

## Empowering neighbourhoods

### Delivering better local services for local people

One of the most important emerging challenges in local service delivery will be to ensure that local people are empowered to help design services focused on their needs. Private sector providers have led the way in this, through wider use of consultation, greater involvement of local people in service delivery, and measuring service performance by assessing the satisfaction of local people.

Empowering local people and creating responsive local services is achievable—as long as the practical issues of doing so are tackled properly. This brief presents a series of case studies demonstrating that service providers are already addressing these challenges and local empowerment is already happening on the ground.

The case studies in this brief should reassure local authorities and service providers about local empowerment. Neighbourhood-level services are already being delivered, and it has not been necessary to re-structure local government, to develop complex new contract models or for central government to produce reams of guidance or enact new legislation. Nor have councillors and local authorities been excluded when providers have taken a leading role. Local empowerment has been achieved in a range of services—including environmental, housing, highways and care services. The examples in this brief and the many other achievements elsewhere in local government should be a springboard for further innovation across local services.

This brief shows the potential of the neighbourhoods agenda to respond to the demand for better quality by delivering more flexible and user-focused services at the neighbourhood level. This brief establishes that:

- Engaging with local people presents an opportunity to improve services
- Private sector providers have already successfully responded to this challenge
- Lessons should be learned to encourage next steps.

#### **Engaging with local people presents an opportunity to improve services**

On the surface, local public servants are delivering local services that show clear signs of improvement across a broad range of indicators.<sup>1</sup> But these improvements do not seem to have changed the attitudes of local people—the public has grown more dissatisfied with services.<sup>2</sup> Ten percent of people are still dissatisfied with their local area,<sup>3</sup> a figure that increases to 17% in deprived areas. So far, public service reform has been rather patchy in its impact. The CBI believes this is because users have been insufficiently involved.

Public service delivery is subject to competing pressures and priorities that can only be sustainably reconciled by involving local people in the design of services, making them more flexible and user-focused. Arguably, those services which affect the liveability of an area, such as street-cleaning, can only be successfully delivered with the involvement of the public.

Government policy is now beginning to address user involvement. In January 2006 the government announced its commitment to ‘double devolution’, part of a new ‘politics of empowerment’, to improve local services and to address the democratic deficit.

The public sector is making progress in putting this into practice—a number of authorities are developing an ethos of community involvement by encouraging local people to play an informed and constructive role in civic renewal. Consultation has been successfully used for neighbourhood re-generation and tenant management of housing and improving community safety. The *Together We Can* Action Plan and the *New Deal for Communities* have both been important drivers of change. The Improvement and Development Agency (IDeA) and Local Government Association (LGA) have also published *Closer to People*, a guide for local councils to use when devolving power to local people. This CBI brief features the work of private providers, but in no way seeks to deny the fact that the public sector has also been a leader in this field.

Local authorities however have often found it difficult to harness the public appetite for being involved in public services. Three quarters of authorities are experimenting with forms of user engagement but nearly two thirds of people do not believe that public services listen or respond to them enough.<sup>4</sup> Currently the public feels it is not informed about public services and does not have a chance to input into the development of policies. CBI work on consumer focus in public services has indicated that people *are* keen to get involved. Another survey carried out by Serco in one locality found that 80% of people were keen to get involved in public services, with 25% actually prepared to give up their time.<sup>5</sup>

The problem is that the public does not get involved when it has the chance. Government research in this area shows that of 55% of residents claiming to want to be included, only 2% actually get involved.<sup>6</sup> This indicates that consultation needs to be relevant to customers, take place as close to them as possible and be part of a continuing feedback loop. Another consideration is ensuring public expectations remain realistic, both in terms of what can be delivered and the detailed control the public can have. Creating unrealistic expectations will lead to inevitable disappointment and disillusionment with the empowerment process.

