THE YOUNG FOUNDATION

Managing the risks of community governance

1   Summary

The coalition government has put devolution and localism centre stage once again. Proposals for the Big Society intend to give communities new powers to take over local services and assets and to challenge decisions through local referenda.

There are strong arguments in support of communities being given the powers to act on very local issues, to control local liveability services and community assets, and to influence decisions about a much wider range of issues and mainstream services. Citizen engagement is crucial for improving public services and creating sustainable and effective strategies for civil and civic regeneration, especially at the very local level. However, any move towards more widespread community empowerment brings risks, as previous experiments with devolution have proved. Community control over finances, services and assets brings with it the threats of fragmentation, mismanagement of public goods, the politicisation of neighbourhood issues, and the potential for localised power to create or exaggerate community divisions. These risks increase in diverse or deprived neighbourhoods where ethnic, racial or social relationships are already under pressure.

Political extremism, corruption, and capture are the risks most often cited in arguments against empowering communities. Undeniably, there are high-profile, high-impact risks with long-term implications for community cohesion, local involvement and trust in politics, and social relationships in neighbourhoods.

These are not new risks. Many communities and local authorities are already dealing with some or all of these issues in the context of existing area or community governance structures such as ward committees, area forums, the transition of New Deal for Communities programmes (NDCs), or parish councils. More widespread devolution may increase the likelihood of these risks occurring, but we argue that the significance of these issues is often overplayed and that these risks can be effectively managed if the right framework is applied.

Some risks – such as extremism or a breakdown of cohesion – should be mitigated by strengthening community capacity and local involvement in decision making. Other risks - which are less alarming than the threat of political extremism – have more real, practical implications for the success of the localism agenda and should be given equal consideration in the context of risk management. For example, lack of political will to devolve power from local government to communities – driven by political ideology or risk aversion – is a very real threat. Making localism work will involve fostering creativity and innovation at the very local level.

Central and local government must accept that with innovation comes the risk of failure. Even if the failure rate for community governance is very low, it is likely that failures - probably involving issues about misappropriation of power, poor allocation of resources, financial probity, or personal misconduct - will receive national media attention and will be the subject of public debate. Meanwhile, successful community governance arrangements are unlikely to receive either much media attention or praise.

63 per cent of people do not believe they can influence decisions affecting their local area[1]. If local government fails to support neighbourhood empowerment and community governance, either through fear of innovation or lack of commitment, the result could be an even greater sense of public disengagement and disempowerment. Tackling government's aversion to risk will be an important element of this agenda.

Moving forward, the challenge is to apply an appropriate regulatory and risk management framework to community governance that can empower communities to act on local issues, while ensuring that local action will support – not undermine – community cohesion, and at the same time protect standards of service and ensure public accountability. All this must be achieved without over-burdening communities with bureaucracy or stifling local leadership and innovation.

This discussion paper identifies the risks posed by forthcoming proposals to empower neighbourhoods and strengthen community governance, and explores how current policy, working practice and risk management frameworks will need to adapt to these new challenges. We conclude that much of this framework is already in place and requires strengthening, not reinvention.

The key elements of a risk management framework for communities are:

a) Clearly delegated responsibilities for community bodies who wish to take up delegated powers, including the requirement for compliance with minimum standards of good governance and democratic accountability, for both statutory and non-statutory bodies

b) For parish or community councils wishing to take on an enhanced governance role, these responsibilities should include compliance with a reformed Quality Status framework. This should include:
   - stronger democratic and administrative tests for neighbourhood, community and parish councils
   - a strong emphasis on inclusion, cohesion, and understanding the practical implications of equalities legislation
   - new tests that clearly demonstrate a council's capacity to manage devolved community services or assets

c) For non-statutory community bodies that wish to claim a representative role in communities, these responsibilities should include compliance with a new "recognised neighbourhood body" status, including:
   - clear principles for determining whether bodies have a legitimate claim to speak for their community, neighbourhood or estate
   - minimum standards of governance and public accountability

d) Promotion of voluntary good governance standards for non-statutory neighbourhoods that are not claiming a representative role, but wish to control public resources or assets

e) A strategic role for local authorities to manage the risks of community governance, including a clear mandate for local authorities to:
   - determine their "offer to communities", which sets out the basic rights and powers community governance bodies may take up, and the conditions and responsibilities they must meet

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[1] Communities and Local Government Citizenship Survey 2009-10

- intervene where necessary to protect local communities – in particular in the context of community cohesion, service standards and public goods.

f) A programme of structural capacity building for institutional stakeholders to manage the risks arising from lack of resources and skills among, in particular, elected members, key council officers, LSPs and other service providers

g) Efforts to encourage people from a cross-section of society to participate in community activism and local politics, including measures to recruit a more diverse population of ward councillors who are more representative of the nation as a whole. This should include more young people and people of working age, more women, and more candidates from different social and ethnic groups

h) Critically, accepting that experimentation with community governance arrangements will require space for local innovation, and innovation involves risk. Central and local government and communities will need to accept a degree of failure is inevitable, and failures will provide opportunities for learning and improvement

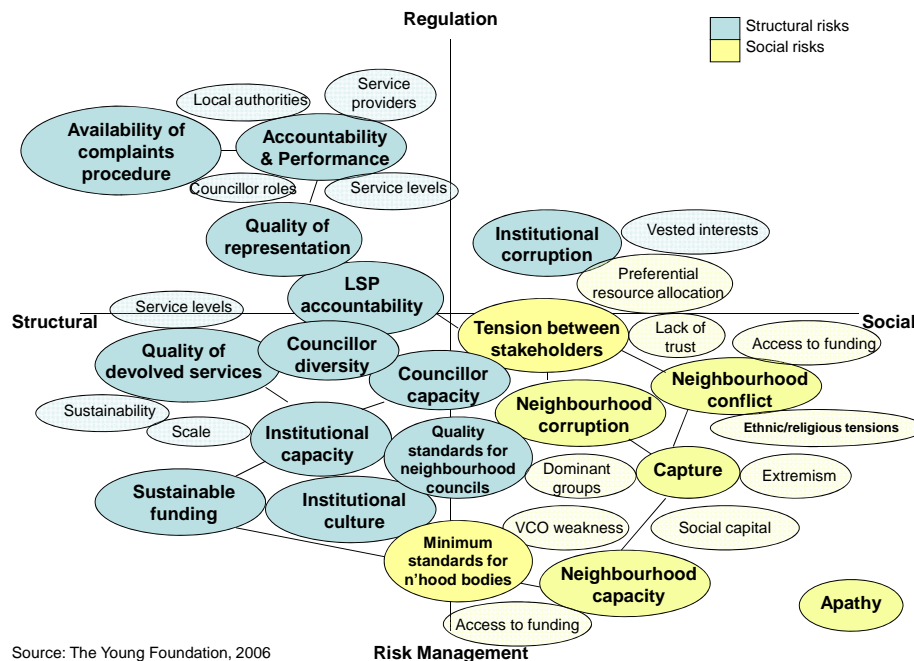# 2   Mapping the risk of community empowerment and governance

