





## Trusting place: Improving the lives of local people through place-based approaches

A report to the Local Government Association (LGA) by Mutual Ventures and Re:State

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## Summary

This report sets out recommendations to inform the Local Government Association's (LGA) dialogue with government and its members in support of 'place-based' approaches to public services. These recommendations are the output of a series of in-depth discussions and meetings with a group of senior officers and experts from across a range of public services, convened by Mutual Ventures and Re:State.

#### We need a new model for local services

Our engagement with public service leaders revealed a strong feeling in support of change in the way central government and local services work together. There was overwhelming feedback from participants that the existing approach and relationship are not producing the outcomes for local places that they could and should.

Participants argued that there is an opportunity to work differently – with people and place at the centre of public services.

To address this, we heard, requires three related actions:

- 1. A reset in the relationship between central government and places, based on trust and a principle that local areas know what's best for their communities.
- 2. A new relationship with citizens and service users as active members of communities, not passive recipients.
- 3. A concentrated focus on creating a 'liberated' culture and leadership across local public services.

These actions can support the plan for change in local government. They are consistent with the principles set out in the English Devolution White Paper, published in December 2024 following our engagement with public service leaders. They also remind us that, with significant effort and energy focused on the mechanics of local government reorganisation, places must not lose sight of their relationship with citizens and communities.

#### Recommendations

We heard that public service leaders feel that now is a golden opportunity for change. They recognise that they should act decisively, and make the most of the powers that they already have, but that change would take time.

Places themselves – led by local government – have the most important role to play in this. Local public services must challenge themselves to act differently and not wait for central government to tell them what to do. Existing examples of good practice show that local public services have the ability to do things differently.

**Central government must create an enabling environment for change.** It must state its intentions clearly and review the systems of governance, resourcing and regulation that it oversees. Government departments and the civil service must change the way they behave. Without this, it will be difficult for local services to adopt place-based approach approaches in a consistent way.

The LGA should continue to be a strong advocate for place-based approaches and use its position to influence change. It should engage with its members and with central government. It should observe their actions and be unafraid to challenge them when needed.

Our recommendations acknowledge that the primary challenge is culture – changing the way all aspects of the system think to be place-based, focus on people, and collaborate. Local leaders and public servants should be liberated to be able to do what is best for their place.

Our recommendations represent an ambition to achieve better outcomes for local people, strengthen democracy and build robust resilient places.

#### List of recommendations

#### What places should do

Recommendations 1 to 6 focus on how places can prepare for place-based working. Recommendations 7-9 address how places should implement it.

- Recommendation 1: Place leaders should work together, be bold and act now to progress place-based approaches to growth <u>and</u> public service reform.
- Recommendation 2: Partners within a place must ensure that they have a clear shared understanding of the powers they have.
- Recommendation 3: Partners should work together to map benefits across their place and understand how these are distributed.
- Recommendation 4: Place-based working should be implemented as 'the way we do things', not as a 'programme' or 'initiative'.
- Recommendation 5: Public service leaders should clearly articulate how their place-based approach supports government missions.
- Recommendation 6: Local partners should review their approaches to community engagement and co-production to enact a power shift from government to the community.
- Recommendation 7: Places should identify a starting point for implementing reform and commit to it.
- Recommendation 8: Places should establish comprehensive data-sharing agreements that do not take an overly cautious view of risk.
- Recommendation 9: Places should establish shared Project Management Offices to deliver locally.

#### What central government should do

Recommendations 10-15 set out what central government could do to create the conditions to make place-based working mainstream.

- Recommendation 10: Central government should set a clear expectation that local services move to place-based working and introduce a 'duty to collaborate'.
- Recommendation 11: Central government should limit its mandate on places to minimum standards associated with statutory responsibilities.
- Recommendation 12: Provide authorities with multi-year, cross-departmental funding commitments.
- Recommendation 13: Central government should consider local priorities in its evaluation of value for money.
- Recommendation 14: Make regulators collaborate and require them to take a 'whole place' view.

• Recommendation 15: Regulators should require organisations to be 'learning' organisations and take a more balanced approach to risk.

#### What the LGA should do

Recommendations 16-22 set out what the LGA can do to back local leaders.

- Recommendation 16: The LGA should proactively advocate for change.
- Recommendation 17: The LGA should seek partnerships with umbrella and advocacy organisations working with local public services councils.
- Recommendation 18: The LGA should establish a new network for place-based working.
- Recommendation 19: The LGA should ensure its members and partners understand the existing powers available to implement place-based working.
- Recommendation 20: The LGA should provide advice and training for councillors to work in a place-based way.
- Recommendation 21: The LGA should provide advice and training to local government leaders to work in a place-based way.
- Recommendation 22: The LGA should capture and share case studies of successful place-based approaches.

