

Community Budgets Prospectus



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October 2011

ISBN: 978-1-4098- 3187-7

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Foreword



Good public services are an essential part of everyday life. We rely on them to lead cohesive lives in a civilised society. Many of our public services are already among the best in the world.

In too many places, however, inequalities in access to good services leave our society less free, less fair and less united. Control from Whitehall has created uncoordinated, inefficient and unnecessarily expensive public service silos, with professionals constrained in how they delivery better services for their communities.

Our services would be better if they were more responsive to local peoples' needs, better serving the people that pay for them and use them. Public service professionals want to be able to work together more easily.

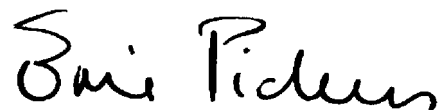
Our recent white paper – Open Public Services – sets out the steps the Government is taking to ensure everyone everywhere benefits from good services, tackling the unfairness and inefficiencies which exist in our services so that we can play fair by all and make opportunity more equal.

Different areas work best when public sector leaders are free to adopt approaches tailored to their needs. When leaders have room to innovate, they often come up with ingenious and inventive solutions to complex and previously unsolved problems. But overcoming the barriers is difficult; many attempts to do so in the past have not worked.

Open Public Services set out how Community Budgets are being used to re-design services for troubled families. They put control in the hands of those who are best placed to shape public services around the needs of local people – public service leaders and local people themselves.

But we want to go further and to test how local places can make best use of all the money that is spent in their area on public services on a wide range of problems. The pilots set out in the prospectus provide a real opportunity to overcome the long-standing barriers to real local design and leadership of services.

Ambitious Community Budgets, designed locally and not by Whitehall, will make a significant contribution to ensuring that our public services benefit us all, with the poorest in our most disadvantaged communities no longer at the back of the queue.

A handwritten signature in black ink that reads "Eric Pickles". The signature is written in a cursive, slightly slanted style.

The Rt Hon Eric Pickles MP

Community Budgets Prospectus

Introduction

The ability to access good public services is one of the most fundamental things that citizens demand from Government. This Government believes that there is excellence in all public services, but that not everyone has access to it. The recent white paper – *Open Public Services* – set out the steps that Government is taking to reduce top down prescription from Whitehall, open up public services to different providers and free up professionals to improve services for the user and solve some of our most difficult social problems.

Ensuring people have access to the best services, no matter where they live or whatever their circumstances are, can be achieved through:

- **choice** – wherever possible, we will increase choice
- **decentralisation** – power should be decentralised to the lowest appropriate level
- **diversity** – public services should be open to a range of providers
- **fairness** – we will ensure fair access to public services
- **accountability** – public services should be accountable to user and to taxpayers

Decentralising funding and the delivery of public services will give councils and their public service partners more freedom to innovate in the services they control and provide greater opportunities for leadership and influence across the breadth of public services. The Government is already making good progress in increasing local control of public finance, radically reducing the number of separate grants to local government from 90 to less than 10 and rolling more than £4bn of revenue grants into the local government formula grant.

Central Government departments, the Local Government Group and local public service partners all agree that a different approach is needed. Spending Review 2010 set out plans for Community Budgets, which would enable partners to redesign public services in their areas, agreeing outcomes and allocating resources across different organisations. Sixteen areas, involving 28 local authorities, are leading the way in using Community Budgets as one of the ways to improve how services are provided to the most troubled families. A significant number of new areas are interested in implementing a Community Budget by April 2012, in excess of the 50 being aimed for.

Support for families with multiple problems has been considered as part of the Prime Minister's review of social policy following the recent disturbances. Building on the current Community Budget approach, new arrangements will be introduced to provide a greater national push to the programme and to ensure all local areas can deliver better outcomes for troubled families.

Closer working and co-design of service provision between local people, local authorities, Government departments and local delivery partners can be an important part of improving services and solving complex problems. This involves new ways of working, including sharing information and agreeing outcomes, a more effective use of resources and a change in how local and national organisations work together. The Government is therefore seeking to work with a small number of areas to test how this can best be achieved. This will involve working jointly and collaboratively to develop a new approach to service redesign. As the Terms of Reference for the second phase of the Local Government Resource Review (see Annex A) announced, the Government will put in place a new policy making process to work with:

- areas to co-design a neighbourhood-level Community Budget
- two areas to co-design a whole-place Community Budget that would set out in practice, what a single budget comprising all funding for local public services, or options for pooling and aligning resources, would look like

The pilots will be led and based locally, not run from Whitehall and will be charged with setting out how a transformation in local services could be achieved – with better outcomes for local people and financial savings – and establishing the ways of working and agreements needed between local service providers to deliver this.

The Government will provide funding to support both strands of work and ensure the involvement of Whitehall departments. For the whole-place Community Budgets this will enable a joint team, comprising officials from both local service providers and Whitehall, to be pulled together and work in the locality to support the development work. Local areas will need to be committed to change, able to guarantee the involvement of senior staff in the development team for around eight months and demonstrate a strong partnership between local government and other agencies.

The Government wants to ensure that the outcomes and outputs from the whole-place Community Budget pilots are replicable, with other areas being able to build on any success demonstrated by the pilots. The two whole-place pilot areas will be taking forward a 'proof of concept' but it is also important that councils and their partners across the country benefit from the pilots' success and learning. The Government wants, therefore, to enable more areas to be part of the whole-place programme as 'friends of the pilots', so it will also be establishing a Challenge and Learning Network of up to 10 areas to support the two pilot areas and quickly benefit from their work.

This prospectus starts by setting out the context for these new pilots in section 1. The two subsequent sections set out, for each of the new pilots, what the Government is looking to achieve, indicative processes and timetables for completing the pilots and how areas can submit an expression of interest in becoming one of the pilot areas by **5pm Thursday 10 November 2011, sent to communitybudgetspilots@communities.gsi.gov.uk**

Section 1

Context

Local public services are too often:

- non-responsive and fragmented
- focused around the needs of bureaucratic organisations rather than communities and individuals
- failing to deliver the outcomes communities need and expect

Over the years a plethora of new initiatives and funding streams with strict rules passed down from Whitehall have created uncoordinated, inefficient and unnecessarily expensive public service silos with local professionals constrained in how they do their jobs and powerless to build connections between the services that individuals need. From the citizen's viewpoint, services are too often not joined up, impersonal, complex, confusing and involve multiple contacts with many different providers. And, services are too reactive, focused on addressing today's problems with too little emphasis on preventing those of tomorrow: early intervention is important in reducing pressure on the public purse.

