

Local government needs professional management

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I started working in local government in a London borough in 1977. My job was to interview people who said they were homeless and investigate whether the council I worked for should accept them as homeless and place them in temporary accommodation – most of which was in dreadful bed and breakfasts. It was grim. Grim doing the job. But even grimmer for those who were homeless. And it was emotionally draining. The intense plight of the families I dealt with over 35 years ago remains vivid in my memory even today.

Lots of very good people with really good intentions were failing to deliver even moderately good services. This convinced me that local government desperately needed a new ethic. An ethic that seeks to continuously improve service delivery and solve local problems through collaborative creative innovation. An ethic that refuses to be limited by operational traditions and accepted practice.

The biggest credit for energising local government with such a spirit goes to John Stewart, professor of local government studies at the University of Birmingham. He challenged us to put the interests of the public over the interests of the service providers. For almost two decades, service improvement became the touchstone of local government – it needed to be.

Twenty years ago I was appointed as the chief executive at Lewisham LBC. I got the job just as the country was emerging from the 1990 recession. At that time there was a serious public backlash against the pay of senior public sector managers. I recall being embarrassed, as people assumed that I must be overpaid and underworked.

But by the late 1990s things had turned around significantly. The Blair government adopted a strong managerialism in its goal of developing a more activist state. Local government had greatly improved its service outcomes and council chief executives were increasingly being asked to take the lead implementing national strategies locally.

They were viewed as public managers who could deliver and who could do so with a higher degree of political savvy than their civil servant counterparts. During this time, Sir Michael Lyons formerly of Birmingham City Council, had a big impact with his call for councils to develop a “convening” role for public services in localities and for them to focus on a clear “place shaping” agenda.

In 2005 I was elected as the president of Solace. My experience taught me how great ideas for change can be found across the globe as much as from your own locality. As a professional management community for local government we should be global in our reach not parochial in our focus.

We didn't know it then but we were reaching the high point for public spending and, possibly, for council chief executives. Following the 2008 crash and the deep recession that ensued, the coalition government instituted a tough austerity programme that hit local government spending harder than any other area. After 15 years of managing change through expansion, I found that I was having to manage change through substantial contraction.

The six years of being an "efficiency champion" for local government did not prepare me whatsoever for such a big shift in emphasis. Securing 2.5% annual productivity improvements in rising budgets is not the same as making 9% real reductions in budgets annually.

From 2010, the decade of social investment in local public services by the previous Labour governments was to be unwound in just five years. This requires a major "reset" of expectations, revenues and services for the 21st century.

Some councils have recently dispensed with the role of the chief executive. They have focused exclusively on cost without giving proper regard to value. The case for professional management in local government somehow needs to be made afresh to a new generation of politicians. It is as if 40 years of corporate management in local government did not happen. The dangers described in the Bains report (1972) of disaggregated decision making and silo-style operations are as real today as then.

Thankfully, at the local level, most practically minded politicians are critically aware of the added value of professional management. They know that multi-functional local government needs professional management that ensures co-ordinated responses to local problems and that supports elected councillors achieve their wider ambitions for their communities locally.

Councils were at the centre of public service reforms in the 1980s. They were at the centre of drives for reviving cities in the 1990s. They initiated a momentum across public bodies for genuine community engagement in the 2000s. And they are now at the centre of redesigning public services and reimagining governance itself for the early 21st century.

Applying practical wisdom to real problems is the essence of professional management in local government. And despite the vagaries of our times, practical wisdom will always be needed.