## Introduction

It is a pivotal time for local public services. With the new government, there is an opportunity – and appetite – to look afresh at the relationship between central government and places.

The government has set out its intentions with a set of five missions to guide its direction over the parliament. The English Devolution White Paper articulates a vision for devolution focused on growth with a new relationship between central government, regional 'strategic authorities' and local places. This is underpinned by a renewed emphasis on public service reform, led by the Cabinet Office.

The UK remains perhaps the most centralised state in the developed world with clear fault lines between the urge for central control and the needs of local places. Emerging plans for local government reorganisation aim to address this imbalance but places must be wary of this crowding out the opportunity to reform public services.

At the same time, the long-standing challenges to local public services haven't gone away. Financial constraints are a limiting factor, and it is estimated that councils face an overall funding gap of £2.3 billion in 2025/26 and £3.9 billion in 2026/27.

There is a strong feeling across local public services that we need change. In producing this document, we spoke with dozens of experienced senior council officers and public service experts who say the way government operates does not work for local places and people. This report captures those feelings and provides a way to do things differently.

#### What we mean by 'place'

In this report, we define place as a 'location with meaning'. The definition makes it a unit of geography that is recognisable to people – where they live, bring up their families, work and spend their leisure time.

From a public services perspective, place is usually understood to be the level where people access most of what they need. In practice, this usually corresponds to their local council area.

Under this definition, places are constituent parts of a regional and national system. Within places, communities are generally understood to be organised into smaller neighbourhood units.

#### The purpose of this report

As a politically-led, cross-party organisation that works on behalf of councils, LGA is in an unrivalled position to influence change. **This report sets out recommendations to inform the LGA's dialogue with government and its members in support of 'place-based' approaches to public services.** These recommendations are the output of a series of in-depth discussions and meetings with a group of senior officers from across a range of public services, convened by Mutual Ventures and Re:State.

The recommendations are challenging. Some of them will be difficult to implement and their benefits will not be realised quickly. However, they all represent an **ambition to achieve better outcomes for local people**, **strengthen democracy** and build **robust resilient places**. At their core, all the recommendations echo the LGA's Local Government White Paper's call for an 'equal and respectful partnership between local and national government' and to 'back local government as place leaders'.

# How we produced this report

This report is the product of input, discussion and feedback from a group of senior public service leaders and experts. We would like to thank them for their insight and experience, as well the candour with which they shared their views. Whilst we have tried to capture individual points raised by the group faithfully, this report cannot be taken as directly representing their views.

The conversations revealed the passion public service leaders have for their local place and the frustration with aspects of the current system that they see as preventing them from doing the right thing for local people.

#### Gathering evidence from our experts

We worked with colleagues at the LGA to agree a list of 103 public services leaders and experts that we thought would be willing to share their views on place-based working. The list of attendees was created from a mix of the LGA's, Mutual Ventures' and Re:State's network.

We contacted the people on that list to invite them to attend one or more of the three workshops held in October and November 2024. The workshops covered the following key topics:

- 1. Identifying the conditions for success in place-based working.
- 2. Making place-based resourcing, governance and accountability work.
- 3. Aligning mission-led government and place-based priorities.

Attendance was not limited to one workshop. Attendees self-selected those workshops they thought best matched their expertise.

In total, 51 public service experts engaged in the workshops. Attendees came from a wide range of backgrounds, organisations and services. They included senior local authority leaders, NHS leaders, civil servants and think tank staff.

Workshops were structured around a series of open questions and attendees provided their insight, comment and challenge. A summary of the output from each of these workshops is contained in Appendix 2.

Alongside workshops, we held individual conversations with various experts to discuss topics in more detail or to allow those who couldn't attend the conversations to give their views.

We agreed to run all engagement activities under the Chatham House Rule to ensure attendees were able to be open and honest with their thoughts. As well as gathering valuable insight, this revealed the strength of feeling from public service leaders in support of place-based approaches.

#### Gathering evidence from the literature

We supplemented the expert feedback with a literature review to understand current thinking on place-based approaches to public service delivery, and examples of recent good practice. This review covered academic research, government policy papers and think tank reports and was undertaken during October and November 2024.

## The English Devolution White Paper

This section provides context to our recommendations on place-based working from the English Devolution White Paper, published in December 2024.

#### What the White Paper says

Two weeks after our engagement with public service leaders, the government published its English Devolution White Paper.

The White Paper sets out the government's ambitions to widen devolution in what it describes as 'the biggest transfer of power out of Westminster to England's regions this century'. The most significant element of this is the promise to grant greater power to regional 'strategic authorities', defined as 'a number of councils working together, covering areas that people recognise and work in'. In many areas, Combined Authorities already exist in this role.

The government says that it will provide a clear framework for the powers that will go to each type of authority. The role of regional Mayors gets a boost, with integrated settlements that allow them to move money between policy areas under their control and a signal that the business of government should be 'devolution by default'.

