does not necessarily increase accountability to citizens                                                                 |
| E-government                  | • e-access to individual councillors  
• Councils starting to collect data on citizen-councillor e-interactions  
• Increase in number of ways public can access information and in take-up of e-enabled information  
• Improvements in public participation through e-enabling                                                                                                                     | • Most emphasis on service delivery rather than e-democracy  
• Limited awareness of e-government contribution to democratic practice                                                                                                          |
| Local democracy               | • Piloting of e-voting by local councils  
• Postal ballots produce significant increase in turnout  
• Increase in innovative approaches to engaging the public                                                                                                                      | • Limited impact of e-voting on turnout  
• Public concerns about fraud and privacy in postal ballots  
• Concern that public participation slows down decision-making  
• No change in proportion of public reporting ‘civic participation’                                                                                                                                                           |
| Partnerships, etc.            | • Strong Local Strategic Partnership (LSP) accountability to central government in Neighbourhood Renewal Fund areas  
• Gradual introduction of performance management systems in LSPs  
• Broad membership base of some LSPs plus use of Community Empowerment Fund (CEF) in NRF areas  
• Local government leading LSP accountability mechanisms  
• Increased accountability of LSP partners to each other  
• Enhanced accountability where LSP chair is leader of council                                                                                                             | • Diversity of LSP partner accountability arrangements, independence of action, ownership, capacity etc.  
• Limited dedicated staff resources for LSPs  
• Limited links between LSP and council scrutiny arrangements  
• LSP accountability complex in two-tier areas  
• Informality of LSP constitutions                                                                                                                                                                                                 |
The meta-evaluation survey of officers demonstrates that over 70% of them agree that LGMA policies have had a strong positive impact on making local authorities more accountable (Table 8). Principal LGMA policies impacting on accountability were Comprehensive Performance Assessment (CPA) (87% agreed), followed by Best Value (80%), Community Strategies (76%), Local Strategic Partnerships (LSPs) (74%), New Council Constitutions (66%) and Local Public Service Agreements (LPSAs) (54%). The much lower level of agreement on intervention and recovery arises because this policy is only relevant for a small number of councils. Furthermore, 81% of officers report that accountability is a higher priority for their authority than it was three years ago.

Information gathered via the meta-evaluation case studies provide further support with interviewees pointing to a range of LGMA policies in relation to improvements in accountability. CPA, Best Value and other inspection regimes were frequently cited. Interviewees also mentioned the introduction of New Council Constitutions, mainly as a driver for improving the accountability of elected members. Furthermore, whilst local authority interviewees were at pains to emphasise that accountability had always been a high priority for their authority, most cited LGMA policies as key drivers of improvements in accountability over recent years.

<table>
<thead>
<tr>
<th>(Percentage)</th>
<th>Positive</th>
<th>Neither</th>
<th>Negative</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPA</td>
<td>87</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td>Best Value</td>
<td>80</td>
<td>15</td>
<td>4</td>
</tr>
<tr>
<td>Community Strategies</td>
<td>76</td>
<td>21</td>
<td>3</td>
</tr>
<tr>
<td>LSPs</td>
<td>74</td>
<td>24</td>
<td>3</td>
</tr>
<tr>
<td>New political management arrangements</td>
<td>66</td>
<td>23</td>
<td>11</td>
</tr>
<tr>
<td>LPSAs</td>
<td>54</td>
<td>43</td>
<td>3</td>
</tr>
<tr>
<td>Intervention and Recovery</td>
<td>24</td>
<td>69</td>
<td>7</td>
</tr>
</tbody>
</table>

The meta-evaluation survey data indicate that the two factors that had the strongest impact on accountability – Best Value and CPA – were linked to inspection regimes undertaken by national regulators. This is reflected in the interview data. For example, in one large council, all case study respondents interpreted questions about ‘changes in accountability’ in terms of the local authority’s answerability to central government. The view was that the local authority was much more accountable in these terms as a result of targets. In another council, the chief executive commented that it was accountability to central government that had changed most. Other comments included: ‘Everything we get has to be bid for and you have to go through all of the auditing’ and ‘I think there is an overload, your job is delivering services not ticking boxes’. However, interviewees also cited the introduction of New Council Constitutions as another key driver, although there were mixed views on its impact. Some saw this leading to greater personal accountability and responsibility of executive members, but others argued that transparency of decision-making had not increased.
The case study interviews also indicate that a pre-disposition by councils towards the LGMA might be an important factor in explaining accountability improvements. For example, two of our high-performing case study councils were particularly positive about all aspects of the LGMA, expressing clear enthusiasm even for the most challenging accountability elements such as inspection regimes and the CPA (this is discussed in more detail in relation to the differential impact of the LGMA across councils).

Our conclusions are:

- LGMA policies have been significant drivers of accountability improvements.
- The major LGMA drivers have been linked to inspection regimes.
- This has led councils to become more accountable to central government.
- Pre-disposition to LGMA is an important motivating factor.

What have been the other main drivers of accountability improvement?

LGMA policies are only one force impacting on local authority accountability. Other pressures come from within the council – from members, managers and staff – and from external events and developments unconnected with the LGMA.

Respondents in the meta-evaluation officers’ survey identified leadership from officers, executive members and the use of performance management systems as internal key drivers of accountability improvement (Table 9). However, the extent to which respondents could distinguish these internal drivers from LGMA policies remains unclear. For example, for most, executive leadership is synonymous with the introduction of New Council Constitutions (NCCs), whilst CPA, LPSAs and Best Value tend to correspond closely to any local authority performance management system.

