

Empowering councils to make a difference

Annex: case studies on how councils are using the General Power of Competence to bring about change and innovation



This annex to the paper 'Empowering Councils to make a difference' shows in detail how some councils that were interviewed for that paper are using the General Power of Competence.

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Oxford City – helping to tackle poor attainment in primary schools

The **General Power of Competence (GPC)** has given Oxford City Council (a district council) the confidence to develop a school improvement support programme to raise attainment and assurance to statutory officers that it had the power to do so.

Major local employers from the automotive, engineering and service sectors in Oxford City were concerned that local young people did not have the skills they require. Following consultation by the council with city secondary schools it became apparent that the root of the problem lay in under achievement in primary schools, particularly in the more deprived area of the city. Consultation with the primary schools identified that they found it challenging to recruit and develop good leaders and that they needed more support with the strategies to help children with a wide range of difficulties from low levels of language to adverse life circumstances.

Benchmarked data on school standards identified that attainment at primary level in the city was amongst the worst in the country. Parts of Oxford suffer significant deprivation – it is the 131st most disadvantaged local authority area in England. In the indices of multiple deprivation, out of 85 LSOAs¹ in Oxford, 12 are in the 20 per cent most deprived across the country and one in the

10 per cent most deprived. Oxford also has significant challenges in terms of affordable housing.

The leader of the city council and chief executive were keen to address the issue of poor educational attainment, as it is a threat to the council's economic growth agenda and harmful to young people's life chances. They wanted to tackle this issue in partnership with schools, the county council and others. The GPC gave the city council the confidence to take action regarding an issue where lead responsibility lies with the county council and the assurance to statutory and other senior officers that it has the power to do so.

The key issues identified were:

- a culture of lower expectations for children experiencing adverse circumstances
- developing the necessary skills among teachers to teach children with significant knowledge and skill gaps
- recruitment of experienced teachers.

The city council appointed an education adviser (a former director of children's services for a unitary council) to coordinate the development of a programme of improvement support for schools, comprising two main elements – leadership and teaching skills.

¹ LSOA – Lower Super Output Area

A school leadership programme has been developed, with the contract awarded to a consortium consisting of Oxford University, Oxford Brookes University and good local schools. The leadership programme commenced in January 2013, with 40 school leaders participating from 11 schools, joined by 11 headteachers of good schools from Leicester City. Coaching by local secondary heads for primary heads is included, which is much valued by participants.

The second element is support to improve teaching skills for classroom teachers. A contract has been awarded to KRM – PER (Psychological Education Research) to improve teaching practice in schools. Schools can opt for modules in reading, writing or maths. The scheme was launched in January 2013, with all teachers from eight schools participating.

The city council is making a significant investment in the programme – £400,000 per annum over four years (£1.6 million in total). In addition, a local housing association is making £0.5 million available to a shared equity scheme to help recruit experienced teachers.

The first evidence of the success of the programmes should come with the Key Stage 2 results in November 2013. However, the council can already point to a number of benefits that have arisen through the development and delivery of the programmes. Engagement with the city's universities has been strengthened; the partnership approach to developing the programmes has ensured that the efforts of the city and county councils are properly coordinated.

School leaders from another city, Leicester (which has some similar demographics to Oxford) are participating in the leadership programme – bringing a wider range of experiences and ideas.

In terms of scope for further use of the GPC, the city council sees the delivery of its recently agreed economy and growth strategy to make Oxford 'a world class city for all' and City Deal as a potential area of application. These have been developed to recognise the role of the city as a driver for economic growth, along with the interests of the county and the other district councils in Oxfordshire. The GPC might help in developing employment space, infrastructure development or leadership and skills development. To contribute to this growth agenda, the city council is already spending £0.25 million a year on youth services targeted at 15 to 21 year olds 'NEETs' to help them make the transition from education to employment (1 in 6 young people in the city are unemployed).

Key messages

- The GPC gave the confidence to develop a service in an area beyond the council's normal area of responsibility as it is helping to address a key issue for the city.
- When taking advantage of the GPC, it remains important to develop and maintain strong relationships with key partners.
- There is potential for the GPC to help address the key priority of economic growth.

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Crewkerne – ensuring continuing youth service provision

Adopting the GPC has given town and parish councils the confidence and power to take on additional services, including where principal authorities have had to reduce provision.