The White Paper describes a move to end two-tier local government by 'facilitating' a process of local government reorganisation, inviting proposals in relevant areas and delivering a 'first wave' of reorganisation in this parliament.

Notably, all these plans are described with the chief focus on economic growth. This includes powers over transport, skills, housing, planning and supporting business. The issue of public service reform is further down the list. The White Paper is more tentative here with softer language around 'expectations' and 'consideration'. There is very little to suggest change in the health system, which is the most centralised of the local public services.

#### Impact on our recommendations

The White Paper shifted the parameters around how we think about place-based working. In some cases, this supported what public service leaders and experts told us. In others, it provided a challenge.

A number of our recommendations closely overlap with what is said in the White Paper – for example around multi-year settlements for councils and strengthening service user involvement with community ownership. The LGA should work with the government to ensure that they are seen through to implementation.

On the other hand, the White Paper's view of Local Authorities as the 'convenors of place' may not feel right in every local context. In our conversations, public service leaders were clear that 'place' shouldn't automatically mean local authorities but should be the responsibility of all public service organisations. Responsibilities should be shared according to which partners are best placed within that specific part of the community.

The White Paper's emphasis on local government reorganisation, and the subsequent emergence of specific proposals across the country, are an opportunity and a risk. Changes to council structures and geography will inevitably be a significant draw on local leaders' focus, time and energy. Places should not let this stand in the way of the reforms we recommend to improve local services in their communities.

## Summary of the literature

This section summarises the findings from our literature review. A full write-up of the review, including references, is contained in Appendix 1.

#### Overview

The literature indicates the potential of place-based approaches to have a transformative impact on public service delivery. Such approaches, however, cut against the grain of the UK's policy and legislative context. They depend on stable institutions, shared goals, empowered leadership, sustained resources, mature data systems, and effective convening power. By fostering cultural change, these initiatives can remain adaptive and impactful in a rapidly evolving policy environment and take distinctive approaches to mission-style delivery as central priorities shift.

#### What has been tried?

Place-based approaches in England have evolved from programmes like Total Place to more recent efforts such as Whole Place Community Budgets. These initiatives have tested integrated governance, collaborative resource allocation, and citizen coproduction. International models, such as Sweden's Regional Development Partnerships and Australia's City Deals, provide further insights into the practicalities of aligning local, regional, and national goals. Emerging practices, including digital participatory budgeting and data-sharing platforms, show promise in enhancing transparency and responsiveness to facilitate the relational approach which appears to be key to these initiatives' success.

#### What has worked?

Several approaches have proven effective, particularly those that prioritise relational dynamics and local empowerment. The Wigan Deal demonstrates how co-production and preventative services can align local governance with community priorities, fostering trust and accountability. Internationally, Sweden's diversified

funding and long-term planning cycles offer a model for sustainable place-based governance.

#### What has not worked?

Despite successes, place-based initiatives have often struggled with short-term funding cycles, siloed approaches, and overly centralised accountability frameworks. The Total Place pilots revealed challenges in sustaining cross-sector collaboration without aligned financial incentives or robust local leadership. Additionally, cultural clashes between agencies and fragmented governance boundaries have frequently hindered progress. Regulatory and inspection regimes, which prioritise compliance over capacity-building, further exacerbate these challenges, highlighting the need for systemic change.

#### What next?

The next generation of place-based approaches must embed lessons from past successes and failures. Long-term, predictable funding models are essential to enable strategic planning and resilience. Enhanced accountability mechanisms, supported by horizontal relationships and citizen co-production, can foster trust and transparency. Policymakers should prioritise flexible, iterative approaches that accommodate local needs and allow for experimentation. Integrating digital infrastructure and fostering cross-sector collaboration will be critical in building adaptive systems capable of addressing complex societal challenges.

## Case studies of placebased practice

This section describes seven case studies of place-based practice from across England.

#### Gateshead and Changing Futures Northumbria – The Liberated Method

Gateshead's Liberated Method focuses on helping people with complex needs build the relationships they need to thrive by providing individuals with a single case worker who holds their relationship and ensures they access the services they need. This method begins with a focus on the person rather than the service. By taking a person-first approach they have been able to significantly reduce the need of the individuals involved to rely on public services support. It is called the 'liberated method' as the initial focus of the programme was on freeing up the creativity of frontline staff to approach problems with freedom and compassion, not being restricted by what the service could deliver. To do this the programme was coproduced with people with lived experience. The success of the initiative was enabled by leaders who understood that problems transcended individual services, and were willing to grant their teams the freedom to experiment. Initial resourcing was provided via Changing Futures funding.

