

The New Good Council Guide

Part One

STEPHEN GREENHALGH





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SUMMARY

- After 38 years in opposition, the Conservatives won a strong mandate for positive change in the Hammersmith and Fulham Council elections in May 2006.
- Since then, the Conservative Council has already cut council tax by 3% two years in a row. Average council taxes are now £350 lower than they would have been had the Council maintained the previous rate of increase in spending.
- At the same time, public services have improved significantly.
- High profile, round-the-clock beat policing has been introduced and paid for by the Council. Crime levels are now falling.
- Anti-social behaviour in council estates is being challenged. For the first time, the Council is taking active steps to evict the worst tenants. The physical environment is being improved.
- The introduction of competitive tendering has reduced spending while improving services such as street cleaning.

- Efficient management and contracting-out of services has led to a reduction in the total council workforce of 18% (or 950 full time equivalent employees).
- Council spending has been cut by £7 million (or 4%) in cash terms. Further spending reductions of £5 million a year can be expected by extending competitive tendering.
- The Council has reduced its debt by £20 million.
- The council is now seen by residents as efficient, well-run, focused on value for money and delivering on the things that really matter to local people. Resident satisfaction in council services has increased by 11% to 64% in just two years. This is the fourth highest score in London.
- In the long term, the Council plans to enable and encourage good local schools to expand; and to improve parental choice in education.
- The Council also plans to reform social housing so that social housing becomes a “launch-pad rather than a destination”; and to regenerate our most deprived areas.
- These improvements for residents have been achieved by a Conservative Council with no previous experience of office.
- They have been achieved by creating and communicating a clear vision for the future, with popular policies (cutting tax, fighting crime, improving services); targeted and vigorous campaigning; and effective and continuous communication with residents.

1. INTRODUCTION

The example of Wandsworth Council over the last 30 years has proved that it is possible for a local borough to deliver high quality services at relatively low cost. So when we took control of the neighbouring borough of Hammersmith and Fulham in 2006 I bought from the Centre for Policy Studies the last copies of Sir Paul Beresford's *Good Council Guide* (which chronicles the Wandsworth record over the first ten years of Conservative rule) and *Local Limits*, by my mentor, the current Wandsworth council leader, Edward Lister.¹

These publications helped to guide me on my journey to transform Hammersmith and Fulham Council from a high cost and ineffective Labour Council into a flagship Conservative council that delivers high quality services at the lowest possible cost to the taxpayer.² And one that puts its residents first.

¹ P Beresford, *The Good Council Guide*, Centre for Policy Studies, 1987; and E Lister, *Local Limits: cutting the costs of good local councils*, CPS, 1995.

² The Appendix compares Hammersmith and Fulham Council in 1993 with that of Wandsworth. Not much had changed in Hammersmith between 1993 and 2006.

This report shows how an opposition party can win power after a long time out in the cold of opposition. And how, once power has been won, a council can be turned around.

We recognise that we do not – yet – have a comparable track record to our colleagues in Wandsworth. But we do not lack their ambition. Our first two years in control have seen us reduce council tax two years running,³ cut the council's debt by £20 million and crack down on crime with the only 24-hour council-funded police teams in the UK.

In May 2006 we took control of what was considered to be a flagship Labour council. Yet services such as libraries, street cleaning and parks were all poorly managed. The council was deep in debt, was committed to direct labour whatever the cost or quality of the service and was maximising new build social rented housing. The overall resident satisfaction score for council services was average.⁴

After two years in Conservative control, there are encouraging signs of improvement. The council is now seen as efficient, well-run, focused on value for money and delivering on the things that really matter to local people. Resident satisfaction in council services has increased by 11% to 64% in just two years. This is the fourth highest score in London after the élite trio of Conservative councils (K&C, Westminster and Wandsworth). Much more remains to be done (hence this report is only “Part One”). But this is what has been achieved in our first two years.

³ Hammersmith and Fulham now sets the fourth lowest council tax in London.

⁴ The resident satisfaction score, based on polls conducted by MORI, of 53% matched the London average exactly. Kensington & Chelsea, Wandsworth and Westminster all consistently scored in the high 60s or 70s.

2. OPPOSITION

In January 1996, the Conservative Group on Hammersmith and Fulham Council was in a sorry state. Things got even worse in 1998 when the Conservatives were wiped out entirely in Hammersmith and we continued to hold no seats in Shepherds Bush or White City. We were derided as the South Fulham Conservatives by the Labour Party.

There are two ways to approach opposition. The first is to attempt to work with the administration and to try to win concessions in return for giving cross-party support for various initiatives. That is how things were in 1996.

The second is to oppose vigorously the ruling group, to maintain discipline and stay on message, and to prepare to win control. That is how we fought from 1999.

Which approach is right depends in part on the political balance on the council. For some groups, there may be no realistic chance of ever winning control, and the first course may be more attractive (as is practised for example by some Labour groups in a couple of the rock-solid Conservative boroughs in London). For the majority, however, the latter

course is preferable. The concessions given rarely turn out to be more than crumbs from the table. And in return, political opponents have managed to defuse controversial council initiatives and to obscure performance failings.⁵

The path to victory

The Conservatives did not win in 2006 because of our electioneering in 2006. We won in 2006 because we started planning for victory immediately after the loss of the Council elections in 2002.

In 2002, we wrote a four year strategy to win both the parliamentary seat of Hammersmith and Fulham at the General Election (which was expected in 2005); and to build on this to win the 2006 borough elections.

In the 2005 General Election, Greg Hands had a spectacular victory. The Conservative share of the vote was 45.4% (with a 7.35% swing) and the majority was a healthy 5,029.