Crewkerne is a market town in Somerset with a population of 8,500. The town council has a precept of £303,000 in 2013/14. In 2006, the town council decided to provide a purpose built sports and community centre, now known as the George Reynolds Centre, and worked hard to assemble a partnership to bring this about. With contributions from the developer of the Waitrose Complex (allied to a new supermarket development); the local Sports Club; the Rugby Football Union; South Somerset District Council; s106 monies from a new housing development and the sale of another asset, the capital costs of almost £1 million were raised.

The George Reynolds Centre, run by a charitable trust, was opened in November 2012. Youth provision was built into the plan for the centre and leaders from the county youth service were part of the partnership to develop the centre. However, during 2012 the county council indicated that it was giving serious consideration to withdrawing funding from the youth service to meet budget pressures. A service that was valued locally in providing safe activities for young people and usage of the new centre were under threat.

With the Town Clerk newly qualified in the relevant CiLCA module (Certificate in Local Council Administration) and sufficient town councillors declared elected, Crewkerne was in a position to adopt the GPC in September 2012. The town council used this power to take on responsibility for provision of the youth service and to raise the precept to fund this. It has appointed a community interest company – Active Learning & Skills – to provide the service, as the company offers expertise, experience and resilience in terms of staff cover which direct provision could not ensure. Crewkerne Town Council allocated £22,000 to the youth service in 2013/14 (with similar amounts envisaged for subsequent years).

The Yarlinton Housing Group has made available a grant of £10,000 for staff and outreach work and Somerset County Council awarded a one-off grant of £50,000 from a fund intended to help establish new services where the county has had to withdraw provision.

A steering committee has been established to oversee the youth service, comprising representatives from the town council, housing association and the provider. The service currently provides three weekly sessions aimed at 7-11 year olds, 11-13 year olds and 13-19 year olds respectively.

Attendances of around 20 are typical for the younger age groups and uptake is expected to increase as awareness of the service and the new facility increases.

Key messages

- GPC gave members both the power and confidence to act.
- In exercising GPC to extend the responsibilities of the council, it is important to ensure that this addresses a priority shared by councillors and the local community.
- Using the GPC avoids the limits on discretionary spending (ie on services the council is not required or specifically empowered to provide) imposed on town and parish councils by s137 of the Local Government Act 1972. These would have prevented Crewkerne being able to fund the youth service.

For more information please contact Jeanne Warner, Town Clerk, email: jeanne.warner@crewkerne-tc.gov.uk

Sprowston – using the opportunities presented by the localism act

Adopting the GPC has given town and parish councils the confidence and power to take on additional services, including where principal authorities have had to reduce provision. Sprowston has used the GPC alongside the Community Right to Bid also included in the Localism Act.

Sprowston is an urban settlement to the north of Norwich, separated from the city by the outer ring road. It has a population of approximately 15,000 and the town council has a total precept of just over £500,000 with a budgeted income of £644,000.

Until last year, Sprowston had no village hall or other community focal point. The area had been developed in the 1960s, hence it had not been possible for the town council to benefit from any s106 monies arising from such development, as it may have done later on. Since then s106 monies had been sporadic and not sufficient to finance a community building. However, the town council consulted on the development of a neighbourhood plan which identified the provision of a community centre as the top local priority.

Norfolk County Council indicated that it intended to dispose of a youth and community building which had been part of a 19th century primary school building sited on the edge of Sprowston.

The town council used the provisions in the Localism Act 2011 giving communities the right to bid for assets of community value to delay the sale while it considered its options and possible sources of finance. The adoption of the GPC by Sprowston Town Council gave members a clear power and greater confidence to act in this way.

The town council decided to bid for the school to convert it into a multi-use community centre, the Sprowston Diamond Centre, developing and managing the facility while community groups and others, along with the council, provide services from it. Initial capital costs are estimated at about £600,000 with running costs of circa £30,000 per annum.

Sprowston has funded this by re-prioritising existing services and renting out the former town council offices, with staff relocating to the Sprowston Diamond Centre where they can also help to run it. The old school is being refurbished internally to provide modern facilities, while preserving the external appearance which is a heritage asset valued by local people. The Sprowston Diamond Centre is already being used by range of community groups including a nursery, yoga classes, a film club etc. Meeting rooms are being hired out to the community and voluntary sector for training and corporate functions.