#### Wigan – The Wigan Deal

Wigan is perhaps the best-known example of a successful place-based approach. The 'Wigan Deal' is an informal agreement between the council and residents. In practice this involves cross-organisational, collaborative working between frontline staff, community organisations, and residents. At its inception, services formed multidisciplinary teams, known as Integrated Neighbourhood Teams (INT), made up of colleagues from health, adult's and children's social care, the police, housing and others. These teams work coterminous to identify the most at-risk cohort of residents and then provide consistent engagement with key workers to ensure this group receive the care they need. These teams work across one of seven delivery footprints which map onto the existing Primary Care Networks (PCN).

## Camden – Developing neighbourhood working in Camden

Camden has taken a place-based approach to community health. This strategy seeks to embed a shared understanding of local health and social care needs, enabling partners to collaboratively plan, commission, and deliver services. Aligning with the footprint of PCNs, Camden has developed a system of neighbourhood working in which multi-disciplinary, integrated care teams, with partners from health, social care, housing, care providers and, community and voluntary sector organisations, provide community-based services. These neighbourhood teams target specific, local population health needs to reduce health inequalities among residents and reduce the need for specialist interventions.

#### Croydon – Integrated Community Networks and One Croydon Alliance

Croydon's model focuses on creating six integrated community networks to provide proactive preventative care through community hubs. Initially targeting older people, the model has brought together housing, employment, and the voluntary sector to offer preventative advice and support. Key conditions include coterminous health and social care services, shared principles, mutual accountability, a central project management function, open book accounting, strong leadership, and a long-term mentality.

### Leeds – Family Valued approach and Child-Friendly

Leeds' Family Valued is a whole-system approach to transforming outcomes for children that centres on building and maintaining positive relationships and creating a supportive environment for children and families to succeed. Centred on the child and their experience, it is underpinned by a belief in families' strengths and their ability to find their own solutions.

Leeds City Council aims to bring together the whole city – children's services, community leaders and local businesses – around a single vision of making Leeds the best place in the UK to be a child. The approach focuses on early intervention and the integration of services to provide a service based on local needs. Family Valued promotes a workforce culture based on relational practice, prioritising building and maintaining relationships between colleagues and partners.

#### Doncaster – Hyperlocal Working and Appreciative Inquiry

To improve health and wellbeing across the borough, Doncaster Borough Council has implemented a range of hyper-local community initiatives. This approach consciously puts local residents at the centre of decision-making. In 2021, Well Doncaster launched the Local Solutions Community Investment Fund (LSCIF) to support community organisations to create solutions and use community insight through Appreciative Inquiries and health data. The resulting programmes use community insights and participatory methods to address a range of local health, economic, social, and environmental challenges.

#### Sheffield – Changing Futures

Sheffield's Changing Futures programme targeted 92 adults with complex needs who were not engaged with existing support services or struggled to engage. The programme was successful in improving well-being, family and friend relationships and has led to cost avoidance, by reducing the number of offences committed and A&E attendance by individuals. People with lived experience were part of the development of the initiative and were an integral part of the programme's governance. Funding for Changing Futures was provided by the Ministry of Housing, Communities and Local Government and the National Lottery Community Fund.

# What we heard from public service leaders

This section provides a description of the narrative from our engagement with public service leader and experts. It aims to capture the broad consensus that emerged on place-based approaches from our conversations and sets the context for our recommendations.

#### We need a new model for local services

Our engagement with public service leaders revealed a strong feeling across local public services in support of change in the way central government and local services work together. There was overwhelming feedback from participants that the existing approach and relationship are not producing the outcomes for local places that they could and should.

There was frustration that a system had been created where local government and its partners did not feel trusted. Participants felt that central government funding streams and mechanisms of accountability tend to be top-down, with not enough attention paid to local circumstances and needs. They saw this reflected in both the way performance is managed and the way resources are distributed – with central Departments *doing to*, rather than *working with* places.

#### Place is missing out

The umbrella term 'New Public Management' (NPM) describes a set of practices that have become the dominant approach to managing public service delivery in the UK. NPM practices have created a distinct method of incentivising performance. In our engagement with public services leaders, we heard many voices critical of established NPM practices and their impact on place-based working.

**Participants argued that these approaches are poor at recognising place and local variation.** They produce an inclination to standardise at a national level and ask local places to follow. This makes it difficult for places to be able to respond flexibly to the needs of their communities and make the best use of the assets available within them. Participants were particularly vocal about the way NHS partners found it difficult to align with other local services and were subject to a greater degree of central control.

Participants said that established practices focus predominantly on the organisational level – rather than on meeting the needs of places as a whole. Commissioning structures and contracts are used to hold organisations accountable for their own well-defined targets. Systems of personal reward and progression have developed to drive output against these targets. This is augmented by a regulatory approach that favours looking at performance through the lens of individual organisations.