After the 2005 General Election, it was calculated that the Conservatives needed an additional 1.3% swing to take control of the council in 2006. At the 2002 council elections we had already won more votes than Labour (43.1% against 42.0%). However, owing to the distribution of votes we had only won a disappointing 18 Conservative seats out of the total of 46. The key therefore to victory in the 2006 council elections was winning the marginal wards.

⁵ One additional factor will be the local electoral set-up. Councillors in London boroughs are all elected every four years at the same time. It is possible in London therefore for an opposition to prepare to fight a long-term campaign. Where elections are held for only a portion of the council at a time, that is more difficult.

The General Election result and the closeness of the 2002 council elections proved that victory was possible. The Conservatives had momentum. And traditional Conservative policies of low tax and being tough on crime were also chiming with the mood of this inner city borough. Labour was vulnerable.

Next we defined clear targets. We did not just want a majority. We wanted a clear mandate for our policies. Our target was to win 32 seats out the total of 46, with at least a 4% swing on the 2002 council elections.

To this end, we set out three strategic pillars:

- Winning policies.
- Targeted and vigorous campaigning.
- Effective and frequent communication.

Policies

Our winning policies may not seem particularly novel. But they were carefully chosen. We promised lower taxes, better services and less waste.

Our Council Tax pledge was to get down to the levels of tax to that of Wandsworth council over two terms. We promised better services such as cleaner and safer streets, properly maintained and policed parks, resident- and business-friendly planning policies and better state schools with more parental choice.

As an inner city borough with a higher proportion of social rented housing than Newham, Haringey and Lewisham, we also promised better services for our council estates. We promised to design crime off our estates, to install good lighting, to deliver a clean environment with regular patrolling, anti-graffiti hit

squads, more CCTV and zero tolerance of anti-social behaviour. We said we would prosecute nuisance neighbours rather than carry on with the softly, softly policy of mediation.

Campaigning

We identified seven target wards – those where we needed swings between 0% and 4%. We twinned each of the four “safe” wards with a target ward. We also sought to tie Labour down in their safe northern wards.

Then we focused on who was likely to vote. We assumed (wrongly, as it happened) that turnout would be low.⁶ We put more focus on council estates whose residents were more likely to vote than those living in residential streets. We focused on streets close to Polling Stations. And we concentrated on quality more than quantity when canvassing. We recruited postal votes, got telephone numbers and email addresses and carried out exhaustive qualitative surveys.

All candidates and reserves were focused on target wards. All were encouraged to attend the tenants’ meetings in council estates along with an existing Conservative councillor. All candidates were told to join local amenity societies and residents’ associations, to start Neighbourhood Watch schemes, to campaign on local issues as well as borough-wide campaigns and finally, to organise petitions.

Communication

Our literature was also finely targeted. While we reiterated the basic themes running through the campaign, individual ward leaflets were produced based on the information fed back to us

⁶ Turnout had been 33% in 1998 and 32% in 2002.

by our activists and council candidates. Local campaigns and petitions were highlighted and as many press releases sent out as possible.

The key themes to the campaign were simple: lower taxes, less waste and better services such as cleaner streets and safer streets. These simple themes were easy to communicate and meant that there was no need to produce a detailed manifesto.

3. IN POWER

A Conservative Council was elected in Hammersmith and Fulham on 4 May 2006 with a strong mandate for positive change. We had won over 50% of the popular vote and, with 33 out of 46 seats, had outright control of the authority for the first time in 38 years. This was the only inner city gain in 2006 for the Conservatives in the UK.

For the Conservatives, the election results were impressive for a number of reasons. It was the second highest Conservative share of vote ever. The first ever Conservative councillor was elected for Shepherds Bush and White City area. In one Fulham ward, the Conservatives polled the second biggest majority of any seat in Inner London – for any party.

Finally the number of Conservative votes had increased by nearly 50%.⁷ Interestingly the Labour vote remained almost static.⁸ Approximately 7,000 (allowing for multi-member wards)

⁷ In 2002 the total number of Conservative votes was 43,107. In 2006, this jumped to 64,711 – a gain of 21,604 new Conservative votes.

⁸ In 2002, the total number of Labour votes was 41,971. In 2006, this had gone up very slightly to 42,554 votes, a gain of 583.

more people voted Conservative than in 2002 – representing almost the entire increase in turnout. In summary, the Conservatives did not take net votes from Labour but secured victory by increasing significantly the number of Conservative votes.

Taking power

Even before the election was won, consideration had to be given to taking power. Hammersmith and Fulham had been a Labour Council for 20 years and turning our “winning policies” into reality required preparation.

A detailed policy document was produced for group members which, unlike our election literature, looked in depth at what was needed to deliver our priorities.⁹

The next consideration was to have an implementation plan. This was based on detailed consultation with existing Conservative council leaders in neighbouring boroughs and concentrated on how to implement change; and on how to ensure that council officers carried out our new policies.

Ahead of the election, we decided that, if we were to win on 4 May, we would seek a meeting with the directors (key officers of the council) at 9am on 5 May to take over the reins of power. The chief executive was reluctant to agree to this: not only was he running the elections and therefore would have been up all night but there seemed to be uncertainties as to whether formal power only transfers at annual council meetings.

⁹ During the election campaign, Labour did characterise this document as the “Tories’ Secret Budget”. Like much political theatre, this allegation had no obvious electoral traction in the marginal wards during the election.

In the event, the Labour leader of the council lost his seat and the chief executive decided that power had *de facto* transferred.

Hence this meeting took place¹⁰ – at which point we circulated a three page implementation plan. This outlined our vision and our milestones for the first year and a subsequent term.