Community Budgets – the freedom to design solutions

A Community Budget enables local public service providers to come together and agree how services can be better delivered, how the money to fund them should be managed and how they will organise themselves. As such, they support local councils, communities and individuals to rise to the challenge of tackling previously intractable, complex, interconnected problems and are well suited to issues requiring multi-agency solutions rather than those that can be solved by a single agency or service.

A Community Budget is, therefore, designed locally and not by Whitehall, but it needs Whitehall to work differently. It gives local public service partners the freedom to work together to redesign services across boundaries to solve intractable, complex and multi-agency problems, and deliver better outcomes for people, reduced waste and substantial financial savings underpinned by:

- a sensible use of resources – better co-ordinated more efficient spending across service providers leads to more effectively commissioned and delivered services and significant savings. A Community Budget will bring together and pool budgets where it is efficient and effective to do so

- appropriate changes to central rules, regulations and national policy and delivery frameworks to allow local people and service professionals to redesign and deliver more effective services
- co-ordinated by appropriate local partnership and governance arrangements

Community Budgets are not about any one local public service provider having a monopoly on power and resources, but about how partners come together to jointly transform local public services. Nor are Community Budgets about central government mandating what local public service partners do or how they behave, but about them choosing to come together to agree how to deliver local public services.

Instead, at the heart of a Community Budget is a new freedom: freedom for all public service providers to come together to design solutions; freedom for local partners to tell Government how things can be done differently with a presumption that Government will listen and respond positively where it can; freedom to use resources flexibly to support service redesign; and, freedom to give communities and people influence and control over services. A successful Community Budget replaces complexity, duplication, waste and gaps in service provision with demonstrably effective interventions, co-ordinated service provision which prevents as much as it tackles problems, a more efficient use of resources and increased influence and control for people.

Community Budgets – driving a culture change

Developing a Community Budget means a culture change in the way local and national partners work together – there is no rulebook or blueprint from Whitehall telling partners what they can and cannot do, what must be included or excluded from the Community Budget and who must or must not be involved in developing it.

Islington's Community Budget for families with multiple problems

In Islington, almost half of the children live in poverty and the vast majority of these live in a household where no-one works. The council and its partners chose a Community Budget to develop more local and flexible services and use resources more effectively, investing in proven interventions to reduce costs to the public purse in the long run.

Families now have a single point of contact to get the help they need, no longer dealing with lots of different people from different agencies and locations and also benefit from:

- intensive support – a borough-wide integrated specialist service supporting 300 families with the most complex problems over the next four years
- Family Outreach Support Service – three local teams, each working with schools and housing estates, will support 1,000 families at any one time who have many disadvantages or persistent difficulties
- personal advice – provided in convenient locations such as children's centres, the service will make it easier for 9,000 unemployed parents to get back into work by providing advice on a range of family issues including work, factors affecting parents' ability to work such as childcare and health and financial problems

The council, NHS Islington, Jobcentre Plus, the probation service, the police and the housing and voluntary sectors are pooling over £6m of resources into the Community Budget.

Community Budgets will, therefore, be different in different places. Whilst significant service redesign will be a common feature, how this is taken forward will vary between places. In some areas, partners will pool budgets into a single bank account; other areas might take a different approach to funding. In some areas, the Community Budget might involve national and local budgets; others may explore only local resources. A change in the Government's policy and delivery framework in one Community Budget may not be applicable to others. And, the range of partners involved in developing and implementing a Community Budget in one area may not be the same as in a neighbouring area. The presumption behind all Community Budgets, however, is a new culture where the Government will seriously consider and try to agree, wherever possible and where a good case can be made, changes to its policy and delivery framework.

Using Community Budgets the Government wants to test two things: how control of services and the budgets to run them can be pushed down below the council level to communities and neighbourhoods; and how a Community Budget comprising all spending on local public services might be developed and implemented. In the pilot areas the Government will ensure that local public service providers are encouraged to think

freely and innovatively about how certain things can be done better. This prospectus seeks expressions of interest from areas willing to work with Government to develop a new way of working between national and local partners, test these two ideas and jointly develop some radical proposals for local service redesign which could potentially be implemented.

Complementing Open Public Services

Community Budgets form part of the Government's radical programme of public service reform to ensure everyone has access to the best public services, including:

- directly elected **Police and Crime Commissioners** will be responsible for holding the overall performance of their police force to account, setting out a five-year plan determining local policing priorities. Working in close partnership with councils and other local partners they will be free to pool funding as they and their local partners see fit
- devolving commissioning responsibility for local health services in England to clinicians in **clinical commissioning groups** and establishing new **health and wellbeing boards** involving local councillors, to increase accountability, join-up services and improve outcomes through developing joint health and wellbeing strategies
- the **Work Programme** will provide personalised back-to-work support for those at risk of long-term unemployment, delivered by independent providers paid primarily on the results they achieve and with total flexibility to provide innovative support to individuals based on need and what is right for the local area
- increasing choice for people through **personal budgets**. Councils will provide all those who are eligible for adult social care with access to a personal budget, preferably as a direct payment, by April 2013
- focusing on **payment by results** where providers are paid for the delivery of outcomes and what they achieve rather than their inputs and processes – the Government is testing the approach on rehabilitating offenders

A successful Community Budget will complement and build on this programme of reform, not substitute it. It represents an opportunity to bring wider public sector reforms into a local conversation about the redesign and integration of all the local services that people need and rely on, pulling together and bringing coherence to a range of reforms and services especially those that are, and remain, firmly in local control.

Section 2

Neighbourhood-level Community Budgets

Context

Neighbourhood-level Community Budgets are an important part of Government's drive to decentralise power from Whitehall to neighbourhoods and communities. They are about giving people more power over their local services and budgets in a neighbourhood and aligning these with all the other resources that the local community can bring: voluntary action, the energy and innovation of community-based groups, community tools and assets, and innovative forms of social finance like community shares.

As set out earlier, it is important that these Community Budgets are developed in ways that are consistent with the principles set out in the *Open Public Services* white paper – neighbourhood-level Community Budgets must promote:

- choice
- decentralisation of power
- diversity in public service provision
- fair access to services
- accountability to users and taxpayers

Approaches like participatory budgeting have given people a real say on which activities should be funded in their community. Since October 2010, the Department for Communities and Local Government and the Office for Civil Society have been working with 13 areas to see how they might go further in managing resources more effectively and developing more integrated approaches to providing services in neighbourhoods. Nine of these areas have been developing a local integrated services approach, where community members take a central role in designing local services that are better integrated and aligned to their needs.