At its worst, this leads to a position where public services in a place are seen as a collection of individual agents. Even when organisations try to work together, for example through Integrated Care Systems, this underpinning framework often steers them in the opposite direction. The failure to recognise and reward positive impacts beyond narrow organisational targets makes it hard for organisations to collaborate, even when working with the same clients.

#### Why place matters

We were told how these practices **create siloes in local places**, pushing services apart to comply with the requirements of commissioners and regulators. We heard that the **voice of local people becomes marginalised** and **service users become passive recipients of support**. This relationship discourages active participation and too often the 'voice of the user' becomes a delivery work stream, rather than an integral part of a service.

Participants argued that people's needs overlap with organisational boundaries and are best managed within a whole place. Particularly when dealing with people with complex needs, it is very difficult – and often counterproductive – to treat single issues in isolation. For example, a mother struggling to provide a safe and supportive environment for her children is unlikely to get adequate support from children's services alone – it might also need support on housing, debt, employment and/or substance abuse. The work undertaken by Changing Futures Northumbria demonstrates the high costs of isolated interventions and how holistic support that crosses organisational boundaries is the only effective way of managing complex needs.

Above all, participants noted the impact on culture. We heard how leaders felt that it disempowers and demotivates their staff, who end up focusing on what they need to do to comply with the demands of commissioners and regulators and not what will really make a difference to local people. It makes it hard for professionals in different organisations to work together and creates an environment where local people must fit around services rather than services that fit what people need.

#### Place and scale

Participants noted that a move to place-based approaches can deliver greater clarity on roles across the different levels of government. To deliver effective and resilient public services and local investment, national government, regional government and local services must work together. The government's focus on 'missions' can allow a new conversation on that, with all levels contributing, to ensure community-driven solutions to local issues can be implemented.

Participants were clear that 'place' shouldn't automatically mean local authorities. Place-based working requires coordinated place leadership and is the responsibility of all public service organisations. Responsibilities should be shared according to which partners are best placed within that specific part of the community.

Equally, this does not mean public services doing everything. It will be important to work within each place to understand its assets and capability and be clear about what individual organisations can do on their own, what organisations must do in collaboration with each other, and what people and communities can do for themselves.

Participants noted the challenges to finding collaborative solutions posed by the patchwork of boundaries in local government, health, policing and criminal justice – and that this means the only way to make progress is for local partners to work

together to build strong relationships and broker their own place-based arrangements.

#### Towards a new way of place-based working

Participants argued that there is an opportunity to work differently – with people and place at the centre of public services.

Taking a place-based approach to public services would mean reversing the trends described above, where decisions can be made locally by those closest to communities, where incentives among organisations in a place are aligned, and where siloes between services are broken down to provide local people with what they need.

As part of the engagement process, we asked participants what conditions they thought were needed for successful place-based working. Box 1 presents a summary of their views.

To address this, we heard, requires three related actions:

- A reset in the relationship between central government and places, based on trust and a principle that local areas know what's best for their communities. This must be signalled clearly by central government and followed by changes to the distribution of power, changes to the approach to funding local government, the NHS and other local services, and a more holistic view by regulators.
- 2. A new relationship with citizens and service users as active members of communities, not passive recipients. Public servants' jobs must focus on relationships with service users and work with them to address their needs.
- 3. A concentrated focus on creating a 'liberated' culture and leadership across local public services. Nothing will change without a different culture across local public services, challenging the view of the passive citizen, breaking down siloes between services, and actively encouraging staff collaboration in a place. The role of leaders is key: in setting the tone, giving permission and leading by

example. Councils must take the lead in this process, working with regional government, the NHS and other local services.

#### How do we get there?

We are aware that these intentions – or ideas similar to them – have been stated in different ways before. This is not a criticism. Rather, it shows that there is a groundswell of opinion in favour of reform and a particular direction of travel.

Through our engagement, we heard that public service leaders felt that now is a golden opportunity to push for change. They recognise that they should act decisively, and make the most of the powers that they already have.

Participants felt that, although change is urgent, it would take time.

Central government should avoid a top-down approach to impose a particular model of place working. Such a change will take too long and the system will resist. Importantly, it will also fail the principle of place-based working – telling places what to do and when to do it.

Instead, progress can be made step-by-step, by giving local places the power and permission to act differently, demonstrating the benefits of place-based collaboration. This can then be the catalyst for further reform.

In the next section, we outline 22 recommendations, aimed at local government, central government and the LGA.

#### Box 1: Summary of conditions for successful place-based working

Participants at the second workshop outlined conditions for successful place-based working:

**People focus:** Understanding that the core to 'place-based' working is the emphasis on relationships, local people and communities within places.

**Strong leadership:** Leaders who understand that problems transcend individual services and are willing to collaborate around a clear and consistent purpose.

**Build trust and strong relationships:** Dedicating sufficient time to build strong relationships, not only among leaders but also front-line teams and with the local community.