The Future Services Network, comprising the CBI, the Association of Chief Executives of Voluntary Organisations (acevo) and the National Consumer Council (NCC) is an initiative to put the consumer’s perspective at the heart of new thinking on public service reform. In April 2006 the network launched six key principles—including the importance of a public voice, diversity of delivery and a focus on customer satisfaction—which the Future Services Network partners believe are a litmus test for consumer-focused reform. Previous CBI research has given some indication of the kind of engagement that consumers themselves would find valuable, including:

- A single point of communication
- Better information, particularly about planned activity
- A chance to communicate their priorities
- Feedback from consultation—a chance to see the results
- An opportunity to actually change services
- Power to remove poor providers.

The rewards for successfully addressing these issues are considerable—not just improved services but also greater public trust and confidence in local democracy. The key question, of course, is how local empowerment can best be achieved. The next section shows some of the different ways in which the practical challenges can be overcome.

### **Private sector providers have already successfully responded to this challenge**

The case studies demonstrate how empowering users is often simply the rigorous and intelligent application of good sense. Many of the activities described are regarded by service providers on the ground as exactly what you would expect for any good, responsive service delivery. They are not necessarily badged as ‘double devolution’. This agenda is often about doing the small things well—reporting back to users, good timing and venues for meetings and adapting customer care to individual need. This sets a clear challenge: one that local authorities can respond to now.

## CASE STUDY 1

### COMMUNITY PARTICIPATION IN THE SERVICE DESIGN AND DELIVERY: SLOUGH BOROUGH COUNCIL AND ACCORD

- Reform originated in the authority's positive response to concerns about the service
- Outmoded contracts were replaced by a new integrated 'street-scene' partnership
- Stakeholders involved in shaping the new strategy have remained involved to influence delivery.

In July 2001 Slough Borough Council set up a citizen's jury to decide how to improve their 'street-scene' services in response to concerns from local residents, businesses and the Audit Commission. This include road maintenance and street cleaning. The jury began as a 'blame the council' session but ended with recognition that all stakeholders had a role in making Slough cleaner. A new delivery

strategy was devised to bring refuse collection and disposal, recycling, street cleaning, grounds and highways maintenance into a single partnership. At that time these contracts were split across three contractors and two direct service organisations under outdated arrangements. The council was given a mandate to increase Council Tax to improve the service, so long as the benefits could be guaranteed.

In December 2002 Accord was awarded the new integrated partnership, replacing all the previous providers. A consultative board meets every six months to help set service priorities, solve delivery problems and take forward campaigning and educational work. It involves the council, Accord management, staff and unions, plus

local resident, business, voluntary sector and parish council representatives. The service has improved rapidly: Slough is now one of the cleanest towns in the South of England.

**Why it works:** Slough Borough Council showed courage and skill in instigating the citizen's jury. The council and Accord are committed to working in a flexible partnership with each other and the local community. The integrated partnership allows silos to be removed, delivery to be redesigned and local people to see their ideas enacted. The "Keep Slough green and tidy" campaign succeeds in getting the public actively engaged in the effort to increase recycling and decrease litter.

## CASE STUDY 2

### CONTRACTING WHERE THE SERVICE PROVIDER TAKES ON USER SATISFACTION RISKS: SERCO IN WOKING

- Payment of service provider is based on user satisfaction
- Risk of termination of service for low user satisfaction is integral
- Integrated teams are delivering at neighbourhood level.

In 2003 Serco started to deliver landscaping and street cleaning services for Woking Borough Council. It conducted an initial survey and then responded to customer concerns by restructuring services, splitting the borough into four areas, each with its own integrated, multi-skilled service team. At the beginning of the contract, community focus groups fed into the development of a five-year strategic plan.

Serco proposed a solution based on staying in touch with the community. Performance is measured through a quarterly user satisfaction survey of 350 people based on the Best Value Performance Indicators (BVPI). Up to 10% of Serco's payment is at risk on a sliding scale according to the level of customer satisfaction. If satisfaction levels stay below a certain threshold the contract is at risk of termination. Overall customer satisfaction has risen from 65% to 80% and Serco has collected 70% of its target performance payment.

**Why it works:** Serco is able to respond to customer needs because of a flexible approach to contracting, focusing on

outcomes rather than inputs. This allows Serco to focus resources where they can best meet customer needs, such as through changing the frequency and scope of the service. 10-20% of staff time is freed through less travelling and only cleaning when necessary.