This document ensured that senior council officers were aware of our determination to follow a programme of radical reform. Its demand that departments needed to come up with savings within the present financial year also highlighted to officers the new administration's ambition. All complacency was blown away from day one.

¹⁰ This meeting in fact took place at 10am (not 9am as we had originally planned) as the count had only finished at 6am earlier that morning.

4. LOWERING COUNCIL TAX AND DELIVERING BETTER SERVICES

Our biggest achievement so far is to have cut council tax by 3% two years running (the first time for a decade that council tax bills had fallen) while delivering better services for residents. The council is now spending £4 million over two years to pay for round the clock beat policing in our town centres as well as spending more on schools and adult social care. This has required a combination of political determination and teamwork between councillors and council officers.

Substantial savings have been made by introducing competitive tendering for many council services, by cutting waste and bureaucracy and by introducing new ways of smarter working. We are committed to competition and market testing council services. Over the next three years £90 million – half the total budget – of in-house council services are to be tendered. This should yield at least £5 million of efficiency savings.

We have also improved productivity. Ten personal advisers to cabinet members were cut right at the beginning – an immediate saving of over £300,000 a year. More than £4 million has been saved in agency costs in the first two years, reducing

the expenditure from £24 million to £19.6 million. We have cut expenditure on communications, with £300,000 less spending on the Council's newspaper (partly from increased income on commercial advertising); and another £300,000 saving from contracting out print services. We are now spending less on communication than we did ten years ago.

Smarter working has also paved the way for a reduction in office space, saving £468,000. Savings have also been made in backroom operations – for example by allowing people to renew parking permits online. Overall the council's award-winning Customer Access Strategy has delivered £4 million in savings while substantially improving our service to customers.

These and other measures have meant that in just two years we have been able to reduce the council's workforce by 950 (or 18% of the total workforce).¹¹ The majority (600) of this reduction in jobs was achieved through efficiency savings, with the rest (350) being transferred to external contractors as a result of the contracting out process.¹²

Despite significant cost pressures on local government (wage inflation, increasing local government pension contributions, minimum government grant increase), our relentless pursuit of value-for-money for our residents has enabled us to cut spending by £7 million (or 4%) in cash terms.¹³

¹¹ For example, by setting up a vacancy management panel, we slowed recruitment and used natural wastage to make £4 million savings in the first year of administration.

¹² On 31 March 2006, the total workforce (Full Time Equivalent) employed by the council numbered 5,291. On 31 July 2008, this figure had fallen to 4,341.

¹³ The net budget for 2006/07, originally set by the Labour Council, was for spending of £180.3 million. In 2007/08, actual spending was £173.5 million.

Finally, we have lowered the council's debt by £20 million, largely through a programme of asset sales. These have included disposing of some of the council's property investments at the peak of the property market (such as Broadway Chambers, and the Castle Club). Also, recognising that the council is not equipped to act as a small business landlord, the Askew Crescent workshops were sold for around £1.3 million. For every £1 million reduction in debt, we are saving taxpayers £100,000 every year. Reducing the debt bill means there is more to spend on services. Our level of general fund debt is now back to the same level as in 2000 at £149 million.

Early preparation was essential. As this started before we were elected, we were able to announce that we were tendering our refuse collection, street cleansing and grounds maintenance services the day after the election. Detailed planning for contracting-out started within weeks.

Within months, every area of expenditure had been challenged. Far stricter financial controls were introduced. The dominance of the Trade Unions was challenged. A consistent 'value for money' message has now been instilled in all levels of council staff.

Resident Satisfaction

In 2006 the proportion of residents willing to agree with the statement "my Council provides good value for money" stood at a low 35%. In just two years, that number has risen to 58%. The proportion willing to say the Council is "efficient and well run" rose from 54% in 2006 to 69% in 2008.

Of course, this demonstrates that there is still a long way to go. But it is a sign that plenty can be achieved within two years of taking office.

5. CUTTING CRIME

Cracking down on crime and anti-social behaviour has not traditionally been a core function of local councils. Today, it is essential. This is because firstly – and most importantly – residents demand that it is a top priority. Secondly the 1998 Crime and Disorder Act gave councils more power over local policing.

For Conservatives, this is a great opportunity. There is great scope to deliver big reductions in crime and anti-social behaviour by using the apparatus at hand today. And there is also the opportunity to show how introducing greater police accountability at the local level can play a big part in reducing crime.

It is easy for politicians to say they want more bobbies on the beat. The examples of New York City and Chicago show that more police on the street equals lower crime. But there are of course great differences between the US and UK in their approach to policing, not least the differences in political accountability. Another of these is the lack of round-the-clock, “24/7” localised beat policing.

Bill Bratton, who was New York’s Police Commissioner under Mayor Giuliani, is specific in defining four strands to success:

- The ability to have accurate and timely information on crime hotspots.
- The need for rapid, focused deployment.
- Effective tactics.
- Relentless follow-up and assessment.

The roll-out of Safer Neighbourhood Teams (SNTs) across London and latterly the rest of Britain, has been a step in the right direction.¹⁴ They have recreated the simple – and popular – principle of local beat officers, servicing a set geographic area. Yet there is a problem with SNTs: they work in one shift, ten hours a day, five days a week. Criminals, on the other hand, do not operate on such shift patterns. Given that the inspiration for SNTs was Chicago’s Alternative Policing Strategy (CAPS) initiative – which does operate on a 24/7 basis – this is somewhat surprising.