This work is moving in positive directions. Some of the areas are starting to develop co-commissioning processes where residents and service providers are working together to see how services can be re-fashioned around the community's priorities. The Government wants to go further in supporting areas to test the possibilities and limits of co-commissioning by getting support into the local community so that residents can play a

fuller and more equal role in a co-commissioning approach. It is interested in transforming the way that local public services are designed and managed, and learning how this can be replicated on a wider scale. This means Whitehall, local public service commissioners and communities¹ committing to work together to co-design a more community-based approach to transforming local services, developing proposals for neighbourhood budgets that are ambitious and clearly shaped by the local community.

Considerations

Relationships between residents and their local public services can vary significantly from place to place:

- in some areas there is a 'willing coalition' of residents, the council and other local service partners that would like to set up a neighbourhood-level community budget but need a bit of extra help to break through the obstacles
- in some areas the local community, perhaps represented by a community association, community anchor organisation or neighbourhood council, are keen to draw down powers and resources, but are finding it difficult to make progress
- in some areas local service providers may be keen to devolve more resources to an area but the local community lack the desire, confidence or capacity to do more

The nature of these local relationships and the complexity of the services that might be managed at the neighbourhood level will affect the scale of ambition, so the Government will tailor the approach and the package of support to suit the areas that it works with based on what they need and want locally.

Bidders are invited to set out the public service areas for possible inclusion in their neighbourhood-level Community Budget. Local public realm, leisure opportunities and community activities provide a starting point, but bidders may submit proposals for co-commissioning a broader package of services for the neighbourhood.

The Government is aiming to create neighbourhood-level Community Budgets for services that are co-designed with local residents. It wants to learn by doing: what are the public services that can and cannot be managed at the neighbourhood level, and what needs to be in place to enable communities to take more control of neighbourhood services?

¹ The Government means 'community' in the widest sense: residents, tenants and service users, community and faith groups, local businesses, voluntary organisations and social enterprises, parish councils and local partnerships like neighbourhood committees and forums.

In line with the principles of the *Open Public Services* white paper, a key aspect of this work will be ensuring that there are proper accountability mechanisms for the neighbourhood-level Community Budget. The Government also wants to ensure that local taxpayers can be confident that the budget represents good value for money.

Broad timetable for delivering the pilots

The timetable for completing the neighbourhood-level Community Budget pilots is broadly:

October to December 2011	Selection of areas to develop neighbourhood-level Community Budgets. The deadline for areas to submit expressions of interest is 5pm Thursday 10 November 2011
January 2012	Setting up the support: we will agree a tailored support package with each pilot area.
February to December 2012	Co-design: provide the support and collaborate with pilot areas to develop the neighbourhood-level Community Budget plans.
January to March 2013	Developing the Government's response to the proposals, capturing learning, and getting ready for implementation.
April 2013	Implementation of neighbourhood-level Community Budget plans.

Selection process and timetable

The Government is inviting expressions of interest, structured around the selection criteria below and no more than 10 pages in total (including an assessment of the support package that would be helpful to them), from anywhere in England (rural or urban, unitary or multi-tier areas) **no later than 5pm Thursday 10 November 2011, sent to communitybudgetspilots@communities.gsi.gov.uk**

The Government would like expressions of interest to be submitted by a formally constituted community-based organisation (including neighbourhood councils or parish councils). However, areas have different characteristics and dynamics, so expressions of interest submitted by local authorities on behalf of local partners will also be considered.

The timetable for selecting pilot areas will be:

Mid-October	Bid development – DCLG staff will be available to answer questions by phone and email.
5pm 10 November	Deadline for expressions of interests – at no more than 10 pages in total, this is intended to be a light touch way of gauging the ambition, commitment and readiness of areas to develop a neighbourhood-level Community Budget and a basis for discussion with leading areas.
By 18 November	Shortlist – expressions of interest will be assessed against the selection criteria below to draw up a shortlist of areas.
By 2 December	Dialogue – meetings with shortlisted areas to explore their expression of interest in more detail, understand the scope of the proposal and how it would be taken forward.
By 16 December	Decision and announcement – Government departments collectively agree and announce the pilot areas and provide feedback to all areas.

Selection criteria

A ‘neighbourhood’ is a particular place. It might be an estate, a group of streets, a ward or a few wards, or a parish. It is something that local residents relate to and identify with. Neighbourhood-level Community Budgets are about reforming services around the needs of the people that use those services. For the purposes of this Prospectus, we are interested in community and public service providers working together to co-commission new approaches that provide services in ways that meet local priorities. The creation of a neighbourhood budget is part of that, but it is also important that all the resources in the area – people, assets and money – are harnessed. This has to start with the residents – their needs and aspirations.

The Government will use threshold and ranking criteria to select the pilot areas. Threshold criteria enable areas to demonstrate that they meet minimum standards on a number of key issues – if areas do not have strong evidence in support of the criteria they will not be shortlisted.

Threshold criteria	
1. Geography	A coherent geography for the proposal, focusing on a recognisable neighbourhood. A population in the 5,000 – 25,000 range may reflect some of the common definitions of a ‘neighbourhood’, but the important thing is that the geographic area should be one that the local people recognise as their neighbourhood, and we will consider reasoned proposals to work with populations outside this range.
2. Scale and scope	Initial proposals defining the scope and scale of services, resources and budgets that would form the core of the approach, and the outcomes to be achieved. The Government is likely to be less attracted to pilots involving limited services, functions and funding. As explained above, we will take into account the different ‘dynamics’ of areas expressing interest.
3. Community view	<p>Evidence that the proposal has been developed around the expressed views of the local community (for example, recent community engagement work).</p> <p><i>Proposals will also be considered from areas where there is evidence that a local authority or other service partner wishes to devolve resources to a neighbourhood where residents are reluctant or have concerns about taking on a greater role.</i></p>
4. Partnership support	<p>Demonstration of senior level commitment from all key partners (for example, letters of support or co-signed bid), with evidence of strong partnership working and ability to take shared decisions.</p> <p><i>Proposals will also be considered from areas where there is evidence that the local community wish to develop a neighbourhood budget, but where they have experienced difficulty in engaging with local service partners.</i></p>

Threshold criteria will also be used to rank areas. For those areas that have strong evidence in support of the threshold criteria and are clearly able to become one of the pilots, the following criteria will also be used to help rank areas' proposals:

Ranking criteria	
5. Ambition	A clear statement of the aspiration and scale of ambition to transform ways of working with community and local residents that builds aspiration, confidence and capacity to co-design.
6. Capacity to deliver	<p>Evidence of neighbourhood-based engagement or governance structures through which to develop the neighbourhood budget, and other preparatory work (for example, mapping of spending and assets in the neighbourhood).</p> <p>The main consideration here will be whether the area stands a realistic prospect of having a neighbourhood-level Community Budget ready to go by April 2013.</p> <p><i>Proposals will also be considered from areas that lack neighbourhood structures but, with appropriate support, have the potential to develop these, and agree a neighbourhood-level Community Budget during the course of the project.</i></p>
7. Use of resources	Partners can provide evidence of previous or existing joint work to understand their budgets and how they can be better deployed and managed. This can include evidence of aligning and pooling budgets in the selected neighbourhood, together with any integrated or joint commissioning of services. Partners should also show that the neighbourhood-level Community Budget will develop in ways that demonstrate good value for money to local taxpayers.
8. Sharing learning	The Government wants to share the learning from the pilots with other areas. Areas should set out evidence of how they have shared learning from other projects together with initial proposals for how learning from these pilots might best be shared with other areas.

The offer

The Government has brought together a 'menu' of support options. Some of these will be appropriate to one kind of area but not to others, so the Government will tailor the support package to the neighbourhoods it works with, following a dialogue with them about what support would be helpful.

The package of support for each area could include:

- a) community development support² to build the skills and capacity of local residents and the voluntary and community sector to co-commission the neighbourhood-level Community Budget alongside local public service organisations: this support would be shaped around the needs of the local residents
- b) access to a Community Organiser³, if the local community wants one: under this option the Government would need to consider whether there are Community Organisers already working in the area and the arrangements for the local community hosting Community Organisers
- c) access to hands-on advocacy and advice support tailored to the needs of the local community, as expressed by a recognised community organisation: this could be used to broker discussions between local residents and service partners, and could be an alternative to (a) or run in parallel with it
- d) access to technical expertise such as financial or legal advice, research and analysis: suitably qualified and experienced civil servants or other appropriate forms of support will be provided when needed by the community or local partners
- e) access to senior civil servants who manage the Government's relationship with localities: they could help to bring local partners together and enable decisions where there is local difficulty in arranging high level discussions between organisations
- f) a named barrier-busting lead at the Department for Communities and Local Government to work on any national issues that are preventing progress
- g) an action learning environment to assess the benefits of new approaches and to share learning

² This means equipping communities with the skills they need to identify their own needs/aspirations and to take action to achieve change in their communities. It involves support for community leaders, advocates and activists, and to galvanise social action around a shared agenda.

³ Locality is delivering the Community Organiser programme. Community Organisations wanting to host Community Organisers will need to apply to become a host organisation and would need to host between 2 and 5 senior Community Organisers.

Areas that have started a co-commissioning approach to local services and already have some support in place may be interested in becoming a pilot area. Such areas should set out what additional support they are looking for and what this would enable them to achieve in addition to what is currently planned.

As part of their expression of interest, areas should indicate what forms of support from the menu above, or other forms of support, they are likely to need. It is important to note that the scale of the support provided will be in proportion to the size and scope of neighbourhood-level Community Budget proposed (see Selection Criteria).

What success looks like

The Government is looking to develop a plan for each neighbourhood that:

- **defines a package of local services** to be managed in the neighbourhood, developed through a co-commissioning process where the local authority and other public services, the local community and other local partners decide how to get the best possible outcomes from the resources available
- **specifies the cash budget and other resources** that will be used to deliver the plan – this might include voluntary action, community-held assets and tools, and forms of social finance
- **specifies the governance mechanism** for managing the plan and delivering the services, setting out how this will be accountable to the residents in the neighbourhood and to Accountable Officers in public bodies investing in the neighbourhood budget

These plans and neighbourhood budgets will be developed through 2012 and should be ready for implementation from April 2013 at the latest.

The Government also wants to learn from the pilots as they develop in ways that enable other interested areas to develop similar approaches, and that encourage more areas to explore neighbourhood-based approaches to local public services.

There are various approaches that could achieve these aims depending on the nature of the services and the relationships between the parties involved. The Government's approach aims to find out what arrangements work best – what is most effective, efficient, equitable and sustainable in the neighbourhoods it will work with.

Further information

In the first instance, Annex B seeks to answer the most frequently asked questions.

Questions and requests for further information may also be sent to:

communitybudgetspilots@communities.gsi.gov.uk

The answers to all questions sent by areas to this email address will be published on a regular basis by the Department for Communities and Local Government.

If it has not been possible to get an answer to your question through these routes then further information can be sought from Mike Desborough on 0303 444 3120 or Sally Haslam on 0303 444 3371.

Section 3

Whole-place Community Budgets

Context

Much debate has taken place between Governments and local public service providers about how it might be better for all funding going into an area to be co-ordinated and integrated to secure better services for local people. Councils have long argued that developing a single place-based budget to deliver defined outcomes could be a better way to drive transformation in local public service delivery.

Community Budgets present an opportunity to use a different, thoroughly localist approach to policy making. The Government wants to respond to councils' propositions and take a collaborative co-design approach in two areas to 'prove a concept' and try to develop a Community Budget comprising all funding on local public services in the two areas.

Officials from public service agencies in the area and Whitehall will work intensively, over a sustained period, as part of a single team to develop an operational plan for each area setting out what a single budget, or options for pooling and aligning resources, for the place would look like. The plan will set out the outcomes any new funding option would deliver, governance arrangements, the redesign of services required to achieve the outcomes and how new funding approaches would work and could be implemented. In doing so, the plans will need to be clear how the complex technical issues associated with implementing an all encompassing Community Budget – if implementation was agreed – could be overcome, having regard to the Government's programme of open public services and national and local contracts that are already in place.

Developing the two plans provides an opportunity to explore how the Government might devolve more power to the local level and develop a responsive, permissive approach to Community Budgets. And, there is an open invitation for the pilot areas to explore radical approaches to local service delivery including better and more integrated commissioning to further open up public service delivery, as well as payment by results approaches and how multiple payment by results contracts might fit together and the impact and delivery implications of this.

Objectives

The objective for the whole-place Community Budget is simple:

To thoroughly test out how Community Budgets comprising all funding on local public services can be implemented in two areas to test the efficacy of the approach.