Respondents were also asked about external drivers (Table 9). They identified ‘demands from residents’ as the principal external driver. However, as we discuss elsewhere, this perception is not matched by the reality since most citizens do not wish to become more involved in council activities. Rather, it may be to do with officers’ perceptions that they should offer avenues to citizens, whether or not they are used. The other main drivers were Audit Commission activities, pressure from other inspectorates, and the use of e-government. Again, it is difficult to disentangle some of these factors from the LGMA. There were mixed views on whether partnerships, IDeA activities or the local media had a positive or neutral impact on accountability.
Evidence from the meta-evaluation case studies proved to be mixed. There was some indication of innovative involvement activities, which went beyond government guidance (for example, the budget consultation at one of the case study councils) and also experimentation with postal voting in some areas. However, when pressed on why the authority had become more accountable over the last few years, the majority of interviewees responded by pointing, almost unanimously, to elements of the LGMA, such as CPA and the introduction of New Council Constitutions. On the whole, very few highlighted any initiatives, strategies and innovations designed to improve accountability that were independent of the LGMA.

<p>| Table 9: Perceptions of drivers that increase local authority accountability, in rank order of positive impact |</p>
<table>
<thead>
<tr>
<th>(Percentage)</th>
<th>Agree</th>
<th>Neither</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Internal drivers:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leadership from officers</td>
<td>88</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td>Use of performance management systems</td>
<td>86</td>
<td>11</td>
<td>3</td>
</tr>
<tr>
<td>Executive leadership</td>
<td>74</td>
<td>20</td>
<td>6</td>
</tr>
<tr>
<td>Non-executive scrutiny</td>
<td>66</td>
<td>23</td>
<td>11</td>
</tr>
<tr>
<td>Engagement of staff in decision-making</td>
<td>65</td>
<td>32</td>
<td>3</td>
</tr>
<tr>
<td><strong>External drivers:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Demands from the public</td>
<td>76</td>
<td>22</td>
<td>2</td>
</tr>
<tr>
<td>Audit Commission activities</td>
<td>72</td>
<td>23</td>
<td>5</td>
</tr>
<tr>
<td>Pressure from other inspectorates</td>
<td>66</td>
<td>28</td>
<td>6</td>
</tr>
<tr>
<td>Use of e-government</td>
<td>64</td>
<td>33</td>
<td>3</td>
</tr>
<tr>
<td>Partnership with public sector</td>
<td>59</td>
<td>38</td>
<td>3</td>
</tr>
<tr>
<td>Partnership with voluntary sector</td>
<td>50</td>
<td>46</td>
<td>4</td>
</tr>
<tr>
<td>Local media coverage</td>
<td>50</td>
<td>42</td>
<td>8</td>
</tr>
<tr>
<td>Partnership with private sector</td>
<td>40</td>
<td>52</td>
<td>8</td>
</tr>
<tr>
<td>IDeA activities</td>
<td>37</td>
<td>58</td>
<td>5</td>
</tr>
</tbody>
</table>

Form this analysis we conclude:

- Leadership is an important internal driver of accountability improvements.

- Officers' belief that the public demands greater accountability is the main external driver.

- Inspection-related policies are important external drivers but are also linked to the LGMA.
Do elements of the LGMA hinder accountability improvements?

Our research has identified three tensions arising from accountability improvements.

Partnership working and accountability

The meta-evaluation case studies revealed an unease regarding the emphasis of the LGMA on collaborative working and the accountability implications of the development of a plethora of partnerships. Problems included the degree to which those who participate in partnerships are representative of communities and also the lack of performance measures and clear accountability arrangements for partnerships. These concerns concur with findings emerging from the national evaluation of Local Strategic Partnerships (LSPs) (University of Warwick et al., 2004).

The LGMA meta-evaluation officers’ survey is inconclusive on this matter, with a significant proportion of respondents (between 38% and 52%) reporting that they neither agreed nor disagreed with suggestions that working in partnership with private, public and voluntary organisations would drive improvements in local accountability. Overall, it is clear that partnership working generates a number of accountability issues for local government. We discuss these later in the report.

Managerial and political accountability

Another issue concerns the extent to which the LGMA has emphasised managerial accountability, through CPA and Best Value, rather than political accountability, through New Council Constitutions. The meta-evaluation survey of officers indicates that most agree that senior managers are most accountable to the public for local authority decisions and actions, closely followed by front-line staff and then elected members. However, this is subject to respondent bias and needs to be treated with caution. The findings from the meta-evaluation case studies prove to be mixed on this issue. Although in most councils officer interviewees interpreted accountability in relation to central government, others referred to elected members rather than officers. For example, there were some references to the increasing accountability of elected members, particularly leaders and those on the executive. What is clear from other research (e.g. Skelcher et al., 2003) is that managers’ roles are developing a greater external focus, arising from the imperatives of working in partnership with other agencies and the community, and that this introduces new dimensions of accountability for them and in their relationships with members.
Contracting out and accountability

We also explored the relationship between contracting out and accountability but found that comments on the accountability implications of contracting out and arm’s length service provision rarely arose in the meta-evaluation case study interviews and focus groups. We have tested the relationship by correlating changes in accountability with measures of contracting out taken from the service improvement section of the LGMA meta-evaluation survey (Table 10). The correlations express the extent to which the two measures (accountability and contracting out) vary together. We might have expected there to be a negative relationship between accountability and contracting out, because services are delivered at arm’s length to the local authority. On the other hand, contracting out does, in principle, involve clear specification of the service and monitoring of performance.

The results give statistically significant positive correlations which mean that as contracting out increases so does accountability. However, some of the correlation coefficients are small. This indicates some weak positive relationships, such as that between ‘Improved accountability is a higher priority than three years ago’ and ‘Out-sourcing’. It must also be remembered that correlations imply an association rather than a causal relationship. For example, we can say that the evidence shows that contracting out is related to accountability but we cannot say that contracting out causes accountability or vice versa. It may also be possible that a positive correlation between the two indicates that they are both related to some other factor that produces variation in both contracting-out and accountability.