Hammersmith and Fulham Council therefore chose to break new ground in the way local authorities work with the Police to combat crime and anti-social behaviour. We were the first local authority to pilot 24/7, high-visibility, neighbourhood beat policing. In a £4 million two year pilot, two town centre wards have seen their existing, ten hours a day, five days a week SNTs transformed into 24/7, on-the-ground patrolling squads. Since April 2007, at every second of every day there are a minimum of six officers patrolling each ward by foot.¹⁵

¹⁴ A basic SNT, designed to cover an electoral ward, consists of one Sergeant, two Police Constables (PCs) and three Police and Community Support Officers (PCSOs).

¹⁵ A five-shift model gives flexibility for more officers to be on duty at high-risk times, such as Friday and Saturday nights.

Each pilot has an Inspector in overall charge. Equivalent to American Precinct Commanders, these Inspectors are accountable figures, charged with the responsibility for cutting crime – and reducing the fear of crime – in their wards. They compete with their counterparts to get the lowest local crime rate in the borough, as well as having responsibility for liaison with local residents and setting local priorities for their officers.

From the outset, a target was set for double digit annual reductions in crime, with an improvement in people's fear of crime and no displacement to neighbouring wards or boroughs – as well as bringing extensive secondary benefits.

Not all the expectations were met. Crime has not fallen by over 10% in the first year of the pilots in either ward. One problem is that the increased resource uncovered a higher level of existing crime in both wards, particularly in terms of the drugs market.

Both wards did see the number of crimes with a named victim fall; and the number of crimes making it to the books because of proactive police work increase. For example, in Fulham Broadway, which saw an overall drop in crime of 7.9% over the first year, the number of victims of crime in that ward fell faster, by 14.2% (204 offences). In Shepherds Bush Green, the number of crimes making it to the books because of increased police activity in that ward increased from 6.8% in 2006/07 to 14.6% in 2007/08. Included in the Shepherds Bush figures there was a 96% increase in drugs arrests – crimes that without this resource would never have been detected and the perpetrators still free.¹⁶

¹⁶ There has also been no evidence of displacement of crime to other wards. Extensive polling of residents perception of crime will take place shortly. The second year of the pilots is already showing a significant improvement in both wards. The pilots now look likely to meet all their initial targets.

These pilots are a hugely ambitious project for a local authority. But to work, they must be ambitious, radical. Other authorities, including the previous Labour administration in Hammersmith and Fulham, may add one or two extra PCs or Police and Community Support Officers across their areas. That approach may give an appearance of activity, but it will not cut crime drastically.

One shortcoming of the pilots is that operational control remains with the Metropolitan Police. While the Council can steer priorities and undertakes rigorous performance reviews, the overall style of policing remains in line with current police thinking. If Councils were free to take a much firmer role in controlling the local police force, far more could be achieved. This could either happen by allowing councils to commission local policing services directly; or by formalising the mechanisms for local police accountability through either directly elected police chiefs.

The environment for crime

It is important not to see policing in isolation. The other great lesson from New York City is that no crime is too small to tackle. The “Broken Windows” theory teaches us that the environment for crime really does matter.¹⁷

Most important is an understanding of what is contributing to the environment for crime. It may be late licenses causing an overspill of drunk revellers into residential areas at 2am. Or it may be tramps intimidating passers-by, thereby increasing the fear of residents and visitors alike. What has to be done is to identify the problems and deal with them.

¹⁷ The “Broken windows” theory states if you let “victimless” quality of life crimes – graffiti, fly-tipping, public drunkenness, youths causing havoc on mopeds, literal broken windows – go unchallenged, it creates an environment for further, more serious, crime.

A clear example of this is the problem of anti-social street drinkers. Allow one street drinker to go unchecked and soon a second will join them, then another and another. Once there is a crowd, litter, vomiting, public urination and intimidation of passers-by follows. That, in turn, creates an unpleasant atmosphere, where vandals do not think twice about spraying a wall with graffiti; where fly-tippers feel comfortable dropping their rubbish; and where muggers blend into the background. And so neighbourhoods decline.

In response to this problem, Hammersmith and Fulham introduced a borough-wide controlled drinking zone, £75 fines for dropping litter and cigarette butts, penalties for fly-tipping and putting rubbish out on the wrong day, and dog control orders. These, together with improving the street cleansing services, provide a powerful arsenal of measures.

In addition, enabling PCSOs and police officers to use enforcement measures such as littering fines further strengthens the mandate and ability of SNTs to cut crime. Such empowerment of PCSOs also helps to dispel the bad press they receive. Far from being policing on the cheap, or glorified security guards, as some would assert, PCSOs can play a robust role in tackling low level and environmental crimes. Of course PCSOs are no substitute for warranted police officers – and never will be – but they can be used effectively, especially when given the mandate to use their 20 minute power of detention (a power many boroughs keep quiet about).

Anti-social behaviour on our estates

Anti-social behaviour, particularly on the borough's housing estates, was another area identified at the outset. Unsurprisingly the majority of the problem come from a minority of the tenants. Recognising this as a key contributor to worse crime in the

borough and a priority for the vast majority of law-abiding tenants on our estates, a ten point action plan was launched.

Again, this plan was radical. Previously, eviction was a dirty word. Today, when it comes to those causing trouble on our estates, it is the centrepiece of our approach. The top 30 worst households have been targeted. We are relentlessly and unashamedly acting to get them out. Violent, abusive, destructive and noisy individuals tend not to change their ways. Private sector landlords would not tolerate this sort of behaviour in their properties and therefore neither should public sector landlords.

This takes effort – particularly as the judiciary is often reluctant to evict. The first step is to understand the best grounds for removing them (the judiciary is, for some reason, more willing to evict for rent arrears than for violence or dealing in class A drugs); and then to ensure that the evidence for eviction is robust.¹⁸

Plans are also in place to enhance the monitoring, maintenance and recording of the CCTV systems – as well as expanding it through new fixed and mobile CCTV cameras. The council has also directed our Arms Length Management Organisation (ALMO) to bring in probationary tenancies.