Broad timetable for delivering the pilots

The indicative timetable for completing the whole-place Community Budget pilots is broadly:

October to December 2011	Selection of areas to develop whole-place Community Budgets. The deadline for areas to submit expressions of interest is 5pm Thursday 10 November 2011. Potential workshops in October and November to co-design and help shape some specific aspects and set-up of the pilots.
January to February 2012	Finalising and setting up the pilots – pulling together the teams taking the pilots forward and developing additional support packages they will need, finalising the scope of the pilots and securing any key early information the teams will need to take the pilots forward.
March to September 2012	Full-time fieldwork to develop the whole-place Community Budgets.
October 2012	Intensive engagement between project teams and Whitehall departments on final conclusions.
November 2012	The Government finalises its response to the proposed whole-place Community Budgets.
December 2012 onwards	Possible implementation.

The Government wants to ensure that the whole-place Community Budgets that are developed in the two selected areas are robust and capable of delivering significantly better outcomes and savings in the areas. This takes time to get right but if the pilots can be completed earlier then all efforts will be made to do so – an early task for the two project teams will be to fully plan and timetable the work they will be taking forward in 2012. It is equally important to ensure, as far as possible, that the work of the pilots dovetails with local budget planning cycles. And, the Government and Local Government Group will

ensure learning from the pilots is shared more widely as they progress – a Challenge and Learning Network comprising up to 10 areas could facilitate this.

Selection process and timetable

The Government is inviting joint expressions of interest, from councils and their public service partners, **no later than 5pm Thursday 10 November, sent to communitybudgetspilots@communities.gsi.gov.uk**

Expressions of interest structured around the selection criteria below and no more than 10 pages in total must be agreed between councils and their public service partners prior to submission. Strong partnership working will be central to the success of these pilots. It is essential that all main local public service partners are willingly signed up to participating in the pilot if the area is successful.

Expressions of interest are welcome from any area: one based on a unitary council, two-tier council area, metropolitan or London borough area or an area comprising more than one top-tier council wanting to work with each other and their public service partners. The Minister for Cities is working with the Core Cities to improve the way Government works with them and to understand how they can be supported in driving economic growth. They will also be able to submit an expression of interest to be a pilot – the Government will continue to work closely with these areas to ensure its proposals are complementary and help deliver effective outcomes and more opportunities for learning.

The selection process will include:

Mid-October	Workshops – each area interested in becoming a pilot is invited to send one representative to one of a series of workshops which will be an opportunity to discuss the pilots and answer areas’ questions.
5pm 10 November	Deadline for expressions of interests – at no more than 10 pages in total, this is intended to be a light touch way of gauging the ambition, commitment and readiness of areas to develop a whole-place Community Budget and a basis of discussion with leading areas.
By 18 November	Shortlist – expressions of interest will be assessed against the selection criteria below, by Departments from across Whitehall, to draw up a shortlist of up to 10 areas.

24 November to 2 December	Dialogue – meetings with shortlisted areas to explore their expression of interest in more detail, understand the scope of the pilot the area and Whitehall would take forward together and how the pilot would be taken forward.
5 December to 16 December	Decisions and announcement – Government departments collectively assessing areas against the selection criteria and agreeing which two should be pilot areas. And, announcement of the two chosen pilot areas, those participating in a Challenge and Learning Network and feedback to all areas.

The workshops in October will be a good opportunity for interested areas to further understand the whole-place Community Budget pilots. Areas will also be able to ask questions throughout the selection process (see the section on further information). As areas develop their expressions of interest the Department for Communities and Local Government will publish answers to all the questions it receives on a regular basis.

Selection criteria

It is essential that the two pilot areas have the drive, ambition, capacity and partnership working necessary to deliver robust and credible Community Budget proposals. Areas will need to be able to apply robust appraisal tools to demonstrate the costs and benefits of their plans and be able to explore the scalability of them, including how their proposals compare with a national delivery or contracting approach.

The Government will use threshold and ranking criteria to select the two pilot areas. Threshold criteria enable areas to demonstrate that they meet minimum standards on a number of key issues – if areas do not have strong evidence in support of the criteria they will not be selected as one of the two pilot areas.

Threshold criteria	
1. Coherent geography	<p>The Government is likely to want to avoid pilots with too many conflicting boundary patterns. Areas are expected to set out the geography covered by their proposed Community Budget and evidence why this is the right approach. Areas will want to consider the boundaries of councils, police authorities, emerging Clinical Commissioning Groups, Work Programme Primes, probation services etc. Areas may also want to consider something like Local Enterprise Partnership boundaries or a functional economic area for economic growth e.g. based on travel to work patterns.</p>
2. Scale	<p>Areas should set out a clear statement of what services, functions and funding could be included in the pilot and the geography they apply to. The intention is that pilot areas try to develop a Community Budget comprising all funding on local public services in the area, developing an Operational Plan setting out what a single budget, or options for pooling and aligning resources, for the place would look like. The Government is likely to be less attracted to pilots involving limited services, functions and funding – areas will need to be able to evaluate the value for money arguments for the services, functions and funding that should be within the scope of the Community Budget.</p>
3a. Partnership working	<p>Areas should demonstrate a commitment from all key local public service partners to work together to deliver the pilot. Areas should also provide evidence of existing strong partnership working, including examples of partners' joint service redesign and integrated service delivery. The Government will want to understand local partners' track record of jointly delivering projects which improve outcomes for local people and/or significant financial savings. Areas should identify the role of the private and voluntary and community sectors in their partnerships and demonstrate a commitment to work with a range of new partners as they emerge and develop (e.g. clinical commissioning groups).</p>
3b. Multi-area partnerships	<p>Two or more upper-tier councils submitting a joint expression of interest with their local public service partners should set out the added value of a pilot based on this geography. They should provide evidence of the effectiveness and impact of current joint working and decision making across the top-tier boundaries. It will be important to provide examples of projects that have been delivered at this spatial level, how they were agreed and delivered and the impact of the projects.</p>

Threshold criteria will also be used to rank areas, for those areas that have strong evidence in support of the criteria and are clearly able to become one of the pilots. The following criteria will also be used to help rank areas' proposals:

Ranking criteria	
4. Vision and outcomes	The Government will be looking for evidence that local partners have a clear vision for the area and the outcomes they expect to deliver, based on a robust assessment of local needs and what can be delivered locally. It will be keen to understand how areas are embracing principles of opening public services, particularly around choice and diversity. Areas should be looking to demonstrate how their plans are realistically deliverable and how being a pilot area will add value and enable partners to push further and deliver a more radical vision and outcomes.
5. Decision making	Areas should provide evidence about partners' ability to take important collective decisions and the impact of those decisions. This can include evidence of existing decision making mechanisms, joint objectives and targets, processes for tackling under-performance against joint objectives or non-delivery of joint projects, managing disagreements between partners or ensuring financial and delivery accountability between partners.
6. Capacity to deliver	The Government will be looking for reassurance that areas have the capacity to deliver the pilot. Areas could set out examples of how partners have already project managed significant joint projects. They can also set out details of the local team that will take the pilot forward and initial proposals for how the pilot would be managed locally. Areas should highlight any other Government projects or pilots that they are participating in, how these fit with the Community Budget pilots and how they have the capacity to deliver them all successfully. They might also include initial ideas for how the pilot can be set up effectively and the different phases of delivering it. And, they could identify the role of the private and voluntary and community sectors in the pilot.

