

Name of person submitting	Statement and questions
Nigel Behan	<p>Item 4 <a href="#">Preventing Failure in Local Government</a>  <a href="#">(report-preventing-failure-in-local-government- v08.pdf (grantthornton.co.uk) )</a></p> <p>The report notes:</p> <p><b>“3 Understanding the causes of failure.</b></p> <p><b>3.1 Internal and external factors</b></p> <p>Internal and external factors have played a part in each recent significant failure. Internal factors include poorly designed structures and weak systems of management and control, compounded in some cases by bad behaviour on the part of either officers, executive members, or both. That may take the form of bullying. Bullying can be defined as offensive and intimidating, behaviour which is an abuse of power, but bad behaviour may also be more subtle but no less damaging. For example, refusing to listen to alternative views and marginalising dissenters, command and control' cultures undermine personal and professional effectiveness but weak, 'laissez faire' cultures can do as much harm, by allowing poorly informed decision making. External factors are those beyond the control of local government, such as reductions in central government’s financial support and inflation which have a very significant impact on its ability to manage risks.”</p> <p>And</p> <p><b>“5 What now needs to change to prevent failure in the future?</b></p> <p>“Local government operates in an extremely complex system and is, paradoxically, both over-centralised and under-supported. Local authorities are sovereign bodies, but their powers are far outweighed by the constraints under which they operate and the weight of their responsibilities. Local government's legal framework is enshrined in statutes and regulations dating from 1972 and is not longer fit for purpose in the current environment. The legal protections which previously protected statutory officers and enabled them to fulfill their legal duties without fear of negative personal consequences have been eroded.</p> <p>Reductions in funding have led a to significant loss of organisational capacity to respond to ever-growing threats and challenges. It is to the credit of most local authorities that they have managed to avoid serious financial and governance failures despite the financial pressures they face. It is important that the failure of individual councils does not undermine the strong case</p>

	<p>for greater devolution of powers and resources to a local level and to local communities. However, the proliferation of failures raises the possibility of a more strongly regulated local government sector, the recent introduction of the Office of Local Government (Oflog) which plans to create an early warning system for councils and is a sign of this direction of travel.</p> <p>A common feature of failures is that those responsible for failing to adhere to rules, failing to be open and transparent, taking decisions without the appropriate expertise or advice, and taking ill-advised risks, have frequently moved-on before the consequences become apparent leaving a difficult legacy for their successors who then inherit intractable financial and governance problems. This applies to politicians as well as officers. Whilst politicians may find that electoral success is elusive after a very public failure, officers are professionals who may well move on to operate in another public service role. In the worst cases of failure, where appropriate standards of professional conduct have not been met, it is arguable that there should be enhanced mechanisms in place to hold those who have moved on to account for their behaviour to help prevent any repeat of failure.”</p> <p>Concluding with:</p> <p>“The challenge for all those in the local government system is to make the best possible use of their powers and duties to prevent failure by</p> <ul style="list-style-type: none"> <li>• Understanding and learning from past failures</li> <li>• Understanding and mitigating the risks of failure</li> <li>• Working collaboratively across professions, hierarchies and organisational boundaries to support good governance and robust financial management.”</li> </ul>
	<p><b>Question 1</b></p> <p>Does the Audit Committee agree with the comment (from Grant Thornton):</p> <p>“A common feature of failures is that those responsible for failing to adhere to rules, failing to be open and transparent, taking decisions without the appropriate expertise or advice, and taking ill-advised risks, have frequently moved-on before the consequences become apparent leaving a difficult legacy for their successors who then inherit intractable financial and governance problems. This applies to politicians as well as officers.”?</p>
	<p><b>Question 2</b></p> <p>Implicit in the report is the (reasonable) assumption that Local Government is a provider of Public Services:</p>

“Local government is responsible for a range of vital services for people and businesses in defined areas. Among them are well known functions such as social care, schools, housing and planning and waste collection, but also lesser known ones such as licensing, business support, registrar services and pest control.”

As the LGA note)

Whilst the LGA further notes: “.....councils are struggling to fund services due to underlying issues, including a 27% real-terms cut in funding since 2010-11.”( [Fifth of councils facing S114, chiefs reveal](#) )

The LGA (First Editorial Team) also “..pledged to “keep lobbying” for additional funding for adult social care, after the sector was largely ignored in the Autumn Statement.” And that “Councils’ ability to provide the critical care and support that children rely on has been put at risk by the Autumn Statement’s lack of investment in children’s social care, the LGA has warned.”

What steps, measures, actions etc can particular councils (including Somerset Council) take to restore local government funding to levels that existed around 2010-11 to provide services that address service users needs without further rationing expectations etc. in addition to the “challenges” described above?