The Young Foundation has carried out a qualitative mapping exercise (see Table 1) to identify the risks associated with greater empowerment and governance opportunities for communities, and to analyse these in relation to the current regulatory and risk-management framework for local government and community governance bodies, including both first-tier councils and non-statutory voluntary or community organisations fulfilling a voice, advocacy or service function in neighbourhoods.

The aim is to present a broad picture of the risks that will arise from empowering community organisations to act on a wider range of local issues – such as spending delegated or devolved budgets, raising funds locally, and possibly controlling community services or assets – in order to identify where changes to current policy and practice may be required.

The mapping process was based on three elements: first, analysis of interviews with local authorities, elected members, the voluntary and community sector, and service providers, to identify and prioritise areas of potential risk; second, a review of lessons learned from previous experience of devolution to neighbourhoods in England; third, analysis of the current regulatory institutions and policy tools for managing the risks of community governance, to identify gaps and weaknesses in the framework.

Table 1: Mapping the risks of community governance

Community governance: social and structural risks

Regulation

Structural risks
Social risks

Local authorities
Service providers

Availability of complaints procedure
Accountability & Performance

Councillor roles
Service levels

Quality of representation

Institutional corruption
Vested interests

LSP accountability

Preferential resource allocation

Structural

Service levels

Tension between stakeholders
Lack of trust
Access to funding

Social

Quality of devolved services
Councillor diversity

Councillor capacity

Neighbourhood conflict

Sustainability

Institutional capacity
Quality standards for neighbourhood councils

Neighbourhood corruption

Ethnic/religious tensions

Scale

Dominant groups

Capture
Extremism

Sustainable funding
Institutional culture

VCO weakness
Social capital

Minimum standards for n'hood bodies

Neighbourhood capacity

Apathy

Source: The Young Foundation, 2006

Risk Management

Access to funding

A wide range of issues and risks were identified, which fall into four main categories:

1)   Inclusiveness, accountability and performance of community governance bodies

1.1 Inclusiveness There is a risk that strengthening the power of community bodies and introducing new opportunities to manage assets or services could create or exaggerate community divisions, either between neighbourhoods where economic or social inequalities exist, or between majority/minority voices within communities. The likelihood of very local issues – such as influence over services or access to community assets – becoming politicized increases significantly where tensions based on social, racial, ethnic or political differences, exist within communities. It is inevitable that community empowerment will generate debate and disagreement about local priorities. However, there is a risk that empowering neighbourhood bodies could lead to some or all of the following: local conflict: capture of governance bodies by dominant local individuals or organisations who do not represent majority interests; resources being directed to support dominant interests, with minority groups being excluded from community resources or representation; the emergence of extremist groups; and potentially community unrest.

1.2 Performance and accountability Empowered community bodies are likely to have new responsibilities for influencing decision-making about local services, for managing delegated or devolved budgets and community services, greater opportunities to take over the management or ownership of community buildings or parks, and, in the case of elected community councils, the opportunity to raise money through local taxes.

With these new powers and responsibilities come risks associated with the performance of community governance bodies – in particular, issues of public and financial accountability for decision-making and spending.

Levels of capacity within community bodies vary widely between organisations and from place-to-place, with direct implications for their ability to maintain high standards of accountability. Evidence shows that many small parish councils struggle to retain a professional clerk to administer public and financial records, and many of the smaller, non-statutory community bodies lack the capacity to comply with good governance standards.

Risks arising from issues with capacity include lack of transparency about decision-making, poor public record keeping and poor financial management. Arguably, in many cases these risks are driven by sub-standard governance procedures, rather than systematic mismanagement. However, increased powers over finances and decision-making also increase the risk of maladministration and corruption.

Democratic accountability is also an issue. Although first-tier councils are democratic bodies, a significant number of parishes do not hold contested elections, which raises questions about the legitimacy of their status as representative bodies. The problem of democratic accountability is even greater when non-statutory community bodies claim to represent local interests. Claims to legitimacy need to be carefully considered by higher authorities before new powers and responsibilities are delegated or devolved.

Performance and accountability become even more pressing issues in the context of local control over delegated or devolved community services or assets. Evidence shows that community management of local services and assets can improve standards, support innovation, and provide much-needed facilities[2]. However, there is no guarantee that community management delivers better services or well-managed assets. In both cases, specialist skills are required that may be beyond the scope of many neighbourhood bodies, including property management, financial and business planning, understanding full cost recovery, or awareness of employment legislation. Many community buildings are not viable without significant long-term investment in repairs and maintenance, and delivering local services may require capital investment. Without sustainable funding and specialist management skills, community asset management or ownership can become a liability, rather than an opportunity.

These risks could be effectively managed if clear conditions were specified for those statutory and non-statutory bodies that wish to take up new, delegated or devolved community governance powers. In this sense, increased powers for community bodies must be matched by increased responsibility and accountability to both communities and local government. Conditions should include minimum standards of democratic and public accountability, administrative and financial capabilities, and a strong emphasis on awareness of community cohesion, inclusion, and equalities legislation.

Alongside such standards, local authorities need to have: a clear policy for when and how assets and services are managed or owned by community bodies; processes for

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[2] Young Foundation, *The potential for neighbourhood involvement in the design and delivery of public services,* 2006

monitoring service standards and resident satisfaction; and a strategy for recovering services or community assets, in the event that services fail or are mismanaged.