<table>
<thead>
<tr>
<th>Accountability variables</th>
<th>Use of market testing</th>
<th>Use of outsourcing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improved accountability is a higher priority than three years ago</td>
<td>.15*</td>
<td>.13*</td>
</tr>
<tr>
<td>Elected members are more accountable</td>
<td>.20*</td>
<td>.18*</td>
</tr>
<tr>
<td>Senior managers are more accountable</td>
<td>.23*</td>
<td>.23*</td>
</tr>
<tr>
<td>Frontline staff are more accountable</td>
<td>.21*</td>
<td>.21*</td>
</tr>
</tbody>
</table>

Note: * = statistical significance at .05 or better

Our conclusion is that several elements hinder improved accountability to local communities:

- The accountability implications of partnership working are complex and require further investigation.
- There is some indication of increased managerial rather than political accountability but the evidence is, as yet, unclear.
- There appears to be a positive relationship between outsourcing/contracting out and improved accountability but the nature of the relationship is unclear.
Do LGMA policies have different accountability impacts in different types of councils?

We identified in chapter two that LGMA policies had varying degrees of specificity and placed different levels of obligations on councils. For example, all councils were required to undertake Best Value processes, whilst Local Public Service Agreements are a matter of individual decision. New Council Constitutions have features that place detailed legal duties on councils, but in other areas permit wide discretion. The councils to which LGMA policies apply also differ, each having a unique historical, political and organisational context. From this basis, it is reasonable to expect variation in the impact of LGMA across councils. In this section we explore differential accountability impacts by council type and performance level.

Accountability impacts by type of council

We tested whether improved accountability is a higher priority in different types of councils by analysing mean scores for the survey questions: ‘Improved accountability is a higher priority for my authority/service than it was three years ago’ against data on local authority type (see text box below for explanation of calculation of mean scores). The results are presented in Table 11 below. The results reveal that officers working in London and Metropolitan Boroughs are more likely to report that accountability is both a high priority and a higher priority than it was three years ago, with those in District Councils and Unitaries slightly less likely to agree on both questions. There is a lower level of agreement on these questions from respondents in District Councils.

<table>
<thead>
<tr>
<th>Likert Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>A seven point likert scale was used to evaluate each of the questionnaire statements. A rating of 1 would indicate that the respondent strongly disagreed with the statement, whereas a rating of 7 would indicate that the respondent strongly agreed with the statement. A response of 4 would suggest that the respondent was undecided or neutral. Rating above or below 4 would therefore indicate the level to which respondents either agreed or disagreed with the statements.</td>
</tr>
<tr>
<td>We can study the average response for a group of respondents by examining the mean score. For instance, an overall mean score of 1.2 would indicate that the majority of respondents strongly disagreed with the statement. A mean of 6.3 would indicate that the majority of respondents strongly agreed with the statement, whereas a mean of 4.1 would suggest that respondents were neutral (neither agreeing nor disagreeing) with the statement.</td>
</tr>
</tbody>
</table>
Table 11: Perceived improvements in accountability, by type of authority

<table>
<thead>
<tr>
<th>Author Type</th>
<th>Number of respondents</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Improved accountability is a high priority of my authority/service</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>London</td>
<td>117</td>
<td>1.56</td>
</tr>
<tr>
<td>Metropolitan</td>
<td>167</td>
<td>1.56</td>
</tr>
<tr>
<td>County</td>
<td>151</td>
<td>1.52</td>
</tr>
<tr>
<td>Unitary</td>
<td>234</td>
<td>1.22</td>
</tr>
<tr>
<td>District</td>
<td>862</td>
<td>1.11</td>
</tr>
<tr>
<td><strong>Improved accountability is a higher priority for my authority/service than it was three years ago</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>London</td>
<td>115</td>
<td>1.63</td>
</tr>
<tr>
<td>Metropolitan</td>
<td>163</td>
<td>1.55</td>
</tr>
<tr>
<td>County</td>
<td>149</td>
<td>1.40</td>
</tr>
<tr>
<td>Unitary</td>
<td>230</td>
<td>1.28</td>
</tr>
<tr>
<td>District</td>
<td>833</td>
<td>1.26</td>
</tr>
</tbody>
</table>

This evidence does not take account of the relative levels of accountability between the different types of councils of course. For example, earlier we discussed how residents from two-tier areas thought that they were better informed about the plans of their district council than their county council. From this perspective, councils giving a higher priority to accountability might be doing so in order to catch up.

An alternative explanation comes from the meta-evaluation case study interviews. This revealed that the LGMA has been embraced more enthusiastically by some authorities than others, and consequently predisposition to LGMA policies appears to be an important factor in determining accountability improvement. For example, interviewees in two of our high-performing case study councils were particularly positive about the LGMA, expressing clear enthusiasm for even the most challenging accountability elements, such as inspection regimes and the CPA. It might be argued from this that the London, metropolitan and county councils, with their greater capacity, would be more likely to include early adopters than district councils, who are smaller and often less well networked into the local government community. From this perspective, the relative differences in accountability between the two groups of councils would be expected to increase. This will be explored in future research.

Accountability impacts by Comprehensive Performance Assessment score

Council performance is the other key dimension through which accountability impacts can be assessed. We explored the relationship between officer perceptions of accountability and local authority Comprehensive Performance Assessment (CPA) score, in order to test the proposition that high-performing councils might be pre-disposed to LGMA policies. Table 12 presents mean scores for the survey questions: ‘Improved accountability is a high priority of my authority/service’ and ‘Improved accountability is a higher priority for my authority/service than it was three years ago’.
authority/service than it was three years ago’, but this time the responses are classified by CPA score.