Resident Satisfaction

Resident satisfaction has increased in just two years, with the proportion of residents who believe the Council is working to make the area safer increasing by 14% over two years (from 59%

¹⁸ It can be a problem to get victims to testify. To get over that, we have employed a professional witness who observes known offenders and collects evidence for use in court

in 2006 to 73% in 2008). A further significant measure is the proportion of residents who said anti-social behaviour is a problem in the area, which fell from 31% in 2006 to 21% in 2008.¹⁹

What next?

The opportunity for local authorities to crack down on crime is considerable. There is no room, however, for half-way houses. The approach must be bold. This involves not just policing, but a wider approach across all crime-fighting council services. But we need to look to more fundamental change to strengthen our hand in fighting crime.

Current Crime and Disorder Reduction Partnerships, Public Service Boards, Borough Partnerships and all other manner of Government-imposed meetings that promote the role of local councils in fighting crime through the medium of 'partnership' provide a convenient illusion of progress.

The truth is, this is not enough. Crime will never be beaten from around a meeting table. We need to invest the power to deliver fully into the political process, so just as councils are free to set their budgets to match their priorities – in our example enabling us to cut tax – so local, democratically-elected councils should be able to have a much greater role in directing policing style and resource. That is the challenge for the future.

¹⁹ The measure of the perception of anti-social behaviour is a composite measure based on the British Crime Survey methodology.

6. CLEANER AND GREENER

Councils cannot and should not pretend to be able to influence wider concerns on issues such as global warming. But they can do much to determine the state of their streets and their parks. That is what they should concentrate on.

The parks in Hammersmith and Fulham had been neglected for many years. It was not difficult to decide that major improvement works were necessary. Five of the largest parks have been identified and plans drawn up to attract the necessary funding whether that be by Heritage Lottery Grant, recycling capital receipts from asset sales or section 106 funds from new local large developments. Within just over two years, one park has been totally refurbished, plans are in place for two others and are being drawn up for one other.

The delivery of services such as cleansing and refuse collection both in parks and on the streets was also an area for change. The council operated expensive direct labour departments which carried out grounds maintenance, refuse and cleansing services. The outputs of these services was of variable quality. But all were expensive. In addition, there were no specifications for the services be measured against; a number of 'Spanish

practices' were unearthed;²⁰ and had the services carried on unchecked, the council was looking at a £5 million deficit.

Again, action was required immediately. A programme of market testing was announced on taking office to assess the quality of the service, redesign it where necessary and award a contract to deliver. This programme takes around two years to execute in full so it is vital to start the process early.

Getting the specification right is essential, and is one which council members can influence. For example, refuse collection can itself lead to litter. Yet streets sometimes were being swept before the refuse was collected. It was therefore decided to specify simultaneous refuse and general recycling collection followed by immediate street sweeping for all residential streets.

For main roads and busy commercial streets, litter arises for a variety of reasons and is influenced by factors such as the wind and fly-tipping. New specifications for these streets were introduced which were based on "output" and not "input". In other words, rather than stipulate that streets needed to be swept three times a day, the new specification requires streets to be at an acceptable level all the time.

The existing in-house operations were allowed to bid for the contracts. Some made credible bids. From the start, the in-house operations realised that, if they were to compete with specialist firms, then its top-heavy cost base would need to be

²⁰ These included guaranteed overtime payments to staff and an informal but effective closed shop that often limited job opportunities to a few local families. Financial controls were also lax: in 2003, a £5.4 million black hole in the accounts had been discovered.

addressed. Agreements with the various trade unions were made which cut the cost of provision of refuse and ground maintenance by around 17%. While much of this was down to the abandonment of long held Spanish practices, it did mean that immediate savings were available to the council rather than lost as future profits to a contractor.

In the final step, the contract for grounds maintenance was awarded to Quadron; and the refuse and cleansing contracts to Serco. The in-house bid for the refuse and cleansing was excellent and was only just beaten by Serco.²¹

Residents' satisfaction

These contracts were only concluded in mid 2008. However, the emphasis of the council has now shifted to ensuring contract compliance and that the streets are cleaner. Residents' satisfaction of these services will be carefully monitored to ensure that this promise is delivered.

While residents' satisfaction with cleanliness has remained static (not in itself surprising given the time taken to appoint new contractors), some progress has been made. Residents' satisfaction for refuse collection has risen by 10% in two years while the proportion who agree with the statement that the council is working to make the area cleaner and greener has increased from 68% in 2006 to 78% in 2008.

²¹ Using external contractors should not be ideologically driven. If an in-house department can produce a good bid, then it should be allowed to compete.

7. THE LONG TERM VISION

Some of the wealthiest households in the country are located in Hammersmith and Fulham. The borough ranks fourth highest in London for average house prices. But the borough also has significant areas of deprivation, where people's lives have been blighted by crime, poor environment and low aspiration. It is a polarised borough.

- 27% of people in Hammersmith and Fulham live in poverty compared to the average of 17% in England, 18% in London and an inner London average of 20%.
- 36% of households received less than £10,000 a year gross household income in 2003.
- 18% of the working age population is on some form of benefit. 3,725 lone parents are on income support.

In addition, there has been a disturbing decline in social mobility, both locally and throughout the country. Someone born into the poorest quarter of society 50 years ago had a greater chance of working their way up to a higher economic group

than a young person today. The people at the bottom of our society are being left further and further behind.

