

Aspiration for ambitious areas

Adam Fineberg outlines how economic development could play a pivotal role in supporting public service transformation, according to the new fiscal reality

Councils have realised that they need to look at, and do things, differently. The last several years have been a tremendous improvement journey with authorities having already 'taken out' significant money from their budgets. The challenge, however, is how to continue reducing budgets during a period of increasing demand and expectations around service provision.

Local authorities now have to influence other local delivery partners, not necessarily leading on provision, and accept this scenario. They must be more radical and shake out the extra money from the system. Elected members can now be up for this and the requirement for a whole system approach.

Some councils have identified the need for a systemic, radical transformation programme that addresses more than just the challenging issues around the organisation and delivery of health and social care over the coming three-year period and beyond. This would link into and build on various separate transformation projects which are likely to have been commissioned to address particular themes and issues in local areas.

Such a transformation programme can be intertwined with and harness the prospects for the physical and economic development of the places.

This would help to support the new reality that is diminishing public sector budgets, resulting in reduced levels of (but better integrated) service provision.

The articulation and communication of the programme's aim can create a shared, pragmatic realisation that the role and function of the council will change. The programme would, however, work positively to raise aspirations and ambitions for the people and the town and provide further opportunities for them to prosper.

There's a need to map out what is already happening in terms of changes in provision in places, for example, as a result of the clinical commissioning group (CCG) and, where it has occurred, the pioneer work around health and social care integration.

Work around a recent lottery-funded programme to transform services for 0-3-year-olds also provides examples of how councils can do things differently in the future.

It is this relational work among delivery partners in consultation with service users, to effect changes in provision and behaviours and expectations from clients in the future, that will make the difference for the coming period.

Over the 'good years' there have been significant developments in terms of leisure and infrastructure provision, and

efforts to regenerate social housing areas, etc.

A visioning exercise is required which, building upon a review exercise, can enthuse and provide aspiration and ambition for places that the council, elected members and service providers, residents, the business community and partners can play a role in shaping and believe in. This would look to 2020 and beyond, at the social, economic and physical fabric of the place and provide for significant further development. There is usually an un-recognised or captured urban or rural fabric and elements of a quality housing stock – often with significant aesthetic qualities – not realising their potential value.

Local authorities are at the centre of this new equation and are charged, more than any other body, with ensuring that they support the wellbeing of their residents

There is always much to build on and develop. There's the potential for the place as a free-standing or satellite town or settlement providing opportunities in financial and other services etc, building on recent investments. The area can reinvent and position itself within the regional, national and international economy.

It's a matter of refashioning the role of the place or places with their communication links and other infrastructure, and the perceptions and expectations that go with this. The result can be a levering in of greater investment, due to an envisaged uplift in values, triggering significant developments and gains.

Local authorities are at the centre of this new equation and are charged, more than any other body, with ensuring that they support the wellbeing of their residents. This is the opportunity to re-establish their leadership credentials through local forums like the health and wellbeing board.

Such a systemic, radical transformation programme would help shape perceptions, understanding and promote a realisation among residents that the council will not and cannot continue to operate along traditional lines.

This new realism will affect client behaviours, perceptions and expectations,

ways of working among professionals and the nature of provision across the place based on the principles of service integration.

The programme will counter the 'do nothing' scenario, given the 'burning platform' of realising further savings, where service providers would otherwise retrench into their areas of activity and continue to attempt to deliver as usual but with further significantly depleted resources.

The learning that has arisen around Total Place, Community Budgets and now 'people-powered public services' would be applied to help reshape and remodel services beyond health and social care, across the council and area, to create a common dialogue and way of working addressing the social, economic and physical functions and services offered in the place.

The programme would support the council's senior leadership team to work collectively and with partners to reconcile their respective funding gaps this year, and for years to come, by looking together at the inter-relationship and 'cause and effect' and linkage between their services and people, households and businesses.

Remodelling and the reshaping of services will occur according to the philosophy of 'a local story' for development supporting the new reality, streamlining the whole system of provision, bearing in mind the needs of the service recipient in the first instance.

This can be an inclusive, interactive, flexible and responsive process facilitating the engagement and contributions of joint solutions among senior officers, elected members, the council and partner workforces, citizens and businesses.

Such a systemic transformation programme can provide early indications as to the way the council and others will need to change their organisational structures and models of provision. This will allow them to face up to the new reality and also become more than 'fit for purpose' and evangelical about the prospects for change, development and improvement in the wellbeing of the local population.

'Aspiration' and 'ambition' will become the new bywords for change in the area. ▀

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Go all round the houses

Katherine Lewis advises councils

To provide a tailored housing solution which meets the needs of each individual community, as the recent Elphicke-House report encourages local authorities to do, every local authority will have to look very carefully at the funding options available to them. After all, new housing supply needs financial backing to get off the ground and bespoke solutions may be needed to unlock both the investment and the returns needed to provide a 21st century housing solution.

The Elphicke-House report outlines a number of funding solutions that local authorities may wish to consider – and some local authorities have already successfully adopted various structures.

There are several factors that could help local authorities determine which funding solution best meets their needs:

- **Start at the end:** consider your goals and your exit strategy, as well as the community needs. Whether your aim is to produce capital gains or a steady income stream, this may shape your funding options and allow you to take a more flexible approach.

- **Affordable housing, market housing or a mix:** the type of housing you wish to source may have an impact on the funding structure to be adopted. A local authority looking to set up a wholly-owned company (WOC) which delivers market housing for rent or sale may, depending on how that company is funded, need to think about state aid, transfer pricing