<table>
<thead>
<tr>
<th>Table 12: Perceived improvements in accountability by CPA score</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Author Type</strong></td>
</tr>
<tr>
<td>Improved accountability is a high priority of my authority/service</td>
</tr>
<tr>
<td>Excellent</td>
</tr>
<tr>
<td>Good</td>
</tr>
<tr>
<td>Fair</td>
</tr>
<tr>
<td>Weak</td>
</tr>
<tr>
<td>Poor</td>
</tr>
<tr>
<td>Improved accountability is a higher priority for my authority/service than it was three years ago</td>
</tr>
<tr>
<td>Excellent</td>
</tr>
<tr>
<td>Good</td>
</tr>
<tr>
<td>Fair</td>
</tr>
<tr>
<td>Weak</td>
</tr>
<tr>
<td>Poor</td>
</tr>
</tbody>
</table>

The analysis produces an interesting set of results. Firstly, officers working in excellent, weak and poor councils agreed more strongly than those in fair and good authorities that improved accountability was a high priority. Secondly, officers in weak and poor authorities agreed more strongly that accountability is a higher priority than three years ago, when compared to officers in other types of council. These conclusions enable us to refine our earlier finding that of all the LGMA policies, officers identify CPA as the primary accountability driver, and see accountability to central government as being stronger. The emphasis on accountability in poor and weak councils could be explained by the fact that these authorities have experienced more contact and engagement with central government over the last three years. In the case of excellent councils, the current high priority on accountability may be due to their desire to further improve performance and thus retain this coveted status. Nevertheless, in light of this result and the survey responses linking CPA to accountability, the relationship between accountability and performance is one that might be explored more thoroughly in future years of the meta-evaluation.

Our conclusions on the differential impact of accountability changes are:

- The rise in the priority of accountability, in comparison with three years ago, is greater in London, metropolitan boroughs and county councils than in unitaries and district councils.

- This finding may be explained by already higher levels of accountability in district councils, or by a greater pre-disposition to LGMA in London boroughs, metropolitan boroughs and county councils.
• Excellent, poor and weak councils give a higher priority to accountability than fair and good councils, and poor and weak councils give accountability a higher priority now than three years ago.

• The impact of closer supervision and accelerated improvement by poor and weak councils may influence the priority they give to accountability, and also the focus of this accountability (i.e. to regulators).

Do LGMA policies on accountability reinforce each other?

There are both complementarities and inconsistencies in LGMA policies on accountability. Here we consider the complementarities and inconsistencies in the democratic agenda. We also follow-up two issues identified elsewhere in the study – the tensions between central and local accountability, and between local authority and partnership accountability.

The democratic agenda is where the main complementarities are to be found, especially between policies on new political arrangements, elections and e-democracy, and public participation. These all seek to increase the extent to which councils take into account, give an account and are held to account. They include measures designed to increase citizen, user and stakeholder voice, improve transparency and awareness of decision-making processes, and enable greater numbers of citizens to vote and become involved in other ways of holding councils to account.

However, there are also potential incompatibilities in the LGMA’s democratic policies, for example increased public participation may confuse lines of accountability as proposals are negotiated and changed. This reflects a deeper tension between traditional representative forms of accountability and more deliberative forms, reflected in duties to engage and consult with the public. An interviewee in one case study council referred to ‘old style representative politics’ impeding efforts on stakeholder engagement. Elsewhere, elected member interviewees were uncertain about their role within the new participatory local government. They questioned the need for stakeholder and public consultation given that they have been elected to represent the interests of their constituents.

The balance between central and local accountability produces a number of inconsistencies. The issue is not so much a matter of principle as of practice. Local authorities have to be accountable to central government, given their role in delivering national policy and spending national revenue. However, the impact of the Comprehensive Performance Assessment (CPA) and related inspection policies, together with Local Public Service Agreements (LPSAs) and other national programmes, raises questions about the impact that greater central accountability has on councils’ local accountabilities. Our evidence shows that councils are now more conscious than before of their accountabilities to central government. What is not clear at present is how this impacts on their local accountabilities, for example when electoral mandates
or citizen consultation produces conclusions that do not match national priorities. The current discussions about the future pattern of centre-local relations, in the context of the Ten Year Vision, may begin to resolve these issues. However, at the same time the new CPA methodology will reinforce council’s nationally defined performance agendas, although the potentially lower burden of inspection may moderate this.

The second inconsistency concerns the much greater involvement of councils in partnerships. Partnership working has important benefits in terms of public and stakeholder involvement and the delivery of joined-up policies (Aspden and Birch, 2004). However, it also confuses the already complex lines of accountability within the local system of governance. Councils are often the leading figures in creating partnerships and facilitating their day-to-day operation. Partnerships are also a key means through which local policy is delivered. Yet accountability mechanisms for partnerships are weak, as they often are for other members of the partnership (Skelcher et al., 2003). The council is also not wholly able to take on the accountability for the partnership. The drive to increase local authority accountability from one part of the LGMA is therefore undermined by the greater use of partnership arising from other parts of this policy programme.

On the basis of this discussion, we conclude that:

- The main area of compatibility is between LGMA policies oriented towards the democratic agenda.
- However, even here there are tensions, for example between different forms of democracy.
- The greater emphasis on accountability to central government has the potential to detract from local accountability.
- Increases in local government accountability are undermined by the greater use of partnership working.

**Conclusion**

The analysis of research evidence shows that accountability has improved, and that it remains a high priority for councils – especially for larger councils and those with lower CPA scores. Improvement has taken place more in the areas of taking into account and giving an account, than in holding to account or redress. Stakeholders are now more involved, but residents are ambivalent about the extent to which they want to engage with councils. The LGMA has been an important driver for accountability changes, but there are also some choices to resolve – for example, between central and local accountability, and local government and partnership accountability.

In the next chapter we use these results to consider the impact on public confidence. We also test the propositions set out in Chapter two. Finally, we draw conclusions for the developing policy agenda.
CHAPTER 5
Conclusions and implications for policy and practice

In this section we summarise the evidence on changes in local authority accountability since the introduction of the LGMA and its effects on public confidence, develop the framework for understanding the accountability relationships of local government, and identify implications for policy makers.

Changes in local government accountability

The conclusions from the individual sections of the report are brought together in Table 13. Evidence from secondary sources, in particular the individual evaluations of New Council Constitutions (NCCs), Local Strategic Partnerships (LSPs) and Best Value, indicate that there have been accountability improvements, principally in relation to ‘taking into account’ and ‘giving an account’ rather than ‘holding to account’ or ‘redress’. Evidence derived from the LGMA meta-evaluation survey of officers suggests that of the new accountability mechanisms, officers perceive residents’ forums, overview and scrutiny committees and the executive as the most effective accountability mechanisms for residents. Furthermore, officers surveyed by the meta-evaluation team report that accountability to stakeholders has increased at a greater rate than that to residents and also that the accountability of senior managers has increased at a greater rate than that of elected members. However, it should be noted that there are also a number of areas where there is mixed evidence or no change.