2)   Councillor diversity

The role of ward councillors in community empowerment and localism has come under much scrutiny in recent years. The Councillors Commission Report published in 2007[3] followed a year of investigation and consultation about the future role of ward councillors, and coincided with publication of the Community Empowerment White Paper setting out a strengthened role for elected members. Among new policy was the Community Call for Action (CCfA), essentially a tool for members to tackle entrenched local problems.

However, the current population of ward councillors is largely unrepresentative of the nation as a whole, and this trend shows no sign of correcting itself without interventions from political parties and government.

Data from the 2005 Census of Councillors indicates:

- 68.4 per cent of councillors are male
- The proportion of female councillors has risen from 27.8 per cent in 1997, to 30.8 per cent in 2008, but is still disproportionately low when compared to the adult female population (52 per cent)
- The average age for a councillor is 58.8 years
- 86.8 per cent of councillors are aged 45 and over, compared to 54.4 per cent of the population
- 96.6 per cent of councillors are white, and only 3.4 per cent came from an minority ethnic background – compared to 8.4 per cent of the adult population who are from a minority ethnic background.[4]

In a report about political recruitment the Joseph Rowntree Foundation identifies three million citizens from black and minority ethnic communities have just 674 councillors to represent them[5]. There is an urgent need to address this imbalance and attract a more diverse range of people to stand as independent or local party members to represent their communities, and take full advantage of new neighbourhood governance opportunities.

The report identifies the restrictive nature of party selection procedures as a significant barrier to attracting a wider range of people to stand as councillors, in particular, the tendency for party activists to be favoured council candidates and for parties to compile candidate lists. The membership profile of the three main parties means that there is a strong gender and age bias reflected in the chosen candidates. A solution would be for parties to introduce more open and transparent recruitment and selection processes, and to make an active attempt to attract a wider pool of potential candidates, who better reflect the profile of the communities they will serve. Another factor that inhibits councillor diversity is the difficulty in recruiting working age candidates, in part driven by

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[3] Representing the future: the report of the Councillors Commission, December 2007
[4] National Foundation for Educational Research/LGA/IDeA, *National Census of Local Authority Councillors 2008.*
[5] **Joseph Rowntree Foundation,** *Political recruitment – How local parties select councillors,* **Paul Wheeler, 2006**

the practicalities of much council business being carried out during the day, but also influenced by the lack of status afforded to the role of elected members by the public and employers.   The report recommends a five-point action plan to tackle these problems.

Changes must be driven by political parties and supported by central and local government. A failure to do so will risk further alienating people from local politics and decision-making.

3)   Institutional commitment and capacity to empower communities

The third group of risks concerns the role that local government, service providers, and other institutional stakeholders will have in empowering communities and supporting community governance.

There are two issues that could inhibit the development of community governance in localities: first, a lack of political will within local authorities to devolve power to communities; second, a lack of capacity within local authorities – in terms of resources, skills and time – to make community governance a practical reality.

Lack of political support for community empowerment may arise from differing party values and policy concerning devolution, which can cause conflict between the leading party and opposition in local authorities. Or, as previously mentioned, lack of commitment can be driven by an overly cautious approach to implementing neighbourhood governance arrangements, despite outward commitments to the agenda. In both cases, the likely outcome is that devolutionary rhetoric does not translate into community engagement or neighbourhood empowerment.

The Young Foundation's ongoing research and innovation work with local authorities has identified that tension between local political parties and neighbourhood priorities is a frequent cause of conflict for elected members in their role as community champions. This is a particular problem when members advocate for local issues that challenge local party policy or strategy. It is not uncommon to hear of elected members being excluded from local decision-making as the outcome of such a challenge. As a result, it can be difficult for councillors - and sometimes for officers who challenge corporate policy – to ensure an open debate about community empowerment and neighbourhood priorities takes place.

Aversion to risk is an important issue underlying lack of political support for implementing community governance arrangements, and is likely to manifest as a tension between corporate commitments to neighbourhood empowerment and working practices across different functions and departments. Making community governance work must involve fostering creativity and innovation at the very local level. However, with innovation comes the risk of failure.   Even if the failure rate for community governance is very low, it is likely that failures - probably involving issues about misappropriation of power, poor allocation of resources, financial probity, or personal misconduct - will receive national media attention and will be the subject of public

debate. Officers with responsibility for neighbourhood working and community engagement across different service functions – many of whom will be frontline staff - will need explicit support from the corporate team and executive members to encourage and support local innovation.

Lack of capacity within local government has the potential to generate a number of problems for the success of community governance arrangements. In some communities, demand from local groups that wish to take up new powers may be considerable, creating pressures to respond quickly and effectively to these requests. Failure to do so could frustrate or block much neighbourhood action, with potentially damaging implications for the relationship between communities and local government. The creation of new or empowered community governance structures is also likely to increase the need for local government to monitor and engage with local activity, creating pressures on resources and staff time. Council officers and elected members will have a central role to play in scrutiny and oversight of neighbourhood governance. Without a strong link between local government and neighbourhood bodies, there is a danger that too much power may be delegated or devolved too quickly without adequate checks and balances being in place.

There is a need for strong incentives to encourage local government to commit fully to community empowerment and neighbourhood governance, possibly including changes to the new local government performance framework.

4) Community capacity and social capital

The risks described in the previous section are primarily concerned with structural factors that can be managed by institutionalizing the processes for risk management. Another significant group of risks is driven by social factors, which by their nature are difficult to control.

Community empowerment and neighbourhood governance are designed to increase citizen involvement in local democracy and decision-making about local public services. However, effective participation is dependent on residents and activists having the time, ability, and enthusiasm to engage, organize and scrutinize local activity. The huge variation in levels of social capital and practical skills within communities creates potential risks, both to the success of the Big Society empowerment agenda, and to individual communities. Low levels of social capital or lack of capacity within neighbourhoods are likely to limit community engagement and participation, which could lead to neighbourhood bodies being over-reliant on a few key individuals who are over-stretched or unrepresentative of the whole community.