<p>7. Use of resources</p>	<p>Partners can provide evidence of previous or existing joint work to understand their budgets and how they can be better deployed and managed. They should provide evidence of aligning and pooling budgets locally, together with any integrated or joint commissioning of services. Partners should also seek to demonstrate how they have made effective investment decisions and prioritised interventions, for example using good cost-benefit analysis and financial modelling. They can also demonstrate how they have involved communities in deciding how resources should be used and key services designed.</p>
<p>8. Sharing learning</p>	<p>The Government wants to share the learning from the pilots with other areas. Areas should set out evidence of how they have shared learning from other projects with sector colleagues, together with initial proposals for how learning from these pilots might best be shared with other areas.</p>

The offer

At the heart of each pilot will be a new way of working and a single joint team comprising senior officials from Whitehall and each key local public service provider in the pilot area, working together full time to deliver the pilot. The Government will make sufficient resources available to cover the costs of:

- a team of about eight senior Whitehall officials, for each area, to work full-time with local public service partners as part of a joint team for the majority of 2012
- local public service providers each allocating a senior official to the joint team and being able to backfill those allocated to the pilot. Pilot areas will need to quickly identify a strong team of local officials, taking account of individual partners’ capacity and support needs to participate in the pilot
- any necessary specialist technical support that is required by each pilot area. Areas can highlight the support that might be helpful to them as part of their expression of interest, though this will also be developed by the joint teams in the early stages of the pilots

The Government wants to ensure that the outcomes and outputs from the pilots could be replicable in other areas. The two whole-place pilot areas will be taking forward a ‘proof of concept’ but it is also important that councils and their partners across the country benefit from the pilots’ success and learning. The Government wants pilot areas to be able to test their emerging thinking and development work with a small number of other areas who themselves will be keen to learn from what the pilot areas are doing. Therefore, the

Government wants to work with the Local Government Group to establish a Challenge and Learning Network comprising up to 10 areas which could be drawn from those applying to be pilot areas. The Network will:

- act as a sounding board for the two pilot areas to test their thinking and development work
- be an avenue for a wider group of areas to influence the work of the pilots so that the outcomes and outputs could be replicable in other areas
- be a vehicle for sharing learning from the two pilot areas with others

What success looks like

Underpinning Community Budgets is a presumption that local areas can do things differently and that the Government will seriously consider and try to agree, wherever possible and where a good case can be made, proposals put forward by areas. By October 2012 each pilot area will have developed an operational plan which sets out what a single budget, or options for pooling and aligning resources, for the place would look like, the outcomes that would be delivered, governance arrangements, the redesign of services required to achieve the outcomes and how new financial approaches would work. It will identify what would need to happen locally to implement the options identified and what would need to be changed centrally. The plans will:

- be ambitious, setting a radical future for local public services in the area and Community Budgets more generally
- be a catalyst for local public service providers in pilot areas coming together to transform local services in a strong and enduring partnership
- clearly set out how local public services will be redesigned, including setting out appropriate changes to central rules, regulations and national policy and delivery frameworks that are getting in the way, having involved users and communities in the redesign process
- identify definitive options for the sensible management of resources
- set out a way to remove bureaucratic barriers that are getting in the way of local professionals working together to deliver the services people need and want
- set out significantly better outcomes that local people will benefit from
- show the substantial savings in resources resulting from the Community Budget, based on the application of robust appraisal tools and drawing in comparisons with national delivery and contracting approaches

- identify what is needed to establish stronger, integrated, local commissioning arrangements which can further open up local services, together with the business case for central government commissioning functions that can be delivered better by decentralising them to local partners
- have the buy-in of all key national and local partners
- be underpinned by a robust and credible implementation plan so that if the Community Budget is endorsed, it can be implemented from April 2013 making the pilot a driver of change and not just an academic exercise

The pilot areas and Challenge and Learning Network will capture the learning on the steps needed to develop a radical Community Budget comprising all funding on local public services in an area, the hurdles and barriers that need to be overcome and how this has been achieved.

Further information

In the first instance, Annex B seeks to answer the most frequently asked questions.

The Department for Communities and Local Government will be inviting areas to a short series of workshops in October to discuss the purpose of these pilots and answer questions.

Questions and requests for further information may also be sent to:

communitybudgetspilots@communities.gsi.gov.uk

The answers to all questions posed at the workshops and sent by areas to this email address will be published on a regular basis by the Department for Communities and Local Government.

If it has not been possible to get an answer to your question through these routes then further information can be sought from Ashley Pottier on 0303 444 3214 or Dorothy Dray on 0303 444 2603.

Annex A

Terms of Reference: Local Government Resource Review second phase

Introduction

The Government wants to secure a shift of power from Westminster to people, ending the era of top-down Government by giving new powers to local authorities, communities, neighbourhoods and individuals. The first phase of the Local Government Resource Review is looking at giving local councils greater financial autonomy. The second phase of the review will look at extending this to communities and local people through Community Budgets. And, it will look at providing greater flexibility for local authorities, their partners and communities to use their resources more effectively.

Greater autonomy brings with it greater responsibility for local leaders across all organisations and sectors, not just local authorities, to work more collaboratively; pooling and aligning resources across systems where that can deliver better outcomes, more effective use of resources and greater value for money for taxpayers. The second phase will explore the extent to which Community Budgets can make a further contribution to achieve this.

The second phase of the Local Government Resource Review will, therefore, test how Community Budgets can be used to:

- give communities and local people more power and control over local services and budgets
- develop outcomes, service solutions and a single budget, or options for pooling and aligning resources, comprising all spending on public services in an area

Neighbourhood-level Community Budgets

The review will involve inviting communities in two local authority areas to co-design with local services and Whitehall how a neighbourhood-level Community Budget and local integrated services approach could be implemented.