**Shared outcomes and mutual accountability:** A clear set of shared outcomes with mutual accountability among partners. Open book accounting and transparency across partners will enable trusted collaboration and overcome competition.

**Risk appetite and freedom to experiment:** Providing the freedom to try new approaches and learn from mistakes. Listening to front-line teams, providing time and space for relationship-building, and supporting staff even when things go wrong. Flexibility in governance to adapt to changing needs and conditions.

**Co-production with local people with lived experience:** Actively involving individuals with lived experience from the local community in the design and governance of programmes and giving them decision-making power.

**Strengths and asset-based working:** Understanding the aspirations of the community and building on the strengths they have. Making use of existing assets, networks and anchor institutions.

Sufficient resources: Availability of resources to kickstart change.

**Data and evidence:** Using accurate data to support the case for change and evidence value for money.

**Coordination role:** Having a coordination role or central Project Management Office to bring teams together and ensure collaboration.

**Embedding the approach:** Making this approach a standard part of systems and culture. Ensuring it continues irrespective of leadership changes and after the initial resources and support run out.

**Staying true to the method when scaling place-based approaches:** Finding ways of scaling without losing the essence of the place-based approach. Scaling should not dilute impact or remove the scope for local variation.

## Recommendations

In this section, we set out a series of key recommendations, based on the engagement and feedback with public service leaders and experts.

**Our recommendations acknowledge that the primary challenge is culture** – changing the way all aspects of the system think to be place-based, focus on people, and collaborate. Local leaders and public servants should be liberated to be able to do what is best for their place.

Places themselves – led by local government – have the most important role to play in this. Local public services must challenge themselves to act differently and not wait for central government to tell them to do so. Existing examples of good practice show that things can be different and they have the ability to be decisive.

**Central government must create an enabling environment for change.** It must state its intentions clearly and review the systems of governance, resourcing and regulation that it oversees. Government departments and the civil service must change the way they behave. Without this, it will be difficult for local services to adopt place-based approach approaches in a consistent way.

The LGA should continue to be a strong advocate for place-based approaches and use its position to influence change. It should engage with its members and with central government. It should observe their actions and be unafraid to challenge them when needed.

Our recommendations are organised into three areas.

- What places should do
- What central government should do
- What the LGA should do

#### What places should do

Places should challenge themselves to make place-based working mainstream. Local leaders must take responsibility for embedding a culture that focuses on service users, breaks down siloed working and empowers public servants.

Recommendations 1 to 6 focus on how places can prepare for place-based working. Recommendations 7-9 address how places should implement it.

#### Preparing for place-based approaches

## Recommendation 1: Place leaders should work together, be bold and act now to progress place-based approaches to growth and public service reform.

Local authorities and their partners already have the power to make many of the changes needed to implement place-based approaches. Local public service leaders should act now and be decisive. This means liberating themselves to focus on people and communities.

Local leaders within councils, NHS, justice and other local services should ensure that, where they don't already exist, they have a 'place forum' where they can meet regularly, build close relationships with each other and discuss approaches to placebased collaboration.

Within the context set by the English Devolution White Paper, places must work with their regional strategic authorities. Together they should be bold on reform to public services, including engaging with the NHS to pursue local priorities and challenge top-down control.

## Recommendation 2: Partners within a place must ensure that they have a clear shared understanding of the powers they have.

Partners including ICBs, LAs, police, housing, and work and employment should ensure that they understand what they are able to do at the place level. This includes the flexibilities within the legal and regulatory framework, such as the scope of Section 75 agreements to pool budgets, the ability to establish shared services and permissions to delegate responsibility to partners. This recommendation will be supported by the English Devolution White Paper's plans to set out a clear framework for the powers that go to each type of authority.

## Recommendation 3: Partners should work together to map benefits across their place and understand how these are distributed.

Place partners should undertake a 'whole place' mapping exercise to understand system benefits and gain a view of the impact on individual organisations. It is important to be open that organisations will deliver activities that create benefits that will not accrue directly to them. This will help to build trust and agree on how responsibility should be shared to support service users in the most effective way.

## Recommendation 4: Place-based working should be implemented as 'the way we do things', not as a 'programme' or 'initiative'.

For place-based approaches to be successful they must be part of the day-to-day work. Places should avoid the language and mindset of 'pilots', which operate alongside mainstream work and are never fully implemented.

## Recommendation 5: Public service leaders should clearly articulate how their place-based approach supports government missions.

Local leaders should set out how their place-based approaches align with national missions and milestones. To deliver effective public services and attract investment, national government, regional strategic authorities and local places must work together.

## Recommendation 6: Local partners should review their approaches to community engagement and co-production to enact a power shift from government to the community.