The key finding is that accountability is improving as a result of LGMA policies, although influenced by policies that we might not have expected to have a significant effect. For example, whilst new political management arrangements, community strategies and LSPs are all seen as key drivers of accountability by at least two thirds of local authority officers, the policies cited most frequently (by four-fifths of respondents) are CPA and Best Value, which focus more on accountability to central government rather than local stakeholders. However, there are indications that the perceptions of residents are likely to be different. Only 5% of residents in one county council reported that ‘Government assessment of how well their county council is run’ influenced their opinion of the council (MORI, internal report). Nevertheless, the implication of CPA has been to reorientate the focus of councils’ accountability relationships. It remains to be seen whether this is a short-term process linked to rounds of CPA corporate assessments, or a longer-term process accentuated by new policy instruments such as Local Public Service Agreements (LPSAs) and Local Area Agreements (LAAs).
Table 13: Accountability impacts of LGMA – summary of research findings

<table>
<thead>
<tr>
<th>Research questions</th>
<th>Overall conclusions</th>
</tr>
</thead>
</table>
| Has ‘taking into account’ improved?                    | • Growth in number and range of ways of taking public views into account  
• High and increasing levels of engagement with key stakeholder organisations and service users  
• Stakeholders are usually involved in defining issues and shaping policies rather than taking decisions  
• Citizens want councils to find out their views, but are concerned that they may not be taken notice of  
• Citizens may have limits in the extent to which they want to become involved in assisting their council to plan and deliver services |
| Has ‘giving an account’ improved?                      | • Councils have improved their ability to explain their plans and activities  
• However, residents remain relatively unaware of council plans and activities  
• There has been less improvement in the ability of residents, than stakeholders or members, to gain explanation from councils  
• Officers report increased levels of communication and transparency  
• Residents in two-tier councils feel they are better informed about the affairs of their district council than their county council |
| Has ‘holding to account’ improved?                     | • Decision-making processes and responsibilities are clearer  
• Holding to account mechanisms are used more by organised stakeholders than citizens  
• Scrutiny has increased the ability to hold to account in relation to service outcomes  
• Electoral turnout improves where there is all-postal voting  
• Full council is not seen as having improved as a forum for holding to account |
| Has ‘redress’ improved?                                | • There is currently little available evidence on improvements in redress mechanisms |
| Accountability and arm’s length bodies                 | • Accountability arrangements for Local Strategic Partnerships (LSPs), especially those outside the Neighbourhood Renewal Fund remit, are weak  
• Local authorities have been seeking to improve the accountability relationships between partners and of the LSP  
• A broad membership base assists accountability of the LSP |
| Are accountability improvements due to LGMA policies?  | • LGMA policies have been significant drivers of accountability improvements  
• The major LGMA drivers have been linked to CPA and inspection regimes  
• This has led councils to become more accountable to central government  
• Pre-disposition to LGMA is an important motivating factor |
| What have been the main drivers of accountability improvements? | • Leadership is an important internal driver of accountability improvements  
• Officers’ beliefs that the public is demanding greater accountability is the main external driver  
• Inspection-related policies are important external drivers, but are also linked to the LGMA |
<table>
<thead>
<tr>
<th>Research questions</th>
<th>Overall conclusions</th>
</tr>
</thead>
</table>
| Do LGMA policies help or hinder accountability         | •  The accountability implications of partnership working are complex, and require further investigation  
•  There is some indication of increased managerial rather than political accountability, but the evidence is as yet unclear  
•  There appears to be a positive relationship between outsourcing/contracting out and improved accountability, but the nature of the relationship is unclear  |
| improvements?                                          |                                                                                                                                                                                                                                                                                                                                                     |
| Do accountability impacts differ between types of      | •  There has been a greater rise in the priority given to accountability, compared with three years ago, in London, metropolitan boroughs and county councils than in unitaries and district councils.  
•  This finding may be explained by already higher levels of accountability in district councils, or by a greater pre-disposition to the LGMA in London boroughs, metropolitan and county councils  
•  Excellent, poor and weak councils place a higher priority on accountability than fair and good councils, and poor and weak councils give accountability a higher priority now than three years ago  
•  The impact of closer supervision and accelerated improvement by poor and weak councils may influence the priority given to accountability, and also the focus of this accountability (i.e. to regulators) |
| councils?                                              |                                                                                                                                                                                                                                                                                                                                                     |
| Do LGMA policies reinforce each other?                 | •  The main area of compatibility is between LGMA policies oriented towards the democratic agenda  
•  However, even here there are tensions, for example between different forms of democracy  
•  The greater emphasis on accountability to central government has the potential to detract from local accountability  
•  Increases in local government accountability are undermined by the greater use of partnership working |
This study of accountability shows that the pattern of accountability relationships arising from the LGMA is more complex than that set out in Figure 1 at the start of the report. We have used our findings to develop a revised diagram in Figure 6. This adds in the accountability relationships with central government and local partners.

Figure 6 reflects the reality of local government accountability as a relationship with a variety of individuals and stakeholders. The effectiveness of the accountability relationship depends as much on these other individuals and stakeholders as it does on the local authority. Effective accountability requires the council to be willing to develop its approaches, but also for citizens and other stakeholders to take advantage of these opportunities. This is an issue to which we return below.

The relationships with central government are principally in terms of giving an account and holding to account. Our research reveals the significance of CPA processes and inspections in shaping the perception in local authorities that central government and national regulators like the Audit Commission now hold them to account more strongly. For those councils whose performance is not acceptable, there are strong ‘holding to account’ mechanisms in the Secretary of State’s intervention powers and the processes of non-statutory supervision of recovery and improvement.