There is also a risk that affluent communities may benefit disproportionately from new opportunities for local action because they are more able to organize, articulate their interests and raise finance locally, thereby increasing inequalities between deprived and affluent communities. However, this risk can be balanced if local government corrects for it, making a serious effort to help develop collective

voice in poorer areas and focusing investment to close gaps locally.3

Regulation and risk management – identifying gaps in the current framework

To identify where changes to the current risk management framework for community governance may be needed, these groups of risks were evaluated by assessing the roles, responsibilities, policies and practices of the main institutions concerned with regulation and risk management in first-tier authorities, non-statutory neighbourhood and community organizations, and local authorities (as indicated in Table 2 below).

Table 2: Local governance – regulation and risk management

Risks	Responsibility	Approach
Parish Councils - performance & accountability	•Audit Commission •Local authority •NALC/CALCs/IDeA	•Parish audit (financial) •Monitoring, scrutiny & oversight •Training & capacity-building
Local Authority - performance & accountability	•Local authority •GO •Local Government Ombudsmen	•Scrutiny & oversight •Monitoring & liaison •Investigation of maladministration
Local Authority – financial accountability	•Audit Commission	•Best value
LSP accountability	•Local authority •GOs •LSPs	•Scrutiny & Oversight •Self assessment •Accreditation assessment (only NRF areas)
Local authorities/public agencies – Maladministration/fraud	•Local authority •Local Government Ombudsmen	•Scrutiny & oversight •Parish audits •Investigations/Judicial Review
Excluded communities/discrimination	•Local authority •CENs (where applicable) •Local race equality councils (where applicable)	•Monitoring & oversight •Monitoring & oversight •Monitoring & enforcement
Institutional capacity	•Local authority •Audit Commission •LGA/IDeA	•Monitoring, policy & training
Neighbourhood capacity	•DCLG/Home Office •Local authority •CENs •VCOs	•Monitoring, policy & funding •Support, funding & development •Funding & development •Funding, development & training
Neighbourhood conflict	•Local authority •CENs •CRE & local race equality councils •Police authorities	•Monitoring & oversight •Monitoring & oversight •Monitoring & oversight

Unsurprisingly, the current framework focuses primarily on the performance and accountability of local government and the conduct of elected members. The current framework combines regulation, self-regulation, monitoring, scrutiny and oversight, and capacity building, as tools to manage risk. The Best Value Duty, Government Office assessments and Local Government Ombudsmen investigations are some of the primary tools for enforcing, regulating and monitoring performance standards in local government, and addressing complaints about misconduct or maladministration. Past tools include the Audit Commission's Comprehensive Area Assessments, and the Standards Board Code of Conduct for elected members - both abolished in 2010 by the Coalition Government, the latter due to the forthcoming Decentralisation and Localism

Bill. In addition to these regulatory tools, many risks associated with institutional performance are managed through a system of checks and balances, involving monitoring, self-assessment, oversight and scrutiny functions undertaken by a range of different committees within local government and other public agencies.

By comparison, there are currently fewer nationally-determined processes in place to manage risks associated with community-level governance bodies.   The critical weaknesses or gaps in the current framework can be summarized as follows:

- **Limited measures to ensure consistent performance across first-tier authorities**
  - A limited quality framework for these bodies with low levels of compliance, and tests that are felt by local authorities to be inadequate indicators of capacity
- **No nationally recognized framework to ensure that non-statutory community bodies meet minimum standards of good governance, performance or public accountability**
  - In particular, few obligations or responsibilities for many non-statutory neighbourhood bodies to comply with equalities legislation, or to address issues concerning inclusion or community cohesion
- **Few measures in place to manage risks arising from "soft issues", such as lack of capacity in community bodies, local authorities, other public agencies, or communities.**

a)   Parish and community Councils

Light-touch regulation, scrutiny, and monitoring are the primary tools currently employed for managing the risks associated with parish and town councils, which have a limited range of duties pertinent to the risks identified in the previous section. These include compliance with equalities legislation, financial regulation by the Audit Commission, and adherence to the Standards Board Code of Conduct for parish councillors. Parish councils are democratically and publicly accountable to local residents, therefore decisions about fundraising, spending and local services are dependent on voter support. However, beyond these measures there are few processes in place to manage the risks that accompany stronger community governance – in particular, issues around inclusivity, community cohesion and performance.

There is enormous variation in the scale and capacity of England's 10,500 parish councils.   Some serve communities numbering tens of thousands, but many have populations of less than 5,000. While the larger town councils may manage budgets of over £1 million, the majority of parish councils raise a small precept, and some no precept at all. A significant number are already delivering a wide range of community services, and are keen to take up new delegated or devolved powers, however, there is considerable evidence to suggest that many parish councils feel they lack the skills, administrative capabilities, resources and confidence to take on increased responsibilities for community governance, or the management of a wider range of very local services. In many cases, this is because councils serving small populations are reluctant, or unable, to raise a precept to fund a professional clerk or administrative staff. Recent

research by LGiU identifies that qualified clerks are felt by parish councils to be essential if they are to develop, professionalise, and improve their performance. A large number of councils employ a part-time clerk for as little as 2.5 hours a week and many are volunteers[6].

A clear framework of standards is required to distinguish between those councils with the capacity to take on an enhanced community governance role, and those without. At present the Quality Parish scheme fulfills this purpose. It promotes minimum democratic and administrative standards, which require that parishes hold contested elections and retain a professional clerk. Quality Status is principally used to qualify parish councils for an enhanced role in delivering delegated local government services, but also as a condition for new powers such as the issuing of fixed penalty notices. However, only 5.4 per cent of parish councils currently have Quality Parish status.[7]

Critics of the scheme claim that low levels of interest are due to insufficient incentives for parish councils, with research suggesting that compliance has not significantly improved relationships between parishes and principal authorities, nor has it increased the influence of parish councils over services. Other criticisms of the scheme are more significant in the context of new neighbourhood governance arrangements and risk management. Both parish councils and principal authorities have raised concerns about the relevance of the current Quality Status tests as an indication of good governance or performance standards. Local authorities feel that the standard does not provide adequate assurance that parish councils have the appropriate skills or capacity to take on new devolved responsibilities, in particular, controlling community services or playing an enhanced advocacy role. This suggests that a more relevant framework is needed to reassure local authorities and residents that empowered neighbourhood councils can meet the standards that an enhanced governance role will require.

