



National Commission on the future
of governance in the public sector

Place Summit

Purpose

Good governance at place level is a cornerstone of the Commission's work. Our activities so far have demonstrated that getting the principles and the practice of governance right at place is essential to positive outcomes and sustainable public value over the next decade. But as our November 2020 Place Roundtable identified, numerous obstacles need to be navigated to make use of the opportunities at place.

But now there is an opportunity. Devolution and localism have begun to penetrate the national discourse. To capitalise on this, we cannot be held back by a lack of shared understanding and commitment. We need common foundations to make the most coherent and effective case for place-based working.

The Commission is uniquely positioned to provide a distinct contribution to these efforts. Governance encompasses a unique mix of principle and practice. It operates at the intersection of all the areas that need to be upright for place-based working to succeed: transparency, culture, process, accountability, and responsibility with legitimacy, meaning it has a unique contribution to make to this debate.

All these issues need to be explored before place can be modelled as a coherent form of societal organisation and hope to challenge the contingent factors and national obstructions preventing power from being transferred to localities.

We see good governance as a key enabler of better, more sustainable, and relevant public services and not as an aim in itself. Good governance is one of the catalysts which enable the rapid change achieved within an envelope of both legitimacy and an ethical culture.

Summit

This summit will focus on how effective place-based governance can be supported in practice at national and local levels, whether by individuals, networks and movements, institutions and systems, or government and governance. The summit will inform new guidance from the Commission to help place-based governance grow as an essential foundation for a new era of public value.

Our format requires a high level of commitment from attendees to move from expressing opinions to working together to find solutions to pressing problems. This summit will be built around a small number of practical questions and issues including the tone and content for guidance and the form it should take to be of most use and impact. These aim to build narratives and agreeing possible approaches to growing local governance immediately and longer-term.

This stimulus document provides some further context and questions to provoke thoughts ahead of the event. It takes as its starting point some working assumptions:

- the current environment in the UK is conducive to and supportive of growing and embedding place-based governance, despite many countervailing forces
- growing place-based governance at scale is now urgent because of the consequences of failure to realise progress towards sustainable local governance in the current cycle of change
- there is a danger of perpetuation and incrementalism unless issues of power, the role of citizens, the widest possible definition of assets and resources is adopted
- good governance can operate as a powerful enabler of positive outcomes, rather than act as a form of retrospective performance assessment and conservative safeguarding

These are all obviously open to challenge but are intended to provide a shared starting point for the summit.

Across the day we will look at building an answer to this question:

What practical guidance will help create the right conditions for place-based governance both now and in future?

The subthemes for the summit will be discussed in smaller groups and two plenary sessions:

- ***What narratives are necessary to support place-based governance and who should do this?***
- ***What will help promote and enhance the role and agency of citizens in place-based governance?***
- ***What are the principles which should guide good governance at local level as an essential foundation for the future?***

Context

There is credible evidence that local empowerment and devolution of power produce good outcomes. This is the case for a range of areas including citizen wellbeing, the creation of civic trust, sustainability and public health. Examples of this exist across the world, and in some parts of the UK. But these are the exception rather than the rule. Surely, given the outcomes it produces, subsidiarity should be a universal policy, and yet we do not have systematic place-based working. In fact, the UK government has taken steps to do the opposite. The education curriculum and the health service have become more centralised than ever.

So is place destined to merely be a nebulous concept, a myth that is never fully realised? Clearly there needs to be a change if we are to realise this potential. Crucially, this shift must occur among individuals advocating for power at place, rather than merely those in central government seeking to maintain control.

Our first task should be to develop a common understanding. We do not have a shared vision for place. Definitions are inconsistent and thin on the ground, with protective silos still dominant and enshrined in governance structures. This perpetuation is one of mindset as well as statute, perhaps reflecting a UK tradition of local governance lagging behind change rather than enabling forward momentum. There is no evidence of political consensus about place or consistency in its framing and definition between local and national or between sectors, despite them being mentioned in narratives of reimagining, resetting, and revitalising. At the same time centralisation has clearly been reinforced in numerous ways over the last year and looks likely to linger.

Obstacles to place

There are a range of well-documented structural barriers in the UK which were well explored in the last summit. The extensive list includes:

- *the historical context of centralisation of government and governance and revenue-raising*
- *the Treasury's control over finances (at least in terms of driving public policy)*
- *the systematic "hollowing out" of local government and key institutions*
- *the centralisation within the government at No. 10.*
- *the limit of leadership appetite and capacity and who is willing or equipped to drive with sufficient trust to carry it off and authority to make necessary choices with consequences*
- *the evolution of a tentative, bureaucratic, excluding, and complex governance based on retrospective scrutiny rather than future enablement.*

Whilst recognising these as crucial factors in our political landscape, this should not prevent us from creating a systematic understanding of how place should be modelled.

Why place matters now

Despite these obstacles, there is an opportunity. Regional inequalities and the erosion of community assets have moved place into the national discourse. While this remains siloed in the public sector, the advantages of localism and place-based working are now being articulated as ways to improve public welfare. From the government's levelling-up promises to its NHS and public protection commitments and to collaboration and partnership working, in rhetoric at least, the local is becoming important. Place is seen as being where public outcomes are felt, where public impact should be evident and where the communities, neighbourhoods and active citizens are part of solutions to social and economic challenges.