Relationships with local partners are principally concerned with the ‘taking into account’ aspect of our framework. This involves sharing plans and proposals, for example through the LSP or issue-based partnerships, or joint commitment to action through LPSAs. There is more limited ‘holding to account’, and where this happens it principally concerns scrutiny activity. Health is the main local partner subject to scrutiny, but some councils are also developing scrutiny of partnerships and other local partner agencies.

Accountability is a two-way process. Consequently it is important to identify whether there are factors in the local community that enhance or limit accountability. The evidence we have gathered indicates that citizens generally are not necessarily highly motivated to take advantage of the new accountability mechanisms, although service users may be more so The Home Office Citizenship Survey reports that there was no change between 2001 and 2003 in ‘civic participation’ (Home Office, 2004), despite research conducted for ODPM demonstrating that there has been an increase in innovative methods of engaging the public. The introduction of electronic voting produced a small (5%) average increase in turnout, although this is compensated by a 14% higher turnout where postal ballots were used compared with the traditional method. Indeed, one case study council reported that voter turnout had increased from 28% to 51% as a result of the introduction of postal voting. Consequently the impact of accountability mechanisms may continue to be limited, unless the civil renewal movement gains momentum and citizens and service users take a more active role in utilising the accountability mechanisms that already exist. Moreover, several interviewees within case study authorities commented on the difficulty of
countering a general atmosphere of cynicism and apathy amongst the electorate and also the low public standing of politicians generally, as indicated in recent research by the Committee on Standards in Public Life. These issues are explored in more detail in the parallel progress report on stakeholder engagement (Leach et al., 2005).
Figure 1: Revised accountability framework based on the research evidence

Central government

Local authority decisions and activities

Giving an account

Holding to account

Taking into account

Giving to account

Citizens and stakeholders

Local partners’ decisions and activities

Holding to account

Taking into account

Holding to account

Redress
Changes in public confidence

The theory of change set out in Chapter two identified improvements in public confidence with local government as being an outcome of increased accountability. The meta-evaluation survey of officers includes a series of questions about the factors that may influence levels of public confidence. Analysis of this data reveals that over half of officer respondents agree that accountability factors are important in influencing the level of public confidence (Table 14). However, there were particularly high levels of agreement in relation to the effectiveness of responses to user complaints, transparency of the decision-making process and the level of public involvement in that process. This data lends support to the hypothesis that increased accountability leads to greater public confidence, but chiefly in relation to ‘taking into account’, ‘giving an account’ and ‘redress’, rather than ‘holding to account’.

| Table 14: Perceptions of accountability factors that influence the level of public confidence |
|---------------------------------------------|-------------|-------------|-------------|
| (Percentage)                                | Agree       | Neither     | Disagree    |
| Level of public involvement involved in the decision-making process (taking into account) | 68          | 20          | 12          |
| The range of people involved in the decision-making process (taking into account) | 58          | 28          | 14          |
| Transparency of decision-making processes (giving an account) | 82          | 12          | 6           |
| Mechanisms that enable the public to scrutinise council decisions (holding to account) | 57          | 27          | 15          |
| Effectiveness of responses to user complaints (redress) | 92          | 6           | 2           |

We have tested the relationship between accountability and public confidence by looking at the correlation between (a) factors that measure perceived changes in accountability and (b) perceived changes in the level of public confidence (Table 15). The results indicate positive statistically significant correlations, which mean that as accountability increases so does public confidence. However, as with contracting out examined earlier, some of the correlation coefficients are small. This indicates that there are some weak positive relationships, such as that between ‘Elected members are more accountable’ and ‘High level of public confidence’. Again, it must be remembered that correlations imply an association rather than a causal relationship. We can only say that the evidence shows that accountability is related to public confidence but we cannot say that accountability causes public confidence or vice versa. It may also be possible that a positive correlation between the two indicates that they are both related to some other factor that produces variation in both accountability and public confidence.
Table 15: Relationship between changes in accountability and levels of public confidence

<table>
<thead>
<tr>
<th>High level of public confidence</th>
<th>Higher level of public confidence than three years ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electred members are more accountable</td>
<td>.09*</td>
</tr>
<tr>
<td>Senior managers are more accountable</td>
<td>.12*</td>
</tr>
<tr>
<td>Frontline staff are more accountable</td>
<td>.11*</td>
</tr>
</tbody>
</table>

Note: * = statistical significance at .05 or better

We are able to use the evidence in this report to draw conclusions about the propositions set out in Chapter two. Table 16 provides a summary analysis. This shows that LGMA policies have been important drivers in improving accountability, especially where councils did not already have a predisposition to this issue. There is some evidence of improvements in accountability mechanisms, but the relationship with improvements in public confidence, as we have discussed above, is weak. Overall, the data demonstrate that LGMA policies are driving improvements in accountability. However, the extent to which these improvements enhance public confidence is less clear.

Table 16: Summary analysis of research questions about LGMA impacts on local government accountability (continued)

<table>
<thead>
<tr>
<th>Research questions</th>
<th>Finding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have the policies of the LGMA increased the accountability of councils, leading to greater public confidence in, and support for, their roles and activities?</td>
<td>Clear evidence of accountability increasing; limited evidence of increased public confidence.</td>
</tr>
<tr>
<td>Has the implementation by councils of the LGMA accountability objectives increased stakeholder and citizen involvement in defining issues, shaping policy options and taking decisions?</td>
<td>More opportunity for involvement but tends to be by stakeholders rather than individual citizens. Not yet clear at what stages of the policy process involvement takes place.</td>
</tr>
<tr>
<td>Has the implementation of the LGMA accountability objectives increased provision of information to, and accessibility of information to, stakeholders and citizens in relation to local authorities’ choices, decisions, and performance?</td>
<td>Strong evidence of increased information provision. However, there is still debate around the accessibility of information.</td>
</tr>
<tr>
<td>Has the implementation of LGMA accountability objectives increased stakeholder and citizen involvement in mechanisms that hold councils to account?</td>
<td>Opportunities for greater involvement, but unclear whether this increases ability to hold council to account.</td>
</tr>
<tr>
<td>Has the implementation by councils of the LGMA accountability objectives increased the effectiveness of mechanisms through which citizens and service users can gain redress?</td>
<td>No evidence either way.</td>
</tr>
<tr>
<td>Has the LGMA increased accountability to stakeholders to a greater extent than to citizens?</td>
<td>Evidence on this is mixed.</td>
</tr>
</tbody>
</table>
Implications for Central Government – the Ten-Year Vision