Future uses of the GPC by Sprowston could include further development of the Sprowston Diamond Centre, such as the acquisition of adjacent land. Sprowston has been identified as a District Growth Centre, which should lead to the development of 4,000 new homes (and a doubling of the population). This will give the town council access to additional resources such as New Homes Bonus and opportunity to access the Community Infrastructure Levy (CIL). The GPC could enable the council to make grants to individuals where they are doing things with wider community benefits. Previously it has only been able to make grants to constituted groups.

Key messages

- GPC provides a clear, general power – it saves time on looking for a more specific power and enables the council to focus and what should we do and how do we do it.
- Adopting the GPC has given members greater confidence to act and the power to do so.
- The importance of having a clear neighbourhood plan and priorities as a basis for action when opportunities arise.
- The provisions in the Localism Act – the GPC allied to others such as the Community Right to Bid – provide a real opportunity for town and parish councils to step up to another level and be recognised as ‘grown up councils’.

For more information, please contact
June Hunt, Town Clerk, email:
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Stoke city – using the GPC to support sustainable energy and regeneration

Stoke on Trent City Council is using the GPC to provide the legal basis for the development of a range of initiatives to take forward the green energy agenda through a council owned holding company and to promote regeneration.

The City of Stoke on Trent Council has adopted a new corporate strategy – the Mandate for Change. This aims to make Stoke a great working city. Two key priorities are to make Stoke a place to bring business and to support and sustain existing businesses.

The GPC is helping to take forward the Mandate for Change by providing an environment which gives the council greater confidence to innovate and a more secure legal basis for a number of decisions. Two areas stand out as examples of where the GPC is helping Stoke to make more progress:

Developing green energy

A sustainable energy supply at predictable cost is an important element in attracting investment and securing existing jobs, particularly in energy intensive businesses such as pottery and ceramics for which Stoke is famous.

The council intends to create a council-owned holding company to make investment decisions and establish special purpose vehicles (SPVs) to take forward a range of green energy projects, within a framework of principles determined by the council.

The holding company will enable a governance structure of executive directors with relevant technical experience and expertise, with non-executive directors including local councillors. A top priority will be to enable the development of a central business district which is a key element of the council's plans for regeneration and economic growth, for example through the provision of a district heating scheme.

Regeneration projects

The city council is working with The Prince's Regeneration Trust to restore the Middleport Pottery, which produced Burleigh pottery, as part of a regeneration project that will see continued production at the pottery, preservation of the buildings, provision of interpretative facilities and the development of new creative businesses.

The council has provided a revolving loan facility with a value up to £1.8 million to enable The Prince's Regeneration Trust to access agreed ERDF funding (to finance work which can then be reclaimed from ERDF), and so take advantage of the matched funding already secured.

The council is exploring similar funding arrangements to unlock major development sites across the city.

Key messages

- The GPC gives greater confidence to both the council and potential partners (from private or other sectors) in developing projects and partnerships by reducing the risk that a decision will be declared *ultra vires* with any consequent losses.
- Think through the potential impact of state aid rules. Recognise the importance of the market rate of return rule for loans and other financial support and structure such loans and repayment arrangements to reduce the likelihood that European Union state aid regulations will apply (*de minimus* of 200,000 Euro over three years).
- The importance of making decisions in line with agreed council priorities in a clear and transparent way, acknowledging the council's fiduciary responsibilities and following Wednesbury principles for rational decision making. This should reduce the risk of any future legal challenge.

Contact for more details:

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Breckland and South Holland – increasing scope to apply the GPC

Breckland has recently used it (in conjunction with other legislation such as the Local Government Act 2003) to provide the legal justification for a scheme to charge for the provision of new and replacement wheeled bins. Both councils see scope for further use of the power.

Breckland (in Norfolk) and South Holland (in Lincolnshire) are two district councils with a shared management team and both have used the GPC to enable them to do new things.

Breckland – charging for the provision of new and replacement wheeled bins

The council introduced a policy to charge for the provision of wheeled bins to new properties in 2012. This policy was based on powers in s46 of the Environmental Protection Act 1990 (EPA) and was intended to recover the costs of the service. While generally accepted in practice, several developers challenged the policy. The council therefore reviewed the policy, to ensure that it was fully effective, could be practically applied, encouraged re-cycling and had a clear legal basis.