With our high levels of poverty, we set ourselves a mission to create “a borough of opportunity”. This involved:

- Offering excellent state education and school choice.
- Creating a housing “ladder of opportunity” with home ownership at its core.
- Regenerating the most deprived parts of the borough with a focus on physical, economic and social renewal.

Education

Some of the highest performing secondary schools in Britain are located in Hammersmith and Fulham. These are all voluntary aided church schools: the London Oratory (Catholic boys), Lady Margaret (Church of England girls), Sacred Heart (Catholic girls) which are all oversubscribed.

However, the roll in community schools (that is, the schools which the council runs) has declined by 3.8% since 2005. This is because too few parents are choosing to send their children to the borough’s schools. With 1,400 surplus places, the council has the highest number of surplus places in the country. 23% of local parents are choosing to educate their children privately and more parents choose state schools outside the borough.

We want to drive up educational standards by replacing unpopular schools with large investment in state-of-the-art secondary schools. The national Building Schools for the Future programme (which helps to fund rebuilding of buildings and facilities) offers a great opportunity to transform secondary education. We also want to expand popular schools where

possible. We will encourage those schools that achieve consistently high standards to expand their admissions to take more children of local parents.

Parents also want greater choice. We aim to deliver greater choice and diversity for parents by creating more City Academies and Trust Schools.

We have learnt from one mistake we made when we first came into office. Eager to make an immediate impact, we tried to close a school in the teeth of opposition from all our community schools. This was a mistake. We stopped the closure process.

Instead we set up an independent Fulham Schools Commission led by Baroness Perry, formerly Her Majesty's Chief Inspector of Schools. It involved leaders of higher education institutions and two local head teachers and a former director of education from another London borough. The Commission spent two months meeting parents, heads, governors, teachers and others involved in the schools. The Commission has made several clear recommendations which we now plan to implement for the whole borough. These include:

- supporting the Mercer's and the IT livery companies who are sponsoring a new Hammersmith Academy (to open in 2011);
- supporting the creation of the new Fulham College Trust School. This will bring together two of our community schools (Henry Compton and Fulham Cross). This will include a federation with the nearby sixth form college (William Morris); and enhancing the core curriculum at this school by involving a number of local partners such as Roehampton University, Latymer School, Imperial College and Ealing, Hammersmith and West London College together with other

partners such as Fulham Football Club, LAMDA, and the Lyric theatre. This new school will specialise in sport and performing arts.

- planning one of the country's first bilingual primary schools in partnership with the French lycée.

Housing

More than one third of households in Hammersmith and Fulham live in social rented housing.²² We believe that Hammersmith and Fulham will be better off with more people owning their own homes and having a real stake in the community. Building assets such as a home is central to advancing social mobility and an important foundation for personal security. Our objective is to increase home ownership so that the proportion of owner-occupied households increases from 43% to over 50% of all households.

We launched a home ownership unit called H&F Home Buy at the beginning of 2007. In just seven weeks nearly 3,000 people on incomes of less than £60,000 expressed an interest in low-cost home ownership. We are currently reviewing our planning policies, promoting low-cost home ownership schemes and discounting mechanisms in both the social and private housing sectors; and we are looking to partner creatively with developers and registered social landlords (RSLs) to maximise low-cost home ownership opportunities.

Councils have few ways of improving housing. The current system, with its focus on housing quantity and targets, works against delivering mixed, balanced and successful

²² This is a higher proportion than, for example, Newham or Haringey.

communities. It depresses rather than inflates aspiration. And it denies councils the opportunity to respond to local needs and pressures.

For example, the Government is determined that councils halve the number of people in temporary accommodation by 2010 on the basis that thousands of people are trapped in sub-standard, over-crowded accommodation. The reality is completely different. In Hammersmith and Fulham there are no families living in Bed & Breakfasts and only about 60 single people remain in this sort of accommodation. B&Bs tend to be used in emergencies only. The vast majority of people are settled in good accommodation in the private rented sector or in hostels.

Social housing allocation plans tend to lead to ghettos of vulnerable and deprived households. Low-income households have little choice and are trapped, with little or no opportunity to progress. Housing Benefit, with its steep tapers for working households, traps people in dependency. Finally councils have no power to try to meet the demand for low cost home-ownership.

Given the credit crunch and current turmoil in the financial markets, timing the drive to encourage more social housing tenants into home ownership will be crucial. The council housing stock is also in the middle of the Decent Homes programme which finishes in 2010 and does mean existing council leaseholders face large bills. Nonetheless the Government's reduction in maximum discounts, and the changes in eligibility, have led to a dramatic reduction in tenants using Right to Buy. In Hammersmith and Fulham, only 34 Right to Buy sales were completed in 2007/8 compared to 43 in the previous year and 116 before that. Social Home Buy which

was introduced by the Government in the spring of 2007 has been a complete failure: no sales have yet been achieved.

To encourage greater home ownership, and to establish social housing as a ladder of opportunity rather than as an instrument of dependency, we are developing a new home ownership programme called Right to Buy Part 2. This has three elements:

- Slivers of Equity Reward Scheme. This will offer a 2% equity stake reward a year up to a maximum of 5 years. If you are an existing tenant of five years or more with a clean tenant history you would be entitled to a 10% reward offer automatically. In taking this approach Hammersmith and Fulham Council is adapting and rolling out the Inclusive Living scheme developed with Genesis Housing Group which has now been adopted by the Department of Communities and Local Government as a pilot.
- Right to Buy. From 2009, this will offer those tenants that would have a 10% equity stake in their homes the Right to Buy part (50%) of their home. The purchaser would pay no rent on the unsold equity but would pay the full service charge due.
- Family Home Buy. This will encourage two generations of a particular family to club together to buy the family home by allowing children of existing social tenants to purchase jointly with their parents. Family Home Buy will encourage the family unit to work together to ensure that the family home stays in the family for the long term and that the family connection with the neighbourhood continues.