Most significantly, local determination to serve local populations, especially in areas of higher deprivation, is yielding good examples of what can be achieved around social justice and action on poverty. They demonstrate the real impacts of collective focus even if there is no real evidence for scalability or supporting agile governance.

The argument for place-based governance is being pushed forward not just as a potentially sound basis for growing trust in local institutions but also around specific local agendas which cross organisational boundaries and ownership of issues and assets.

Despite the rhetoric, evidence of real power-shifting or local empowerment is limited. Nevertheless, this could be an inflection point where a clear case needs to be made to secure progressive change in governance and its outcomes. As critiques of the handling of the pandemic start to develop, the relationships between the centre and the local and within the local will at the very least be discussed. This will provide a space to advocate for local ownership and models of governance.

Problems with obstacles also provide opportunities for change. Perhaps, compared to other countries, the UK lacks the established community, social trust and local structures for localism. We must find ways of organically growing these whilst avoiding the dangers of populism and voice capture. This is essential, given that those areas with the weakest social fabric and community are those most in need of local empowerment, and also have the fewest resources to achieve it.

These vacuums could prompt new political allegation and local activism if citizens continue to demand solutions without the structures to give them meaningful agency. The coming years will also heighten issues around employment and town centres that previously provided distinct regional identities. Such issues may have distinct impacts on governance dynamics, especially where local meaning for citizens and a sense of orientation in the world has been seriously damaged by social change.

The degree to which the widely perceived lack of trust in institutions provides a positive driver for new models of local governance, in which citizens are active and share power, is worth consideration. Would a narrative built around providing citizens with a sense of agency now find fertile ground?

New social contract

From the outset the Commission has promoted the need for a new contract between the citizen and public institutions. This is now an even greater priority, and perhaps more achievable, following events of the last year.

It is far from clear how this might be developed in practice. While deliberative fora may provide input into some aspects of decision making, they fall short of growing the comprehensive new local contract that is needed. Equally is it clear whether the implications of genuinely embracing citizen voice within governance are sufficiently understood. We are not referring to the many myths of community engagement, empowerment of communities and the wartime narratives which accompany them. Instead, there must be a fundamental shift in power relationships, a reinvigoration of democracy and a rethink of governance in local institutions.

Indeed, the uncertainty that lies ahead of us and the underlying issues of community erosion and fraying social fabric render the need for change even more urgent. The conditions created by immediate and urgent social need look set to drive more local deals on shared issues of substance between citizens and those in power. Yet if attempts to combat these problems remain piecemeal, single-issue populism, short-term campaigns and grievance movements are likely to be a greater feature of the political landscape for good or bad in the immediate future.

Positive examples can be seen in pockets across various countries as well as in some parts of the UK. But these are far from becoming the foundation for a new deal for the future across all parts of the country.

Success will depend on creating the right local fora and joint action being supported around issues which require collective, local responses and contributions from many different agencies and communities working with the public across traditional boundaries and assumptions.

Some areas to be addressed

How do we develop shared aims and understanding among partner organisations?

How can leadership capacity with the right mindset be supported?

How do we create the incentives for the necessary investment in shared data and analytics?

What incentives need to be created for widespread investment in developing community assets?

How do you create governance arrangements that transcend individual power bases?

Can local issues transcend national-level polarisation?

Does decision making at place require consensus?

What are the robust mechanisms needed when national objectives conflict with local desires?

How can authoritative decisions be reached when organisations with multiple sources of legitimacy disagree?

What are the core narratives that will help place-based governance become understood consistently as a force for dynamic change?

What should the roles and contributions of citizens and communities be in the future shape of local governance?

How can sufficient legitimacy be secured to test new local governance models?

There are many complex issues to be resolved if we are to successfully develop working at place. Current models have legitimacy through permanence, despite their poor outcomes. As trust and performance of national institutions decline, local empowerment has the chance to transcend national polarisation and find common purpose in public outcomes. Yet this will not be frictionless. If multiple organisations are coming together with varying sources of legitimacy, for example, the NHS, local government, charities and the church, there will need to be robust and clear mechanisms to resolve disputes whilst maintaining the consent of all those involved.

Bringing together disparate actors is not the only conflict that may arise. Local-national conflicts are already beginning. Whether to build the coal mine in Cumbria illustrates this. Local institutions will have to both represent and serve their constituents, whilst balancing diktats from the centre and their statutory duties. These are just a few of the dilemmas we face and will need to negotiate to achieve our aims.

Other materials

The Commission is supported by the Good Governance Institute. A selection of its current *Illuminations series on governance* can be found here:

[NHS 3.0 Can a local, integrated care system deliver better outcomes for patients?](#)

[Partnering for success](#)

[LGA briefing: Health and Social Care Bill White Paper](#)

[Place the emphasis on outcomes](#)

[Connecting place with purpose](#)

[The long road to sustainability](#)

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