The council has identified the power to charge under the GPC, s111 of the Local Government Act 1972 (subsidiary powers of local authorities) and s93 of the Local Government Act 2003 (charging for discretionary services). Importantly, when charging for discretionary services under the GPC and other legislation, the service user should be in a position to decline the service and charges should simply cover the costs of provision.

To ensure effectiveness of waste collection, waste bins should be compatible with the collection infrastructure and this is best achieved by retaining ownership of the bins. To encourage recycling, in addition to charging for new bins a charge is levied to upgrade to a larger residual bin or to downgrade to a smaller re-cycling bin.

However, upgrading to a larger recycling bin is free of charge. Where charges apply under the scheme, a service charge of £62 is levied to cover the costs of, administration, procurement, storage, cleaning and delivery. The bin remains the property of the council and in appropriate circumstances may be replaced free of charge. Householders may procure their own bin, but it must meet the council's requirements in all respects. If not, then the council would invoke its enforcement powers under s46 of the EPA.

Breckland's Cabinet approved the revised policy in November 2012 and it came into effect in February 2013. To date, indications are that it is working well in practice in contributing to both financial and environmental objectives. Five developers have paid for the service on behalf of residents (seeing it as added value to buyers of new homes). Three households have declined to pay for a larger residual bin, receiving recycling advice instead. One household has paid for a larger residual bin and the council has not had to resort to its enforcement powers under s46 of the EPA.

Other uses of the GPC

Both councils have promoted energy switching schemes to benefit residents – South Holland in a scheme involving other councils across the country now offering its third auction, Breckland joining with four other districts in the county to offer The Norfolk Big Switch scheme in conjunction with the company Ichooseer. Over 10,000 households registered interest in the Norfolk scheme, 2,600 in Breckland where 8.3 per cent opted to switch. Average savings across the county are estimated to be £136 per household.

Both councils see further scope to apply the GPC, particularly as they develop a transformation strategy to tackle the financial challenges they face in common with other councils. They recognise that incremental efficiency gains or further service cuts simply will not be sufficient – more radical income generation and transformation will be required and the GPC may be one of the tools to help deliver these.

Leading members, senior managers and officers are working to generate ideas for the strategy. This will require an entrepreneurial approach and willingness to 'think outside the box'.

Political and managerial leaders are working to foster such a culture, but recognise that this needs to be felt and practiced, not just taught and stated.

Key messages

- When charging for services under the GPC, make sure that service users have the opportunity to decline the service and that charges cover the cost of provision only.
- Aligning financial with other objectives – such as environmental ones – may increase the acceptability of charging policies introduced under GPC.
- An entrepreneurial approach and willingness to think radically will be required if councils are to maximise the potential benefits of the GPC.

For more information about the charging scheme for wheeled bins, please contact Dale Robinson, Interim Environmental Services Manager, email: dale.robinson@breckland-sholland.gov.uk

Richmond – how the GPC is encouraging further innovation

The London Borough of Richmond provides an example of a council which has undertaken a number of innovative, community focussed projects, encouraged by the GPC as a ‘can do’ power which gives implicit permission to fresh thinking.

The London Borough of Richmond is a council which is concerned to be responsive to residents, developing partnerships with local communities and to foster civic pride and responsibility. A major consultation programme – the All in One survey – attracted over 13,500 responses in 2010. The borough is divided into 14 village areas, to help bring the council closer to residents.

It has already been innovative in providing a voice for local people, such as arranging a recent referendum on Heathrow expansion with the neighbouring borough of Hillingdon (based in the first instance on powers under s 116 of the Local Government Act 2003 to ascertain views on the wellbeing of the area). It has agreed to form a jointly owned local authority company – Achieving for Children – with the Royal Borough of Kingston upon Thames to deliver childrens’ services.

Although not a panacea, the GPC has given Richmond greater confidence to innovate. It has enabled a shift in focus from do we have the power to do this on to should we do this and how best do we go about it?