After a review of the Quality Parish scheme by Defra in 2006, an amended scheme came into effect from June 2008 to reflect the increased professionalism of councils. A range of tests have been developed to guarantee improved governance standards, including: democratic, public, and financial accountability; administrative competence; awareness and understanding of the practical implications of equalities legislation – in particular, issues concerning inclusiveness and community cohesion.[8]

b)   Non-statutory community bodies

Many communities do not currently have a parish council, and may not want to have an elected community council in the future. But within communities there is already a wide variety of non-statutory bodies whose aims include articulating local voice and priorities, and contributing to well-being through community action. These bodies include neighbourhood associations or forums, community partnerships, development trusts, community anchors, or regeneration bodies (such as NDCs projects).

The different natures and characteristics of these non-statutory community bodies can make it difficult for citizens to understand their roles, and for local authorities and

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[6] LGiU, *The Potential of Parish and Town Councils to Support Neighbourhood Arrangements*, November 2005

[7] NALC QPS, April 2010

[8] Quality Parish Council, *A Guide to Becoming a Quality Council*, Second edition 2008

service providers to understand who these bodies represent, or how they are accountable to communities. This has emerged as a strong theme from the Young Foundation's ongoing local work with different authorities.

In this context we feel it is important those non-statutory bodies that claim to represent communities, and in this role wish to take up new delegated or devolved community governance powers on behalf of a specific community, have a clearly defined status in order to differentiate them from other voluntary and community organisations operating in communities.

We propose a "recognised community body" status is developed, to enable local authorities to more easily identify organisations with a legitimate mandate to represent community interests[9]. Recognised status should be an optional framework, designed to provide clarity, reassurance, and a minimal level of consistency for residents, communities, local government and service providers. Recognised status would confer on community bodies a clear set of basic rights, powers and responsibilities, enabling them to take on delegated or devolved community governance functions, such as formally representing the views and interests of a community, neighbourhood or estate to a local authority, or controlling decision-making about devolved budgets and devolved services. So, if a community body wanted to run a community nursery or take over a community asset, then recognised status would not be necessary. But for those organisations wishing to control a devolved highways budget, then recognised status would be required.

It is important to distinguish these devolved governance functions - which are about community representation and control of resources - from other functions of community empowerment, such as community asset transfer, or the delivery of services commissioned by local authorities. Community empowerment functions should not be restricted to representative or recognised neighbourhood bodies, but should be open to all community organisations with the appetite and capacity to take them on.

Clearly, the idea of representative community bodies that are non-governmental is complex and contested. It is a challenging process to reflect the multiple voices in a community, and the legitimacy of many voluntary and community sector organisations is based on the active participation of their members and users, which provides a strong foundation for local voice and action, even if it does not make them fully representative. Despite these complexities, the underlying objective behind developing a recognised status for community bodies is to create spaces for new forms of legitimate local representation.

We recommend that six principles – identified through our research – should be used to determine whether bodies other than first-tier councils have a legitimate claim to speak for their neighbourhood, and therefore to be given recognised status:

- There should be a community majority on the board
- The body should win a community mandate, indicated through support through a petition and public meeting, open to challenge

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[9] This proposal is discussed in more detail in the Young Foundation's paper *Local Democracy and Neighbourhood Governance,* 2006

- The main purposes of the body should include articulating collective voice and promoting local well-being for the community, neighbourhood or estate
- It should have a recognised community focus, identifying boundaries based on the local map of neighbourhoods and natural communities
- The body should operate according to minimum good governance standards, including transparent decision-making, public accountability, financial openness, public participation, inclusion and awareness of equalities legislation
- The body should engage constructively with local government, service providers, and the wider area as appropriate, while being clearly autonomous from public authorities

We feel it would be helpful to have a set of basic conditions and requirements for "recognised community body" status that are agreed nationally by local government, in consultation with LGA and third sector partners, but can be adapted to local circumstance, and open to change over time. These could build on the voluntary codes of good governance and good practice that already exist within the community sector, and are discussed in more detail in the next section. An alternative would be for local authorities to develop their own conditions and requirements for neighbourhood governance in partnership with local community groups, or to adopt an existing voluntary code such as Community Matters VISIBLE standard.

c)   "Non-representative" community bodies

As previously discussed, it is important to distinguish between community bodies that claim to be representative of a community, and those voluntary and community organisations with a service or advocacy focus, who do not claim to be representative. These "non-representative" bodies should be able to act as channels of voice and advocacy on behalf of communities of interest, identity or place, to manage assets, and to deliver community services, without requiring recognised status.

Some of these bodies will be registered charities, companies limited by guarantee, or industrial and provident societies, and therefore subject to regulation. For example, of the UK's 450 existing and emerging development trusts, the majority are either limited companies or registered charities, or both. A relatively small number are unincorporated because they are recent start-ups[10]. However, a significant number of the smaller, locally-based voluntary and community organisations are unconstituted bodies, operating beyond the reach of the Charity Commission or other regulators. Many of these organisations have limited performance or governance standards in place, and no obligations to comply with equalities or employment legislation.

We believe there is an argument for improving minimum standards of governance and accountability for both statutory and non-statutory community organisations. There is strong support in the voluntary and community sector for promoting good governance practices in organisations of all sizes, especially at community level, and in particular, targeting those groups that wish to control public resources, or that receive public funding. Improving governance standards is seen as a means to strengthen the credibility and confidence of local community organisations, along with their ability to

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[10] Development Trusts Association, 2010

respond positively to the neighbourhood empowerment agenda. Interviews with local voluntary and community groups, and partners in the Community Alliance, identified the following priorities for improvement: financial accountability, trustee recruitment procedures, awareness of trustee responsibilities, and understanding of procurement, employment and equalities legislation.

A number of high profile sector initiatives have been established with central government backing, to raise awareness of governance and to promote good practice. These programmes provide a strong foundation for improving performance in the voluntary and community sector, and managing risk, although more work is needed.

Community Alliance has an ambitious programme underway to support community organizations to strengthen the practice and quality framework within which they operate, and to develop in to community anchors. This involves work on community asset development, helping emerging organizations to develop enterprise skills, quality and impact systems tailored for different parts of the sector, and practitioner knowledge sharing, as well as further work around organizational risk management, financial management, and leadership skills.