Elsewhere, Serco has used technology to develop even more effective techniques in user engagement and responsiveness. In Breckland, Serco has given disposable cameras to members of the public to help identify 'grot-spots'. In Welwyn and Hatfield it has gone even further, giving specially selected community champions personal digital assistants (PDAs) to help identify cleanliness problems.

### CASE STUDY 3

#### EFFECTIVE USE OF MEETINGS AND TECHNOLOGY: PINNACLE IN SHOREDITCH AND HACKNEY

- Regular meetings with residents take place
- Services tailored for each estate
- New technology is used to communicate with residents.

In 1998 Pinnacle began to deliver a standard housing management service for around 5,000 properties in Shoreditch and Hackney. Central to the service was dealing with anti-social behaviour and neighbourhood disputes, rent collection and repairs. Over time, Pinnacle has focused on outreach to the residents, establishing a new neighbourhood office and warden scheme.

Engagement with users began during the procurement process; it was an integral part of Pinnacle's bid. Residents' panels meet regularly and there is contact with all residents through questionnaires and surveys. Pinnacle has introduced dedicated phones so that residents' views can be polled more regularly than before. Improved services have led to a degree of customer complacency, challenging Pinnacle to find new methods of engaging the community—recent innovations have included sports events and Brazilian dance classes. Another innovation has been a youth panel for the area.

Service performance measurement has shifted over time from a range of KPIs to a focus on resident satisfaction. User engagement has not necessarily increased efficiency but it has delivered the services people want and is crucial to the success of the contract.

**Why it works:** Pinnacle has constantly renewed its approach to user engagement. It did not rest after the initial consultation process and has used new techniques to keep the users involved, particularly in the face of the complacency brought about by success.

### CASE STUDY 4

#### AREA-BASED ENGAGEMENT WITH RESIDENTS AND BUSINESSES: ACCORD IN ISLINGTON

- Formal and informal area-based engagement with local residents and businesses
- Area-based teams provide tailored service delivery
- Consultation is part of a wider reform package.

In the north London borough of Islington Accord provides street cleaning, refuse and recycling and fleet management services. The 'street-scene' services are delivered by an integrated team responsible for each area so that employees take pride in their patch and understand its needs. Accord also engages with area-based forums of residents and businesses.

The Council's area committees have small delegated budgets for local

priorities. Accord regularly attends these committee meetings but also has other opportunities to meet community needs through engagement with local people about the core service. Discussions influence priorities and service delivery. For instance, jointly finding solutions to 'grot-spots.' Accord and the Council jointly hold surgeries where people can raise any individual issues in advance of the main meeting, which can then focus on the points of relevance for the whole community.

Accord has also built up a strong relationship with the Angel Town Centre Management Group (ATCMG), a body representing local traders. Every two weeks, the group's manager tours the local streets with an Accord manager, looking for better ways to keep them

clean. Services have been re-scheduled and strengthened, for example through extra sweepers who also look out for and report dumped rubbish. Accord also offers ATCMG members a discounted price on trade waste collection.

**Why it works:** Islington Council encourages Accord's participation in area-based forums and welcomes its initiatives to build direct relationships with the local community. Good relations on the ground also mean that quick conversations can lead to a rapid response on very local issues. It is practical to adjust the service because of the output-based specification, integrated service teams and a flexible approach to partnering.

## CASE STUDY 5

### FAIRNESS WITHOUT BUREAUCRACY: AMEY IN BEDFORDSHIRE HIGHWAYS

- Specific Watchman-in-Chief role has been created
- Multi-level engagement with a range of stakeholders takes place
- Consultation responses feed into the delivery priorities.

Amey provides highway, streetlighting and vehicle management services. It is working with Bedfordshire County Council (and local town and parish councils) in the first local government deal to bring together management and delivery of highways services under one provider. This service has run from 2005 and involves 250 staff.