Without specifically applying the power, it has encouraged Richmond to extend a range of initiatives intended to strengthen civic pride and entrepreneurialism across the borough as follows:

Civic pride grants

Grants can be awarded to constituted groups, up to a value of £5,000. Since June 2012, the scheme has been extended to include applications from individuals. The awards are intended to help start projects, not to provide on-going funding. Applications are judged on their relevance to Civic Pride priorities, Village Plans and the findings of the All in One survey. The funding available for awards is in the region of £100,000 to £150,000 per annum in total. Over 40 awards have been made to groups from 2011/12 onwards for a range of projects, including for environmental projects; activities for disadvantaged children and performing arts. The applications for individual awards have been slow to pick up, raising questions about citizen’s perceptions of the role of the council in this area and how to raise awareness of the scope for councils to work in partnership with individuals in this way, particularly as authorities’ budgets are further reduced.

Empty shop grants

Another recent innovation, this scheme has been in place since late 2012. Although the Borough has a relatively low level of empty retail units, this is perceived as a problem by residents. The purpose of the grant is to support temporary use of empty shops – to provide an outlet for community creativity and entrepreneurialism, and enliven high streets with the potential to lead to permanent use. The scheme offers a step by step guide and a grant of up to £2,000 to be used within three months. It provides a way for the council to help increase activity on the high street for relatively low cost. 40 expressions of interest have been received. To increase the effectiveness of the scheme, the council is developing a register of interested landlords to help match them up with potential users.

A Town Centre Opportunities Fund is available to constituted groups and associations to help improve the trading environment; make local towns more attractive to visitors and promote more investment. Grants are made on a match funding basis – 13 have been awarded for amounts of £1,000 to £8,000.

Key messages

- The GPC is a symbolic, ‘can do’ power which gives implicit permission and encouragement to fresh thinking.
- Citizens need to understand the opportunities presented by the GPC and the changing role of councils if it is to help strengthen further partnerships with residents in developing community based projects.

More information on these and related schemes can be found at www.richmond.gov.uk or from Carol MacBean, Head of Corporate Partnerships and Policy
email: c.macbean@richmond.gov.uk

Outline of research methodology

This research was commissioned by the Local Government Association (LGA) to explore the experience of councils that had used the General Power of Competence (GPC), including the changes the power was helping them to bring about, and that of councils which have not yet used it and may be using other powers and approaches to help bring about change. It was intended to draw out learning which may assist councils make wider use of the power and to identify any barriers which may be preventing wider use of that power.

A qualitative research method was adopted. A sample of councils was identified, based on councils known to be using the GPC or otherwise demonstrating innovation. The sample was drawn up using the LGA's intelligence and contacts with the sector, including previously unpublished LGA research.

The resulting sample was not intended to be statistically representative, but to be sufficiently diverse to provide a good snapshot of the use or otherwise of the GPC across the sector and to permit some general inferences and lessons to be drawn from it. A range of different types of council from across England were included in the sample.

A total of 31 councils and partner organisations were interviewed as part of this research.

Thanks are extended to them all for their participation and assistance with this research, especially those assisting with the case study examples. The organisations participating were as follows:

Buckinghamshire County Council
Essex County Council
Hertfordshire County Council
Oxford City Council
Breckland District Council
Rushcliffe Borough Council
South Holland District Council
Newark & Sherwood District Council
Woking Borough Council
Sprowston Town Council
Blandford Forum Town Council
Crewkerne Town Council
London Borough of Richmond
London Borough of Lambeth
London Borough of Waltham Forest
London Borough of Hillingdon
Rotherham Metropolitan Borough Council
Newcastle City Council
Oldham Metropolitan Borough Council
Doncaster Metropolitan Borough Council
Birmingham City Council
Milton Keynes Council

Wiltshire Council
Coventry City Council
North East Lincolnshire Council
Warrington Borough Council
Stoke on Trent City Council
Royal Borough of Windsor and Maidenhead
Bracknell Forest Council
Cleveland Fire Brigade
South West Audit Partnership

Although it is not possible to estimate the prevalence of use of GPC across the country from this sample, at the time of the research 17 of the participating councils had made explicit use of the power to provide the legal basis for a decision or otherwise support action taken (ie just over half of the sample).

A key contact at each council was interviewed by the researcher by 'phone during the period from late March to early May 2013. These contacts were typically senior officers.

Where more detail is included in the research report – such as in the case studies illustrating use of the GPC – a follow-up interview was conducted in June 2013.





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