The ChangeUp Governance Hub developed a Code of Good Governance in 2005 – in partnership with the Charity Commission and voluntary sector partners – which is aimed at trustees and staff involved in the governance of voluntary and community groups of all sizes. Anecdotal evidence from the Governance Hub suggests it was well received by community groups. Over 140,000 copies were distributed, reaching all registered charities, and in 2007 88% of those questioned were aware of the Code, with approximately half that number implementing it.[11] However, it has proved challenging to reach smaller organisations operating at neighbourhood level. Time pressures, lack of capacity, and insufficient support for implementation, are felt to be some of the obstacles preventing smaller organisations from adopting the Code, despite the fact these are the bodies that would most benefit from the guidance. A special edition of the Code is available, called Learning to Fly, and is targeted at smaller community organisations. A review of the Code was produced in 2007, and an updated version of the Code including the revised principles will be released in 2010.

Community Matters' VISIBLE standard has been more successful in reaching smaller organisations. The voluntary standard has been designed to enable community organisations to demonstrate compliance with good practice and to promote their status as a local anchor organization. The standard takes account of the community anchor model outlined in Firm Foundations and is based on self-assessment of good practice indicators against this model. The national VISIBLE standard has been endorsed by the LGA, Charity Commission and The Active Communities Unit at the Home Office, and accreditation were launched as the VISIBLE Communities™ programme in January 2009.

While there is widespread support across the sector for neighbourhood organizations to adopt voluntary governance standards, there is resistance to the idea of greater regulation or a single recognized standard that is enforced by local government. Primarily, this is because smaller community organisations are felt to be the bodies that would benefit most from sharing good practice, yet they are also the bodies that would

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[11] *Review and development of the Code of Good Governance*, nfpSynergy June 2008

struggle most to comply with enforced codes or standards. Voluntary governance standards provide exemplars and inspiration for organisations that are in different stages of development and facing a variety of challenges.

We feel that voluntary good governance codes and performance frameworks provide a solid base for improving quality standards in the voluntary and community sector. Both the sector and local government have a role to play in encouraging widespread adoption of voluntary standards. However, where local bodies aspire to play a representative neighbourhood governance role, they should have clearly defined responsibilities to match their devolved powers, based on a clear mandate from the community they represent, and compliance with minimum governance standards. We believe "recognised community body" status will fulfill these requirements.

d)   The role for local government

Local government has a central role to play in managing the risks of neighbourhood empowerment and governance. A strong centre is important in order to take a strategic view of neighbourhood activity and to promote community well-being in the broadest sense. Local authorities will be required to broker the conflicts and competing demands that will arise from a growing number of empowered neighbourhood bodies – including the redistribution of resources to balance inequalities – and to ensure that checks and balances are in place that will support empowerment and innovation, but at the same time limit the risk of negative externalities arising from local action. Ward councillors will have a key role to play in neighbourhoods to ensure that multiple local voices are heard, in particular, to engage with minority groups and to ensure that their needs are balanced against the louder voices of majority or dominant interests.

Local authorities should have a clear mandate to: set out an offer of powers, rights and responsibilities to statutory and non-statutory community bodies, to determine the requirements and conditions for empowerment (reflecting local circumstances), and have the right to intervene where necessary to protect local communities – in particular in the context of community cohesion, service standards and public goods.

The importance of a strong centre can be seen from Tower Hamlets' experience of neighbourhood devolution in the 1980s. The authority's councillor-led devolution model placed significant power in the hands of small groups of elected members without a balance being struck with the needs of the wider area. A lack of alternative power-bases locally, and a weak administrative centre, meant there were insufficient checks and balances on neighbourhood autonomy[12]. Neighbourhood issues became highly politicized, with some conflicts caused by neighbourhoods having too much control over strategic services that should require central management and oversight, such as allocation of social housing.

However, for many local authorities the community empowerment agenda will require a fundamental shift in organizational focus, in working practices, and in relationships with communities. This will require strong leadership and a long-term commitment to change from local authorities. Only then will community engagement and empowerment

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[12] Burns, Hambleton, Hoggett, 1994

become a core philosophy for local government, and not an optional extra that can be cut back when budgets come under pressure. Recent data from the neighbourhood management pathfinders presents a compelling value case for local authorities to prioritise this kind of use of their resources.

At present there is little emphasis placed on managing the risks around "soft issues" such as institutional culture or willingness to engage with neighbourhoods. The inclusion of mandatory indicators of community involvement in the Safer and Stronger Communities block of the Local Area Agreement reinforces the importance of engagement. But this is only in the context of local liveability issues. Further steps will be needed to help local authorities embed engagement and empowerment across all functions and services areas.

Concerns emerged from interviews with local authorities about the practicality of achieving such a significant change in corporate focus and culture in the current climate of financial pressures and top-down targets that focus on hard service outcomes. A key challenge is to change the way that "soft assets" such as community empowerment, social capital and community cohesion are perceived and valued by central and local government. It would be undesirable and impractical to try and measure soft assets with hard indicators, but more work is needed to understand how soft assets can be developed to change the outcome of local interventions, in the same way that physical assets can be regenerated. Changes are also needed to improve the status of community empowerment work within local government.

There is a significant risk that lack of capacity, fear of change and the need for widespread organizational development, will create political and corporate obstacles to the neighbourhood empowerment agenda. There is a danger that local authorities will be inclined simply to work through their own top-down structures such as area committees or mini-LSPs.

The Duty to Involve introduced in 2008 places a legal obligation on local authorities and other best value agencies to inform, consult and involve communities and service users in local decision making. This is a significant step forward in creating opportunities for all communities to have a role in important local decisions. A large number of local authorities are already excelling in this area, while others are still working out what the Duty to Involve means in practical terms.

4   Scope and impact of risks of community governance

Analysis has revealed that the likelihood of risks such as extremism, capture and corruption arising, along with their impact, are heavily determined by the relative strength or weakness of neighbourhood organisations in relation to institutional stakeholders – specifically local authorities, service providers, the LSP and elected members.

Risks and problems are most likely to occur where there is a significant imbalance in power relations or capacity between different stakeholders. Such an imbalance inhibits their ability to negotiate conflicts and difference, to work together effectively, and to manage risk.   Many of the risks previously identified need a preventative risk management framework in place, which combines improved performance standards with monitoring, oversight and scrutiny. Increasing the level of monitoring and scrutiny will need to be underpinned by increased capacity – understood as time, resources and specialist skills – in local government and community bodies.