These new measures are intended to increase home ownership, create mobility and free up space in the social housing sector

at a fraction of the price of building new homes. They will also achieve capital receipts which can be reinvested in council stock and help new build housing development.

Regenerating our most deprived areas

The demographic profile of Hammersmith and Fulham is one of significant numbers of single households with higher concentrations of family households on council estates. There is little doubt that affordability is a key issue: young families tend to leave boroughs such as Hammersmith and Fulham to seek larger accommodation typically in the suburbs. We are not helped by the fact that our houses tend to be small.²³ There is a clear need for decent-sized family housing that people can afford to buy.

The challenge is, therefore, to attract the investment. But the role of public money should only be to pump prime. This means that councils need a more creative use of public assets and land.

One example of how this can work is the investment of £1.6 billion to build a new shopping centre in White City. This has provided the impetus to regenerate the whole of White City and Shepherds Bush including the White City Estate. This use of private funds for regeneration is in contrast to the New Deal for Communities (NDC) project in North Fulham. This project has failed to attract significant private investment despite a £44.25 million spend over 10 years. This public investment has struggled to have a significant impact on the fabric of the area.

²³ On average, a house in the borough only has only two and half bedrooms.

8. COMMUNICATION AND CAMPAIGNING

A council can deliver great things for local people but it also needs to tell the story. Effective communication with residents is therefore essential.

For example, Hammersmith and Fulham council is the only public authority in Britain to be cutting its tax take. These tax cuts have, as one would expect, been attacked by our political opponents who belittle the extent of our tax cuts while exaggerating the impact of any reduction in spending.

It is essential to fight back. For example, we calculated how much residents have saved, not just compared to the tax figure inherited at the change of council control in 2006, but compared to where it would have been after two more years of Labour control. In other words, to compare the figure after two years of 3% cuts with the figure of where the tax would have been after two more years of 7.7% rises under Labour. On this basis we have saved nearly £350 off the average council tax bill in just two years. For the Band D households, their council tax is now £863 compared with £1,063 if things had stayed as they were.

Council newspaper and new media

Most local authorities publish a magazine or newspaper, at a cost of around £500,000 a year. More often than not, these are a collection of council job ads bound together in a fortnightly glossy magazine that carries more stock photography than words. They are dull, pointless and a waste of money.

In 2006, we scrapped the previous Council magazine. But, with local newspaper readership in Hammersmith and Fulham at just 7%, we did need to replace it with something far better. So within two months of the 2006 election we launched a new newspaper, *H&F News*. This has provided a major step forward for our council communications.

H&F News was originally a monthly free-sheet, delivered to every household in the borough. Now fortnightly, produced by experienced journalists, every issue is financed through real advertising at no cost to the taxpayer. And now that it is fortnightly, the Council can place all its public notices in *H&F News* at a saving of over £100,000 a year

H&F News ensures that every household in the borough has a local source of information – not just about the council, but local sports, charities, societies and clubs. And in terms of the council, we are able to tell our story clearly, explaining what we are doing and why; the challenges that face the borough; and to encourage people to become involved in campaigning against threats to the borough, such as Heathrow expansion and post office closures.

The new media is also important – and likely to become more so. When we posted a tax cutting message on You Tube, Hammersmith and Fulham Council became the first local authority in Britain to use this medium. Our 45 second video

highlighted our new budget measures and featured a local band, Harry Hammersmith & The Flyovers with a cover version of the Status Quo classic 'Down, Down'. The band only charged expenses while council staff worked in their free time at weekends. This meant the cost of producing the video was just £500 – half the price of a quarter page in a local newspaper.

Council campaigns

The Local Government Act 2000 gave local authorities the power to promote social, economic and environmental well-being. This trend is likely to continue with the Government reinforcing this invitation through its 'Strong Communities' white paper.

Before a campaign starts, it is crucial to set realistic objectives and understand your interests. A campaign must be capable of delivering tangible benefits, either enhancing your reputation, or winning resources from central government. The opposition, residents and the local media will all – rightly – want to know whether your ambitions were met and whether it was worth the effort and money involved.

There are three reasons why a council should run campaigns:

- To inform residents: many residents have little understanding of their local authority, its functions, operations and responsibilities. There is persistent confusion as to which level of government does what.
- To influence behaviour: councils can promote neighbourly behaviour, discourage anti-social activities and bolster activities such as volunteering – all to the benefit of the neighbourhoods involved.
- To act as a local champion: local authorities sometimes have no direct influence or control over issues that are of great

importance to its residents. Councillors have a duty to represent ward residents, a duty which should not stop with council-related matters.

Through links to government, business and charities local authorities can form impressive alliances to argue for change. They can also use the wealth of data they collect to reinforce their arguments. Campaigns should remain accountable to local people, however, and must conform to strict rules on publicity. While it is acceptable to inform or explain or lobby, councils are obliged to avoid straying into party political territory.

To be effective, campaigning must be based on good research; be carefully planned and timed; be creative and fun; be well-targeted; and carefully evaluated. Above all, it is essential to engage the media as early as possible.

A case study: campaigning against Post Office closures

Before the latest round of closures, there were 20 Post Office branches in Hammersmith and Fulham. In February 2008 the Post Office announced plans to close 169 branches in London. Six branches in the borough were targeted.

With Hammersmith and Fulham facing more closures than its neighbours, a campaign was prepared by the council to try to save at least one or two particularly crucial local branches.