The LGMA has emerged over the period since 1997, with most elements being introduced in the period up to 2001. Government is now in the process of reassessing the agenda for local government, and has initiated a process of discussion about a Ten-Year Vision. An introductory document was published in summer 2004 (ODPM, 2004b) and at the time of completing this report (June 2005), the Government had just published two policy documents – on local leadership (ODPM, 2005a), and on citizen engagement, public services and neighbourhoods (ODPM, 2005b).

In this section of the report we draw out the implications of our analysis for this developing agenda on the future of local government. Our comments are inevitably brief, given the short timescale between publication of the Ten-Year Vision policy documents and completion of this report.

Table 17 identifies an overall set of policy implications arising from the four main themes of the Ten-Year Vision as set out in the introductory document (ODPM, 2004b).
The findings of this accountability study have particular implications for the policy document on ‘Citizen Engagement and Public Services: Why Neighbourhoods Matter’ (ODPM, 2005b). The document sets out a number of ways through which a greater focus can be given to the delivery of high quality public services that address the needs of particular localities. It draws on, and develops, existing practice from local government, the voluntary and community sector, and other European countries. The document also discusses the opportunities for citizen involvement that these possibilities offer.

<table>
<thead>
<tr>
<th>Element of Ten Year Vision</th>
<th>Policy implications from this study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vibrant local leadership</td>
<td>Leadership by members and officers emerged as a key internal factor in driving accountability improvements. Pre-disposition towards government policy is also an important factor. There may be opportunities for local leadership to address elements of the accountability framework where we have been unable to identify significant change, especially ‘redress’. However, it should be noted that this gap might be due to inadequate data on this aspect of accountability.</td>
</tr>
<tr>
<td>Citizen engagement and neighbourhoods</td>
<td>The proposals on neighbourhood arrangements offer new mechanisms through which the four aspects of accountability could be enhanced. They also have the potential to increase accountability of non-local government agencies delivering local public services, especially through a focus on accountability for outputs. Our research highlights the need to be conscious of the way in which these arrangements will increase the complexity of local government accountability, especially if new agencies are created to deliver elements of local government’s remit.</td>
</tr>
<tr>
<td>Service delivery and performance framework</td>
<td>There is a need to be conscious of the impact of centrally determined performance frameworks on the way in which local authorities understand their primary accountability relationships. CPA gives a much sharper judgement on a council’s performance than the electoral process, and with potentially greater impact (in relation to intervention or freedoms). This effect is likely to be accentuated in councils with elections every four years, because the CPA ‘direction of travel’ report is produced annually.</td>
</tr>
<tr>
<td>Settlement between central and local government</td>
<td>Drawing on the points made above, there is a need for local and central government to understand the interactions between different policy initiatives in terms of cumulative changes to local government accountability. There may be trade-offs to be made between strategies that improve outcomes for citizens and communities, and those that enhance accountability. This trade-off can be resolved by designing ‘good enough’ governance arrangements, in terms of the purpose and responsibility of the initiative in question.</td>
</tr>
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</table>
Our comments relate specifically to the accountability issues arising from these proposals, developing the themes noted in Table 17:

1. The idea of ‘neighbourhood arrangements’ offers considerable flexibility in designing institutions that fit local conditions, contexts and needs. In particular, their loose constitutional structure offers the prospect for them to develop and grow over time. This means that there is the likelihood of considerable variety in accountability standards between different neighbourhood arrangements.

2. In this respect, neighbourhood arrangements are similar to many of the local-level partnerships and area-based initiatives created by central and local government, and other partners, in recent years. These often have well developed mechanisms for ‘taking into account’, but are weak in relation to ‘holding to account’ and ‘redress’. These minimal accountability standards are traded off on the basis that the resulting lack of regulatory oversight enables flexibility and responsiveness in the way in which services are facilitated or delivered.

3. In such partnerships, it is the performance management system (e.g. of national targets for Sure Start) that assures a level of governmental oversight and risk management. Consequently the neighbourhood contracts proposed in the Ten-Year Vision policy document will have an important role in assuring wider accountability.

4. However, this is only satisfactory if there are adequate mechanisms for holding to account and redress. Consequently this is an area to which those developing neighbourhood arrangements will need to give attention. The issue is to develop sufficient safeguards in this area without unduly burdening the body with regulatory requirements. There are implications here for the Government’s civil renewal agenda.

5. The Ten-Year Vision policy document (ODPM, 2004b) notes that there is the need for a minimum level of governance arrangements. There are already experiences of ‘hybrid’ boards drawing together various stakeholders through different electoral and nomination mechanisms, for example in the New Deal for Communities. A key issue for accountability will be to manage the tension between those who are directly elected to a neighbourhood board, those who are indirectly elected (i.e. who happen to be ward councillors), and those who are nominated by stakeholder bodies. The nature of their different accountabilities needs to be understood to assist effective working in neighbourhood arrangements.

6. The Ten-Year Vision policy document comments on the desirability of accommodating the legitimate interests of communities of interest and socially excluded groups. In this context, and to assure accountability to such segments of the community, it may be appropriate to constitute boards with memberships differentiated in terms of the various functional and sectional interests in that neighbourhood, each being permitted to elect or nominate a member (e.g. business, youth, key faith
groups, old people, sports clubs, etc.). Procedures other than majority voting could be designed to legitimise decision-making on boards constituted from a large number of specific segments in the community.