The co-design work will explore:

- the level of influence or control wanted by the community
- which services should be included, given existing commitments
- the right spatial level for the approach to be effective
- balancing community 'demands' against wider area considerations
- the scope for matching the cash element of the Community Budget with community resources like volunteers, tools, equipment, secondments, use of local buildings etc
- the potential to develop new funding arrangements like community shares
- governance and accountability
- what sort of community capacity is needed
- the cost effectiveness of the approach
- developing a mechanism for areas to benefit from the best information and case studies on very local control of budgets and services
- how a 'right to a neighbourhood-level Community Budget' could be defined

Whole-place Community Budgets

This part of the review will involve two areas, comprising local authorities and their partners, working with Whitehall to co-design how a Community Budget comprising all spending on public services in an area might be implemented. The joint team will develop an operational plan for each area that sets out what a single budget, or options for pooling and aligning resources, for the place would look like, the outcomes it would deliver, governance arrangements, the redesign of services required to achieve the outcomes and how new financial approaches would work. The intensive work will need to:

- develop a shadow Budget for each place (mapping resources including assets)
- explore longer term resourcing issues for local government identified in the proposed business rate reforms

- understand how the single budget for each place can operate alongside national spending decisions for strategic national priorities, taking account of existing commitments
- ensure identified options for a single budget fit with the Government's on-going reform agenda and exploit opportunities within it
- identify and agree national and local outcomes that would be delivered
- identify and understand existing delivery chains (including the voluntary and community sector and the private sector)
- establish what local people need and want from their services, using customer insight and visioning techniques
- involve communities and local people in the design of a new approach to local service delivery
- develop and adopt a robust methodology for appraising the costs and benefits of each option identified for implementing a single budget for a place and business as usual arrangements
- identify effective local structures, governance and accountability arrangements
- ensure there is effective accountability from central Government to Parliament for public spending
- use business process re-engineering and service redesign to transform services
- deliver a gap analysis: what is required to get from 'as is' to where the area wants to be
- identify timescales and a range of options for practical implementation
- develop an implementation plan/approach

Timescale

The second phase of the Local Government Resource Review will be completed by April 2013.

Annex B

Frequently asked questions

General

- 1. Can I develop a Community Budget for families with multiple problems, or another theme, and apply for the pilots outlined in this prospectus?**

Yes. But, the Government will want to understand how the proposed Community Budgets fit together and complement each other.

- 2. Can areas apply if they are already involved in other Government pilots or projects?**

Yes. But the Government will want to be sure that the area can successfully deliver all of the pilots and projects that they are involved with. Areas should highlight in their application(s) any other Government projects or pilots that they are participating in, how these fit with the Community Budget pilots and how they have the capacity to deliver them all successfully.

- 3. Do I need to have been working on Total Place, local integrated service projects or be a current Community Budget area to apply?**

No. The Government is interested in hearing from any areas that feel they meet the selection criteria and have the drive, ambition, capacity and partnership working necessary to deliver robust and credible Community Budgets.

- 4. Can my area submit additional evidence beyond what has been set out in the prospectus?**

The Government will assess areas against the selection criteria set out in the prospectus so areas' expressions of interest should be structured around these. The Government is interested in any evidence that responds to these criteria. But, expressions of interest are intended to be a light touch way of gauging the ambition, commitment and readiness of areas to develop a neighbourhood-level or whole-place Community Budget and a basis for discussion with leading areas. Therefore, areas are being asked to submit expressions of interest that are no more than 10 pages in total.

5. Can pilot areas propose changes to the Government’s policy and delivery framework?

Yes. The Government wants ambitious Community Budgets which facilitate the radical redesign of local services to deliver substantially better outcomes for people and savings to the public purse. As part of any Community Budget, not just the pilots set out in this prospectus, the Government will look to remove the barriers that get in the way of public service reform. It will try to agree, wherever possible and where a good case can be made, changes to its policy and delivery framework that support better local services and free up public service providers to drive improvement.

6. How will the pilots be monitored and evaluated?

This will be developed with the selected areas as part of setting up the pilots, though the pilot areas will need to develop a robust methodology for assessing the costs and benefits of each option developed within the Community Budgets.

7. Should the private and voluntary and community sectors be involved in the pilots?

Yes. Both sectors have a key role in delivering services which people need and rely on (e.g. Work Programme providers tackling worklessness). The Government would expect both sectors to be effectively and actively engaged in the pilots though they may not necessarily be full time members of the project team.

8. What should be included in the expressions of interest?

Expressions of interest for both the neighbourhood-level and the whole-place Community Budgets should be structured around the selection criteria for each, and neither expression of interest should be more than 10 pages long in total. Areas wanting to apply to participate in both pilots should submit a separate expression of interest for each to: communitybudgetspilots@communities.gsi.gov.uk **by no later than 5pm Thursday 10 November.**

9. What should a Community Budget include and who should be involved in developing it?

There is no blueprint for developing a Community Budget. A Community Budget might involve different partners, service redesign solutions, budgets, funding solutions and changes to the Government’s policy and delivery framework to one developed in a nearby area or others already being implemented. At the heart of a Community Budget are local public service providers designing local solutions, with communities, to complex local problems.

10. Will Government compel local public service partners to participate in the pilots?

No. The Government encourages all local public service providers to consider how stronger joint working would make more sense to citizens, ensuring better integrated services that deliver better outcomes. Community Budgets are not about any one local public service provider having a monopoly on power and resources, but about how partners choose to come together to jointly transform local public services to deliver better outcomes for people and a more efficient use of resources which drives savings.

In neighbourhoods where there is disagreement between partners we will look to find ways forward. This might involve supporting the community to have a stronger voice or convening meetings between local service partners and brokering a dialogue with the community. However, the Government will want to consider whether areas stand a realistic prospect of having a neighbourhood-level community budget ready to go by April 2013.

11. How long will the pilots last?

The second phase of the Local Government Resource Review is due to complete by April 2013. The Government is committed to developing Community Budgets through this process which show how a radical transformation of local service provision could be achieved with better outcomes for people and savings to the public purse. It believes that getting this right will take time to work through some difficult challenges and so has set a realistic timescale for completion which areas will need to be able to commit to. However, in each selected area projects teams will need to fully scope and plan the development work which might show that earlier completion is possible.