Amey has recently developed a role called the Watchman-in-Chief in its high-

ways contracts. The Watchman-in-Chief engages with business, service users, parish councils, the Highways Agency, MPs and key local stakeholders. Local watchmen identify issues across the area and feed back to the Watchman-in-Chief. This enables Amey to align long-term strategic delivery programmes and strategic priorities with the plans of the local authorities and with user needs.

In Bedfordshire, stakeholders were engaged from the outset, with Amey writing to all local town and parish councillors to gauge views on existing service levels and concerns. Engagement processes are very informal, with the emphasis on Amey being proactive in seeking views and responses

through one-to-one conversations and surveys. Value for money has clearly improved during the first six months of the contract: Amey has delivered 20 programmes additional to those originally planned.

**Why it works:** The Watchkeeper role provides a non-bureaucratic, informal method through which Amey can keep in touch with a range of stakeholders when appropriate, enabling a fair approach that can take on board a range of views without long drawn-out processes. The Watchkeeper-in-Chief also has sufficient authority to ensure that the results of consultation are actually integrated with the delivery programme.

## CASE STUDY 6

### TIMELY AND INTENSIVE ENGAGEMENT: JACOBS BABTIE IN OXFORDSHIRE

- Road maintenance is planned around the convenience of local residents and businesses
- Users are involved in making the tough decisions
- Information is provided to residents on an ongoing basis.

Jacobs Babtie is a technical and management consultancy operating in transport and development, environment and utilities, property and structures, defence and energy. In 2002 it was asked to develop a solution to increase the life of the Abingdon Road in Oxford – including junctions, access and traffic calming. This work is valued at £3m and was carried out over three years. The Abingdon Road work is part of the Oxfordshire Highways partnership between Jacobs Babtie, Accord and Oxfordshire County Council.

The work was planned to interfere as little as possible with local businesses and residents, by avoiding busy seasons and working when premises were closed. Road-user groups, local businesses and the police were involved from the design phase through public meetings. Residents were asked to choose from a series of options for the difficult decisions – such as when to work at busy junctions.

The work itself was broken down into sections covering 200m of road, residents were told dates in advance and given last-minute reminders, and efforts were made to allow local businesses to continue deliveries.

Maintenance of this sort does not usually involve such intensive and continuous public consultation, but Jacobs

found it beneficial and gained positive feedback from users. It also helped ensure the work started and finished on time by helping to identify problems in advance, and resulted in a high level of satisfaction for the council client.

**Why it works:** Jacobs Babtie was able to engage with users intensively, and in detail, by communicating at the right time and in the right way on essential issues. Realistic information was provided about what was possible. The engagement was followed up by continued communication with users when it was actually relevant. This is not an isolated example: in a regeneration project in Wolverhampton, Jacobs Babtie carried out consultations from a vacant property on an estate in order to be more accessible to users.

## CASE STUDY 7

### EFFECTIVE PROVISION OF COMPLEX INFORMATION TO VULNERABLE SERVICE USERS: FOSTER CARE ASSOCIATES

- Detailed, useful information is provided to young people
- Forums have been set up as a voice for young people
- Consultation responses are acted on.

Foster Care Associates (FCA) is the largest independent fostering agency in the UK, safeguarding 1,800 children in care through its family placements, 40% of whom are subject to court care orders. Through working in partnership with local authorities they engage with users.

FCA has always sought to ensure good communication with young people and provide a service focused around their needs. In the last four years FCA has introduced more structured methods

to its communications. It has set up regional forums at which groups of young people in care can come together to discuss issues of common interest or concern. There is also a national conference.

FCA has put together a Welcome CD for children and young people coming into care. This provides a 'file of facts' of useful information on day-to-day living issues, health and legal issues and an email address for further enquiries. FCA also sends out a detailed consultation questionnaire: this has 87 questions and asks young people about their experiences with their foster family — food, sleeping arrangement, school and hobbies.

FCA considers it vital to provide evidence of what they actually do in response to the consultation. Therefore the 'file of facts' is updated with information about actions taken in response to consultation and with new information. Where possible, young people's requests are met — such as when a new regional forum was set up in Lincolnshire.