Residents, local voluntary groups and amenity societies helped to build the evidence against the closure programme. A programme of detailed research showed that past closures had hit the borough hard; that the new plans would have a disproportionate impact on residents and businesses. And that the Post Office had failed to take into account the capacity of remaining branches to cope with the additional demand.

Public Meetings, stunts, petitions and the council's website were all used to show the strong public support for our campaign. We promoted the campaign continuously with evolving messages to the local papers, *The Evening Standard*, and the London radio stations and television. Finally, we submitted a detailed submission, which included personal testimonials from the public and from voluntary and amenity societies, to the Post Office.

As a result, three of the six threatened branches were saved – out of a total of only seven reprieved branches across the whole of London. The campaign received extensive media coverage; and the council was widely credited by residents with saving the branches.

9. RECOMMENDATIONS

As the founder and Chief Executive of a thriving medical publishing and conference business, I know that if you want to build a successful business from scratch, you cannot get away with being either a leader or a manager. You have to be both.

The challenge of being a successful council leader is even greater. Councils are large organisations with big budgets and thousands of talented staff and managers. On top of that, council leaders head up a large political group of councillors. This requires the orderly, rational mind of a manager (who can make sure that things get done); the creative soul of a leader (who can provide a “big picture” of how a council will make a real difference to the lives of the residents; and the canny art of a politician (who can keep a political group united).

You have to be pragmatic. Conservative councils may have to work with political opponents who are in power at a regional or national level or who control many of the government agencies. We are a flagship, high profile, Conservative, inner London council facing a Labour Government. You have to be able to recognise the strength of your hand, be prepared to compromise and make deals but never forget when to draw the line.

Five elements to effective opposition

If you want to be in power, rather than in administration, it is no good aiming for a coalition. The primary goal must be to win power next time.²⁴ Remember these five steps.

Campaign continuously. No votes are won in the council chamber. While the administration is tied up in executive meetings, the opposition should be out on the streets campaigning for the next election.

Get information. The primary purpose of participating at council meetings is to gain information about the failings of the administration. Use all means of access to information.

Keep a united and disciplined group. While there are fewer unpopular decisions to be made in opposition, opposition groups can develop a culture of division. Take advantage of the varying talents at your disposal and ensure everyone has a role.

Plan ahead. Your performance indicators should not be the number of good speeches made but the number of leaflets put out; should not be building good relations with council officers but the number of pledged votes gained. And prepare for power so that when you do win, you can exercise power from the very first day in office.

Keep working for ward residents. Publicise every achievement.

Finally, never forget that that improving what the council does for its residents, not gaining power, is the purpose of campaigning.

²⁴ These were originally formulated by Greg Hands, who became group leader in 1999 and then MP for Hammersmith and Fulham in 2005.

In power

Take charge on the first day after the election. Meet your chief officers at 9am on the first day after the election. Present them your key priorities for the first term of your administration. Introduce and implement change from the very first day you are in office.

Focus on delivering value for money for residents and low tax. Get control of the council's cash and use natural wastage to drive down staff numbers over time.

Make residents' satisfaction with council services the key measure for success. Ignore the number of stars that the government gives you. Pay attention to your annual residents' satisfaction survey.

Trust your officers. Remember that you achieve nothing without the support of your officers. Give them a clear direction and give them every chance to deliver.

Develop a long-term vision for your council. Develop a vision that embraces the poorest people in the area that your council represents. Plan how the council can take the lead in helping them get on in life.

Finally, keep your nerve. Do not expect things to be easy. Stay true to your vision and put the interests of residents first – at all times.

APPENDIX

A TALE OF TWO BOROUGHES (1993)

Hammersmith and Fulham

Community Charge (1991/2)

£247/year.

Competitive tendering

Absurd conditions imposed on contractors to discourage bids (e.g. the contract for school meals specified the thickness of fruit rinds). Council used own staff as school cleaners (at twice the price of private contractors).

Weak management reflected in high housing management costs (£900 a year).

The Council had saved only 10% of costs via competitive tendering.

Housing

The Housing Department has increased the number of bureaucrats (by 30% to nearly 600), while reducing the housing repairs budget by 30%. Council the third worst in the country at collecting rent arrears (£13 million owed).

Schools

Cost per pupil very high at £3,351 a year even more than loony Lambeth at £3060. High bureaucracy and very disappointing exam results.

Wandsworth

Community Charge

Nil.

Competitive tendering

Pioneer of competitive tendering. This improved services while ensuring value for money (e.g. the street cleaning contractors earned Wandsworth a Tidy Britain Award as the cleanest borough in London).

Rigorous contract discipline led to low housing management costs (£519 a year).

The Council had saved 25% of costs via competitive tendering.

Housing

The Housing Department has the lowest number of squatted homes. Proportion of vacant homes awaiting re-letting the lowest in inner London. Rent arrears stable (only £4.2 million owed).

Schools

Cost per pupil very low at £2073 a year. Exam results improving with more pupils leaving with GCSE and A-level passes. Council encouraging schools to opt out of Council control and opened the first local authority-run City Technology College.

Leisure & amenity services

Council spends £42 per head on recreation, funds are mismanaged. Contracts for refuse collection and street cleaning awarded to the internal labour force. Public spaces such as Bishop's Park rat-infested due to failure to clear litter. Local doctor warns that Fulham Pool's water could be a health risk.

Leisure & amenity services

Council spends £45 per head on recreational facilities compared to inner London norm of £35. Refuse collection and street cleaning first offered up for competitive tendering in 1982 and recognised as extremely efficient (e.g. unemptied bins are notified by computer to contractors for next day collection).

Adapted from an article by the author which originally appeared in a Special Sherbrooke Ward Edition, *Conservative In Touch*, Winter 1993



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