In the context of community empowerment, lack of capacity can lead to a negative cycle of behaviour. Common problems include: limited financial or human resources, which leave neighbourhood bodies, community activists, elected members, and council officers, over-stretched and unable to be responsive to local needs; worse, lack of capacity means local authorities are unable to put adequate checks and balances in place to manage risk. Lack of capacity can manifest as lack of practical skills such as negotiation or communication (which are essential for partnership working), or lack of specialist skills (in particular in community organizations) such as financial planning, understanding governance or asset management.

Community engagement and empowerment often require a fundamental shift in perspective and a significant change in working practices for local authorities and service providers. Stakeholders need to have confidence in potential partners to take these risks. Concerns about lack of capacity will inhibit innovation and experimentation, which in turn can cause obstacles, frustration, or compound the sense of disempowerment and disengagement felt by communities. Interviews with voluntary and community groups identified that often less senior council officers are most likely to be concerned about local risk taking, even in local authorities where there is a strong commitment to community empowerment. Progressive policies often do not filter all the way through authorities because new working practices are not truly embedded throughout the organization, and not reflected in the training and support that frontline officers receive, and in their incentive framework.

There is overwhelming agreement among the officers, elected members, practitioners and policymakers interviewed for this paper, that lack of capacity presents a significant threat to the viability of the neighbourhood empowerment agenda. And, it needs to be recognized that lack of capacity is a structural issue in neighbourhoods.

There is a tendency for debates about capacity building to focus on developing the skills of residents and community activists to engage in participation and local decision-making.   However, it is clear that institutional stakeholders need to develop their organizational capacity to engage and empower neighbourhoods, and to support strong community governance structures.   This will require a combination of organisational development, support, and capacity building for key personnel.   This learning is reinforced by the Young Foundation's ongoing work with local authorities, which has identified the importance to the overall success of neighbourhood working, of nurturing and supporting individuals who play a key role in communities, in particular, council officers, councillors and community activists.

A key challenge will be addressing the powerful myths and stereotypes that dominate working relationships between local authorities and communities and present very real obstacles to progress. Overcoming these will require strong leadership from local government and a genuine commitment to devolve power to communities, which can be demonstrated through a change in working practices. This will need to be matched by a willingness in communities and the third sector to work in a new way with local authorities.   Voluntary and community sector organisations interviewed by the Young Foundation felt that deeply entrenched attitudes within the sector about working with local authorities had to be dispelled.   Some progress is being made through practical approaches to development that brings different stakeholders together to tackle the difficulties of partnership working. Work shadowing, mentoring, and job swap initiatives between local government, LSPs, elected members and community organizations, are practical and relatively low-cost ways to improve understanding and skills.

Structural capacity building needs to be viewed as a long-term process – with the emphasis on shared learning – not just as a time-limited exercise to acquire specific technical or practical skills. The Communities and Local Government White Paper 2006 identified the increased role of local communities in the planning and delivery of local services. This was confirmed by the suggestions of the Lyons Review, also 2006, that Local Authorities become 'place shapers' by taking on an enhanced role in the strategic coordination and leadership of local partners[13]. Changes at this level will create capacity building pressures around work in community leadership; developing member and officer capacity to work at neighbourhood level; and improving service delivery outcomes through locality-based partnerships[14]. The Improvement and Development Agency has identified that joint support and training for all stakeholders in localised governance arrangements would help to clarify different roles and responsibilities[15].

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[13] CLG, *National Evaluation of Capacity Building Programme for Local Government*, April 2008
[14] LGA, *Improvement Support,* Improvement Board Notes 21 March 2006
[15] IDeA, *The neighbourhood agenda and the role of the elected member,* Jane Foot and Ines Newman, 2006

5   Capacity building to manage risk

All the individuals interviewed for this paper agreed that elected members, voluntary and community organisations, parish councils, LSPs and local authorities, should be the priorities for a programme of structural capacity building, and this should take place alongside co-ordinated programmes of community development, designed to help activists and residents to participate in community governance.

The following broad areas for improvement and development were identified for each stakeholder group, although it is recognised that capacity will need to be developed in the context of local circumstances.

a)   Frontline Councillors

The Local Government and Public Involvement in Health Act (2007) strengthened the role for ward councillors will have a central role in community empowerment and governance, introducing new tools like the Community Call for Action.

The Young Foundation's research and wider work by LGiU and the Councillors Commission found that ward councillors are well placed to take on a broader role, and many would welcome the opportunity to address the sense of disempowerment they feel as backbench members by taking on new responsibilities for community engagement.

However, there are risks associated with placing too much emphasis on the role of ward councillors in new neighbourhood governance arrangements.   Research consistently shows that many ward councillors feel overburdened by their current roles and do not receive adequate support or training to fulfil their responsibilities. New powers for neighbourhoods will only add to the complexity and significance of their role, and some tasks, like brokering charters and agreements or community calls for action, may require specific training.

New community empowerment and governance arrangements will demand a lot of ward councillors, who may be called on to: become more active community leaders, to lead on participatory planning processes, to scrutinise new neighbourhood governance arrangements, and, possibly to help negotiate the devolution of services to community groups or to oversee the transfer of assets.

Overburdened or under-performing councillors can undermine attempts to empower neighbourhoods if they do not have the right skills and support to respond effectively to local demands – blocking local action, leading to frustration, lack of trust and poor relationships.

The Young Foundation's work with non-executive elected members in Lewisham (January 2006) identified lack of capacity and lack of clarity about councillors' roles, as issues underpinning long-term problems in councillors relationships with community

activists in one part of the borough. Elected members identified a number of capacity building and training problems that they felt had a direct impact on their ability to work effectively with communities. These were: lack of clarity about their role, in particular, the extent of their influence and their ability to respond to issues raised by the community, lack of interpersonal skills such as communication and negotiation, and lack of practical skills such as organising local meetings; insufficient information about good practice that could help with their own personal development, and conflict between the demands of their role as party members and community advocates.

These findings are consistent with other research (IDeA 2006, IDeA/LGiU 2005, JRF/LGiU 2005, Taylor 2005) that calls for investment and support for ward councillors if they are to fulfil the potential of their role and meet the challenges of neighbourhood governance.