Giving power to local people and service users with lived experience is essential for place-based working to be successful. This must go deeper than consultation and focus groups, and they must have a strong voice in the design and delivery of service models. Community ownership models, community 'right to buy', non-traditional service provision by social enterprise and the voluntary sector, and community investment funds can all be part of the solution There should be robust mechanisms for the community to hold local public services to account, for example

through service user representation on boards. The English Devolution White Paper emphasises the need for structures that enable effective 'community partnership' and urges local government to play 'an essential role in convening local partners around neighbourhoods to ensure that community voices are represented and people have influence over their place and their valued community assets'.

#### Implementing place-based approaches

## Recommendation 7: Places should identify a starting point for implementing reform and commit to it.

All places need to start somewhere. Place leaders should work together, with the involvement of their community, to agree on a theme or need to address. They should engage with all partners in their place and service users to co-develop a plan. For example, a number of places have decided to focus on the 100 people in their area who are the most intensive users of public services. Starting here gives partners a focus, allows for manageable, impactful activity, and lays the foundations for learning that can be applied to the wider population.

## Recommendation 8: Places should establish comprehensive data-sharing agreements that do not take an overly cautious view of risk.

To improve collaborative working, services need robust data-sharing agreements to improve the exchange of information and understand the needs of communities. Organisational leaders should be alert to overly cautious assessments of risk blocking progress on collaborative working.

#### Recommendation 9: Places should establish shared Project Management Offices to deliver locally.

To deliver place-based working requires collaboration between local services and a different way of managing resources. Partners should establish shared functions to reduce siloes, share data and create efficiencies.

#### What central government should do

Central government must create an environment that supports place-based working. It needs to be clear about what it wants to achieve but not be prescriptive for how local areas get there. The English Devolution White Paper acknowledges this shift is needed but leaves the development of 'further proposals for public service reform and prevention, alongside place-based leadership models' open as a 'next step'.

Recommendations 10-15 set out what central government could do to create the conditions to make place-based working mainstream.

## Recommendation 10: Central government should set a clear expectation that local services move to place-based working and introduce a 'duty to collaborate'.

Central government should be explicit that it expects public services to engage in place-based collaboration. Within formal guidance for local government, NHS, justice and other statutory partners, it should introduce a 'duty to collaborate' that obliges local leaders to work together. This duty should push places to use the powers that they already have to build local partnerships, whilst recognising that place-based working will look different in each area based on needs, population, relationships and capabilities.

The duty to collaborate should be supported by an approach to regulation that includes a 'whole place' view of public services (see Recommendation 14).

## Recommendation 11: Central government should limit its mandate on places to minimum standards associated with statutory responsibilities.

Central government should empower places to develop their own local responses to the challenges of national missions in a way that works for them and fits with the local context.

This should apply across all local public services, including in the NHS. There is an opportunity to build this into the reforms to national oversight and accountability that come with the closure of NHS England.

## Recommendation 12: Provide authorities with multi-year, cross-departmental funding commitments.

Building local collaborations and relationships takes time – one year is not enough. Local authorities need multi-year funding commitments to provide budget certainty and plan effectively. This recommendation is contained in the plans outlined in the English Devolution White Paper, which set out the provision of multi-year funding settlements to provide local authorities with the 'certainty to plan ahead'.

## Recommendation 13: Central government should consider local priorities in its evaluation of value for money.

Central government evaluates value for money using a well-defined methodology set out in HM Treasury's Green Book. The Green Book was updated in 2021 to include greater weight on place-based analysis and regional impacts. Application of these updates has not caught up makes value judgments about what matters to local communities. Decision-makers in central government departments should be given a duty of consider whether place-based working should fall within the Green Book's definition of 'transformational change': "a radical permanent qualitative change in the subject being transformed, so that the subject when transformed has very different properties and behaves or operates in a different way."

## Recommendation 14: Make regulators collaborate and require them to take a 'whole place' view.

Regulators tend to focus on the performance of individual organisations. This can have the effect of discouraging collaboration, for example where the pressure to be compliant with financial rules is prioritised ahead of developing new approaches with partners. Regulators of individual services should be required to take into account impact at a place level and be tasked with giving credit or criticism in their performance judgments.

## Recommendation 15: Regulators should require organisations to be 'learning' organisations and take a more balanced approach to risk.

Working out how to support people with complex needs requires trial and error. Without the ability to test new ideas and take risks, local public services will not improve. Regulators should have inspection frameworks that reward organisations' ability to test new ideas, work flexibly and demonstrate innovation. This requires a focus on 'learning' rather than compliance. To enable this, regulators must be more willing to accept risk (as long as understood and managed) and appreciate that making mistakes is an integral part of the learning process.

#### What the LGA should do

The LGA should be a leader in promoting place-based approaches and actively support local public services to do things differently.

Recommendations 16-22 set out what the LGA can do to back local leaders.