**Why it works:** FCA believes it is vital to act on the results of consultation or to explain if it is not possible to meet young people's requests. It believes that token consultation is worse than none at all. FCA also provides multiple channels for information, with events and publications.

## Lessons should be learned to encourage next steps

A number of common themes emerge from the case studies, about how to address some of the challenges that arise and the steps local authorities can take to set up responsive contracts. These approaches are not meant to be exhaustive, but give some grounds on which further innovation can be built.

There is plenty of scope for a range of approaches towards local empowerment. The Department for Communities and Local Government (DCLG) has looked into the role of local councillors in helping to trigger local action and the development of neighbourhood charters (two-way deals between communities and service providers) as part of the follow-up to the *Citizen Engagement and Public Services: Why Neighbourhoods matter* report in 2005.

The Young Foundation has been exploring options for neighbourhood governance bodies led by 'neighbourhood' councillors. These developments could offer even more options in

the development of local empowerment, to sit alongside some of the approaches raised in this brief. But the CBI believes the lessons from this brief will be of relevance whatever approach to local empowerment authorities choose to implement.

The lessons learned present a clear choice for local authorities. They can create circumstances where creativity can flourish and service providers are free to implement a range of new ideas or, fearful of change and a loss of control, they can allow local empowerment to degenerate into a bureaucratic process, slow and ineffective at delivering real change. The CBI believes that local authorities will reap the most benefit from a flexible approach that gives a voice to people and freedom to providers.

The *next steps* section provides some ideas about how central bodies can support this agenda. But local empowerment should be about devolution: local authorities must take the initiative, come up with new ideas and do things their own way. Central bodies should support where possible, but maintain a light hand.

### Lessons for all providers (public, private and voluntary):

- Local people can be empowered within existing local government and service delivery structures, by adapting them to focus on the user. Authorities and providers both have a role to play in this empowerment process. All engagement should be relevant to the users themselves
- Authorities should be prepared to use a range of options for empowering local people during the procurement process. Different groups of people will have different needs, and the options for user engagement should be adapted according to the service
- Providers must work together with elected members. Engagement with local people will always be a partnership between service providers, the local authority and councillors
- Services can be adapted to provide greater opportunities for local provision, particularly allowing more user-based performance measurement over time. This applies to in-house and independent providers
- Where possible, contracts should be output or outcome based to provide maximum flexibility in order to focus services on user needs
- Authorities should aim to improve user focus rather than improve efficiency benefits—although in some circumstances such benefits may follow
- Create realistic expectations about the services that can be delivered and the level of control the public can have. This requires honesty and a commitment to ongoing communication and feedback.

### Next steps

The CBI recommends:

- The DCLG should support local authorities in the intellectual and practical development of this agenda, by providing advice on carrying out pilots and by disseminating examples of good practice
- The Local Government Association (LGA) should, in their *Closer to People* campaign, continue to take the lead in encouraging local authorities to invest in developing public involvement in delivery and influencing public behaviour, to ensure democratic accountability remains at the heart of the empowerment process
- The Improvement and Development Agency (IDeA) should also work to spread examples of best practice through its role in connecting ideas and expertise, and encouraging best practice and forward thinking. Corporate capacity and leadership are two of the IDeA's areas of focus, and are clearly relevant for authorities wishing to take the lead in empowering local people
- The Audit Commission should undertake a review of contracts that focus on user engagement, to establish how choice and efficiency goals are being met and to publicise examples of best practice
- Providers should take the lead in embracing this agenda by taking risks and continuing to innovate. The CBI will continue to promote the agenda as part of its campaign for high-quality public services built around consumers
- All stakeholders should work together to promote further dialogue to develop the agenda. The DCLG should take the lead in establishing a forum comprising central and local government, service providers and all those committed to delivering better local services. There must be further dialogue, events, pilot projects and partnerships in order to understand the next wave of benefits to be delivered through further innovation.

## References

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## Mission

### CBI Public Services Strategy Board – transforming public services

The CBI Public Services Strategy Board promotes quality and value in public services through competition and choice. For more information about its work, visit [www.cbi.org.uk/publicservices](http://www.cbi.org.uk/publicservices)

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