12. What is the difference between threshold and ranking criteria?

There are some criteria that are particularly important to the Government and where areas do not have strong evidence in support of them they are unlikely to be selected as pilot areas. All criteria will be used to rank areas which have strong evidence against the threshold ones.

13. Is there a guarantee that the pilots' proposals will be implemented?

Not at this stage, though the presumption is that the Government will seriously consider and try to agree robust proposals wherever it can. The Government wants to work closely with the pilot areas to co-design radical proposals that could transform local services and could be implemented. The Community Budgets being developed will, therefore, need to contain specific proposals capable of being endorsed by all relevant national and local partners, supported by robust implementation plans. This is why the Government is putting in sufficient resources to help pilot areas develop proposals that can be implemented.

Neighbourhood-level Community Budget

14. Can rural areas, urban areas, two-tier areas or unitaries apply?

Yes, any type of area can apply. But the proposal needs to be built around a defined neighbourhood, as we are interested in finding out the types of services that it make most sense to manage at the neighbourhood level.

15. How do you define a neighbourhood?

A 'neighbourhood' is a particular place. It might be an estate, a group of streets, a ward, or a parish (a neighbourhood, community or town council). It is something that local residents relate to and identify with. We think that a workable population is likely to be in the 5,000 – 25,000 range, but we will consider reasoned proposals to work with higher or lower populations.

16. Do all relevant partners, including local residents, have to jointly support the bid?

We recognise that areas have different characteristics and partnership dynamics. Areas where the local authority, other local services and local people share a desire to give a neighbourhood greater control over local services are likely to be well placed to progress quickly, but bids will need to show what additional support they need from Government and why this cannot be provided locally. We will also consider proposals from areas where a community wants to take more control but is finding it difficult to make progress and from areas where local services want to devolve more but where residents are reluctant to take on a greater role.

17. What support will pilot areas receive?

This will depend on the nature of the areas the Government decides to work with. The Government intends to have detailed discussions with shortlisted areas during November to understand what support they need from Government and the resources they are able to put in themselves. Once the Government has selected the pilot areas it will finalise the support arrangements during January 2012 with the areas concerned.

18. How do neighbourhood-level Community Budgets fit with existing work on small area budgets and local integrated services?

The Government will continue to work with the areas developing small area budgets and local integrated services to capture the valuable learning that they are developing. The Government's approach to neighbourhood-level Community Budgets is more intensive, gets support into the local community and looks to develop a co-commissioning approach. The Government will test out what can and cannot be managed at the neighbourhood level, find out how to make it work, and create a framework for enabling other areas to adopt similar approaches.

19. What services might a neighbourhood-level Community Budget cover?

Local public realm, leisure opportunities and community activities provide starting point, but bidders may submit proposals for co-commissioning a broader package of services for the neighbourhood.

Whole-place Community Budget

20. Can two-tier areas apply?

Yes. But, as the selection criteria demonstrates the Government is keen to understand the geography, scale and partnership working underpinning areas' expressions of interest. It is important that district councils, along with other public service partners, are willing partners in the pilots. Areas wanting to put forward proposals based on only part of a county area will want to consider whether or not they meet the Government's geography and scale criteria for the whole-place Community Budgets and ensure they submit a strong case for their proposals.

21. Can two or more top-tier councils submit a joint expression of interest with their local public service partners?

Yes. But, the Government will want to see evidence of the added value of a combined proposal and the effectiveness and impact of current joint working and decision making across the upper-tier boundaries.

22. Are all Whitehall departments committed to the pilots?

Yes – these pilots have the backing of the whole Government. Both the Government and local areas are implementing radical proposals to transform and open up the way public services are delivered nationally and locally. The pilots will need to recognise this programme of reform and exploit the opportunities within it, as well as seize the chance to influence and shape future reform. Each of the key departments will be contributing senior officials to work full time with the two areas developing whole place Community Budgets.

23. Do councils need to obtain agreement from their local public service partners?

Yes. Strong partnership working will be central to the success of these pilots. It is essential that all main local public service partners are willingly signed up to participating in the pilot if the area is successful with its proposals.

24. Why is the Government only working with two areas to develop whole-place Community Budgets?

The Government is committed to developing Community Budgets that could transform local public service provision in the two areas, with substantially better outcomes for people and savings to the public purse. To get this right the Government wants this work to be co-designed – local areas will be strong equal partners with a senior team from Whitehall. This requires intensive engagement and the level of resources required to do this effectively points towards working with only two places. A Challenge and Learning Network of up to 10 areas will be established to support the pilots and ensure that the results of their work can be shared more widely on a timely basis.

25. What support will pilot areas receive?

Each area developing a whole-place Community Budget will benefit from a full time team to develop it, comprising both senior Whitehall and local officials. The Government will provide a team of about eight senior Whitehall officials to work with local public service partners full time for the majority of 2012. It will also pay for people allocated to the team from local partners to be backfilled and allow access to a budget to ensure that any necessary specialist technical support can also be provided. The package of technical support that each pilot needs will be developed by the joint team in the early stages of the pilot.

26. What resources will pilot areas need to provide?

Each area developing a whole-place Community Budget will need to identify and provide one senior official from each of the main local public service partners (taking account of individual partners' capacity and support needs to participate in the pilot) to work full time, with the Whitehall team, for the majority of 2012. The Government will pay local partners to backfill people allocated to the joint full time team developing the Community Budget.

27. Is anything ruled out?

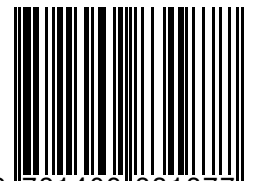
No conversation is ruled out. But, whilst the presumption behind all Community Budgets is that the Government will listen and try to agree, wherever possible and where a good case can be made, changes to its policy and delivery framework, it may not always be possible to do so (for example, recently signed Work Programme contracts are in place for the next five years and the Government will not change its commitment to the National Health Service being free at the point of use). The Government is implementing a radical programme of public service reform which pilot areas will need to recognise and exploit the opportunities within it, as well as seize the chance to influence and shape future reform. Pilot areas will also need to have regard to national and local contracts that are already in place. The Government is, however, committed to the long term reform of public services and therefore to co-design better services in the pilot areas across the full breadth of local public services.

28. What is the operational plan that has been referred to?

This is the plan which will set out how the Community Budgets developed by the pilot areas could be implemented. It will set out how services could be redesigned, the outcomes this would deliver and how different funding options would support implementation.

ISBN: 978-1-4098- 3187-7

ISBN 978-1-4098-3187-7



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