#### Recommendation 16: The LGA should proactively advocate for change.

The LGA should be a champion for place-based working in local public services and encourage places to adopt Recommendations 1-9.

The LGA should work with central government decision-makers to encourage them to adopt Recommendations 10-15.

## Recommendation 17: The LGA should seek partnership with umbrella and advocacy organisations working with local public services councils.

Place-based working involves collaboration between local government, the NHS, businesses and civil society organisations. The LGA should seek to lead a partnership of organisations to advocate for change.

## Recommendation 18: The LGA should establish a new network for place-based working.

The LGA should use its convening power to bring together like-minded places together to share practice, learn from each other, and build a community of action. This should be focused on service delivery and not be limited to local authorities. The aim of the network should be to demonstrate the case for change and 'act our way' into a new approach.

## Recommendation 19: The LGA should ensure its members and partners understand the existing powers available to implement place-based working.

The LGA should commission a piece of work to clearly articulate the constitutional and legal powers that local government and its partners have to work differently at the place level. This should include collating and publishing a series of examples of good practice. The White Paper's plans to set out a framework outlining the powers of each statutory authority will support this recommendation.

## Recommendation 20: The LGA should provide advice and training for councillors to work in a place-based way.

The role of local councillors could and should be fundamental to all place-based approaches. The LGA should provide training to help them understand what powers they have, how they can build better relationships with partners, and how they can influence change. This must include what it means to have a 'whole place' view of outcomes and benefits, rather than a narrow organisational focus.

The LGA should support councillors to lead the culture change in local public services. At its heart, this should be about building and maintaining positive relationships with the community and service users, recognising strengths, and promoting understanding and empathy. This has to apply to everything places do with citizens, as well as with colleagues and partners.

## Recommendation 21: The LGA should provide advice and training to local government leaders to work in a place-based way.

Similar to Recommendation 20, the LGA should provide training to council officers. Consistent with the training of councillors, this should encourage leaders to think differently. It should empower them to step back from focusing too heavily on compliance, trust their professional instincts, and ask 'is what I'm doing right for our residents?'. From the principle of prioritising relationships flows everything else: the culture, the leadership and the practice.

## Recommendation 22: The LGA should capture and share case studies of successful place-based approaches.

Local leaders need examples of place-based working to inspire and support their ambitions. The LGA should work with members to document case studies of good practice. These case studies must be practical and go beyond high-level summary points to draw out the steps that places took to apply and maintain them. Case studies must recognise that place-based working is not a copy-and-paste exercise and will need to be adapted to local circumstances. It includes the need to co-produced with local communities, partners and staff.

## Conclusion

People in communities and local public service leaders are calling for change. The LGA is in an unrivalled position to influence that change.

This report sets out 22 recommendations in support of place-based working.

The recommendations describe actions that should be taken by places, by central government and by the LGA. They point the way to a more local, people-focused approach to public services. They challenge the status quo of siloed working, the rigid focus on individual organisations, and the attitude that 'Whitehall knows best'. The English Devolution White Paper reinforces the need for local leaders to act decisively and make the most of the powers they already have.

The recommendations capture the need for better partnerships across the public sector and with communities. Ministers, local politicians, civil servants, local leaders, front-line professionals and service users are all crucial to that partnership.

The greatest challenge is culture change – but we recognise that it is a challenge that is best tackled in an environment that is conducive to change.

Ultimately, this report is about local people. Place-based working represents an ambition to achieve better outcomes from our public services, strengthen democracy and build resilient places.

## Appendix 1 – Detailed literature review

Available in a separate document

# Appendix 2 – Summary of engagement sessions

Available in a separate document

#### **Mutual Ventures**

Mutual Ventures' mission is to improve life chances by making public services better, more sustainable and more connected to communities. We achieve this through supporting the delivery of public service reform at a national and local level.

We have deep experience in supporting local public services to collaborate better. We pride ourselves in being able to make the connection between investments in "place" and the health, wealth and well-being of residents.

We are also highly experienced at creating "bridges" between central policy-making and local delivery, through our work on a range of high-profile central government programmes.

#### www.mutualventures.co.uk

#### **Re:State**

Re:State (formerly the Reform think tank) is an independent, non-partisan charity and Britain's pre-eminent public services think tank. For more than two decades we have been leading the fight for public service reform.

We are strictly independent and non-party in our approach. We pride ourselves in being a home for robust and innovative thinking that is unencumbered by either political affiliation or vested interests.

Our vision is of outcomes-driven, value-for-money public services that help transform lives, strengthen communities and build a strong, dynamic economy. Our mission is to reimagine how the State operates to shape a new social settlement fit for today and the coming decades.

In practice we think that means overhauling the centre; dismantling top-down bureaucracies and building local capabilities; rethinking outdated institutions; and challenging existing funding models.

#### www.re-state.co.uk