7. Local authorities have negotiated the complexities of accountability arising from ward committees, local partnerships and other new governmental institutions operating in their areas. Their key role in facilitating and supporting these bodies provides at least an informal accountability relationship. However, government is also requiring them to be accountable for performance in areas where they have influence but not necessarily real authority. There will be a need for the system of neighbourhood arrangements to be located in a framework of accountabilities, in order that the proper responsibilities of local authority and neighbourhood body (and its partners) are clear.

Implications for local authorities

LOCAL LEADERSHIP
Leadership by members and officers emerged as a key internal factor in driving accountability improvements. There may be opportunities for local leadership to address elements of the accountability framework where we have been unable to identify significant change.

CONSULTING WITH RESIDENTS
Local councils are increasingly taking the views of residents and stakeholders into account through numerous consultation and participation exercises. This research suggests that, overall, residents are reasonably happy to participate in such exercises. However, participants are not always informed about the outcome of consultations which may diminish their enthusiasm for taking part in the future.

COMMUNICATING WITH RESIDENTS
Evidence from this and other research indicates that local authorities have been producing more information on their policies and actions than ever before. However, residents do not share this view. This suggests councils might need to give further thought to the way in which they communicate with the public and the accessibility of the information they currently provide.

Implications for stakeholders

IMPROVING THE ACCOUNTABILITY OF PARTNERSHIPS
This and other research demonstrates that there are weaknesses associated with the accountability of partnerships. However, there is evidence that local councils have taken a lead in developing and enhancing the accountability of Local Strategic Partnerships (LSPs). Local authority partners and stakeholders might consider how they could best contribute to improved accountability arrangements for partnerships.
Implications for residents

HOLDING COUNCILS TO ACCOUNT

The research indicates that there has been an increase in accountability in relation to ‘taking into account’ and ‘giving an account’ but there is less evidence of accountability improving in relation to ‘holding to account’. The evidence also suggests that demands from residents are a key external driver for accountability improvements. Residents should be encouraged to use the increasing amount of information provided by their council, along with that on the councils’ performance from central government, to hold their local authorities to account more effectively.

Future research issues

This report has indicated how the agenda for local government has changed and developed since the introduction of the LGMA in the late-1990s. The LGMA introduced a widespread reform programme that, as we have shown, helped to increase local government accountability in a number of ways. Some of these impacts have been intended; others have been unintended. More generally, the nature of accountability relationships has developed considerably due to partnership working and the national performance management system.

The new agenda is now developing with the work on the Ten Year Vision. This offers important new directions for local government. It also provides challenges in terms of the greater complexity of accountability relationships. This project will track the impact of these changes over future years, and will develop analyses to inform both policy making and practice at central and local government levels.
References


MORI (2003b) Trust in Public Institutions, report for the Audit Commission, London: MORI


ODPM (1998a) *Modern local government – in touch with the people*, Cm 4014


ANNEX 1

LGMA Evaluation Partnership Publications and Documents

Best Value

• Evaluation of Long-Term Impact of Best Value, Baseline Report, 2003

• Evaluation of Long-Term Impact of Best Value: ‘Public engagement and performance improvement in local government’ (2004), unpublished report to the ODPM

E-government

• E-Local Government: a survey of local authorities, ODPM, 2003

• Local e-Government: process evaluation of the implementation of electronic local government in England, ODPM, 2003

• Casting the Net Wider: local e-democracy, SOCITM/IDEA/LGA, 2003

• One Year On: the national strategy for local e-government, ODPM/LGA, 2003

Finance


Intervention and Recovery


Local Strategic Partnerships

• LSP Evaluation and Action Research Programme: Case-studies interim report: a Baseline of Practice, ODPM, 2004

• Evaluation of Local Strategic partnerships – Governance: a briefing note for LSPs by LSPs, ODPM, 2004

• Evaluation of Local Strategic Partnerships: report of a survey of all English LSPs, ODPM/DfT, 2003

• Accreditation of Local Strategic Partnerships (2001/02): An Analysis and Review of Documentation, NRU, 2002
New Council Constitutions


- Implementing the 2000 Act with respect to New Council Constitutions and the Ethical Framework, ODPM, June 2003

- Implementing the 2000 Act with respect to New Council Constitutions and the Ethical Framework: Baseline Findings from a Long-Term Evaluation, ODPM, June 2003

- Operating the New Council Constitutions in English Local Authorities: A Process Evaluation, ODPM, July 2004

- A Summary of Research Evidence on New Council Constitutions in Local Government, ODPM, July 2004

- The Implementation of New Council Constitutions in Alternative Arrangement Authorities, ODPM, July 2004


- Diversity Under New Council Constitutions, ODPM, 2004

Public Participation


- Public participation in local government – a survey of local authorities, ODPM, 2002


- Evaluation of Local Strategic Partnerships: report of a survey of all English LSPs, ODPM/DfT, 2003

Public Service Agreements

- Process Evaluation of the Negotiation of Pilot Local Public Service Agreements, ODPM, 2001
The 1998 and 2001 White papers introduced more than 20 policies to modernise local government. These policies are collectively referred to as the Local Government Modernisation Agenda (LGMA). Many of these individual policies are the subjects of large-scale evaluations charting progress since their introduction (for example the Best Value Regime, Local Public Service Agreements or Local Strategic Partnerships). But what of the combined impact of the LGMA? Has the LGMA improved local government performance, enabled local government to work and interact better with its users or changed the way it is viewed by the public?

Reports have been commissioned to explore the potential combined impact of individual policies within the LGMA across five over-arching areas:

- Service Improvement
- Accountability
- Community Leadership
- Stakeholder Engagement
- Public Confidence.

Each of these areas is the subject of a Progress Report. This report focuses on accountability in local government, addressing changes in the accountability of local government to stakeholders, users and residents. Do these changes improve accountability? Are improvements due to LGMA policies? Which policies promote accountability in local government and what are the implications of these findings for policy makers and practitioners at national and local government levels?