Interviews with elected members identified that capacity building and training should combine the following elements:

- Improved induction programmes for new members with much greater clarity about the role ward councillors should play in community leadership and engagement – including: the development of job descriptions for elected members that indicate the key tasks they should undertake; details about the information they will have to act on; information about how their success will be judged; and what support is available to enable them to fulfil this role.
- Cross-party consensus on the role of ward councillors as community champions, and a commitment from parties to support elected members in focusing on local issues rather than national policy themes.
- Personalised training and capacity building programmes that focus on individual development needs, and reflect the challenges of working in different local contexts.
- Support for councillors who are working in neighbourhoods where diversity and community cohesion are concerns, including practical training, and help to develop their understanding of equalities issues and their implications for neighbourhood governance – especially in very diverse areas or communities with racial and social tensions.

Newham has taken a personalized approach to training and capacity building with its Influential Councillor Scheme, launched by the Mayor in 2005, to recognise the role of elected members as community leaders. The scheme has been designed to improve relationships between members and service managers by nominating senior officers to champion the role of ward councillors, and places members the heart of local consultation processes. Members are also given officer support to produce individual action plans to identify where they need resources or assistance, and personal development plans to identify areas where they need training or skill development to work more effectively in their communities.

b)   Community and Parish Council

There is an identified need to build the capacity of parish councils to enable them to develop their ability to work more effectively with local authorities. As mentioned

previously, a robust quality framework is needed to reassure local government and residents that neighbourhood, community and parish councils have the administrative capacity and appropriate skills to deliver, commission or influence local public services.

LGiU identifies that qualified clerks are felt by parish councils to be essential if they are to progress, but few councils employ a professional clerk, and many are volunteers. Time pressures prevent clerks from attaining the Certificate in Local Council Administration (CILCA), which is an obstacle to achieving Quality Status. Time pressures also limit the take-up of councillor training programmes. LGiU's research identifies the need for training in member roles – in particular the role of the chair – and for greater emphasis on training in employment law. The Young Foundation's work in Wiltshire has identified a need for more training for parish councillors and clerks around community cohesion and the practical implications of equalities legislation.

The challenge will be to convince parish councillors and clerks of the benefits of investing in training and development. It is partly for this reason that we have proposed the joint working group involving the LGA, to examine what kind of standards framework might be necessary to make greater delegation possible, because more delegation of powers, budgets, influence and services are the main demands of first-tier councils. In the process, innovative shared services models – horizontally among parishes, or with higher-tier authorities – can be explored.

c)   The voluntary and community sector

Both local authorities and the voluntary and community sector see lack of capacity as a significant threat to the viability of proposals to give communities more power. The feeling is that "nothing like enough is happening at the community level" to build capacity in order to make the neighbourhoods agenda work. A capacity building programme is needed to support neighbourhood organisations to prepare for the new opportunities and challenges they will need to face. However, it is felt to be important that resources for capacity building are not simply linked to contract funding or related to the hard skills of service delivery.

There is a feeling that the current policy environment favours larger voluntary and community organisations that are able to deliver services, and therefore secure contract funding. A long-term shift away from grant funding to service-linked contract funding has created an unstable financial situation for organisations that do not deliver services, and a decline in the sector's independence and advocacy role. As a result, these core skills are felt to be "woefully lacking" because grant funding is in short supply.

Interviews with local voluntary and community groups and partners in the Community Alliance identified four priority areas for neighbourhood-level capacity building:

- Advocacy skills – in particular, evidence gathering, policy formulation and shaping, lobbying, campaigning, including training about how local government and public agencies are structured and how the sector can engage with them more effectively.

- Brokering and partnership working skills – how to build relationships, negotiate and work in partnership with different, potentially much more powerful stakeholders.
- Technical skills that would help voluntary and community organisations to become more financially stable, such as financial planning, management and investment, trading, managing assets, and risk assessments.
- Governance and awareness of the importance of good governance procedures in particular, financial accountability, recruiting trustees, trustee responsibilities, procurement and employment and equalities legislation.

d) Local Strategic Partnerships

In principle, LSPs provide an efficient way to bring service providers and public authorities together to work with neighbourhoods to agree on service priorities and quality-of-life issues. However, when LSPs are weak they create a number of problems for neighbourhood working. These include issues around inclusiveness, accountability, lack of scrutiny, and unclear complaints procedures, which mean that LSPs have the potential to block local voice and action. Given the prominent role LSPs play in the government's emerging plans for empowering neighbourhoods, work needs to be done to improve the performance of weak LSPs and to address problems of inclusivity and accountability across the board.

Problems with LSP consistency in standards and accountability are in part due to the nature of partnership working. To be effective, partnerships require strong leadership, good corporate governance, and a shared purpose. Yet the majority of LSPs are unconstituted partnerships comprising agencies with different agendas, capacities and expectations. Those agendas often meet only at the margin, rather than in areas where joined-up working could have a more transformative effect. In LSPs where leadership is weak, there is a risk that the relative informality of partnership working could dilute both individual accountability and the overall accountability of the partnership.

It may be that there should be stronger guidance on the corporate governance of LSPs and greater assessment, oversight, and democratic scrutiny processes for LSPs. Local authorities and other public bodies already play a significant role in monitoring LSP actions through scrutiny committees, and in NRF areas, through the LSP accreditation process and Government Office assessments. It could be valuable if the level of scrutiny directed at LSPs in deprived communities could be extended to other areas across the country, provided that was done in a light-touch way, and if the current focus of performance frameworks on LSPs could be continued in future years.

Guidance about LSP governance could also provide clarity about LSP accountability, including direction on areas other than financial accountability. It is acknowledged that some LSPs have struggled to engage with the organised voluntary and community sector in their neighbourhoods. While the VCS is seldom representative of whole communities, the definition of LSP accountability could be broadened to include, for example, the responsibility to engage all sectors of the community effectively, including neighbourhoods, and be more transparent about decision-making processes. These areas of good practice could be reflected within the performance framework and inspection guidelines, and included in GO assessments.

The LSP accreditation process still presents some problems. The emphasis on self-assessment is an obstacle for the bottom-up voicing of concerns about representation or performance, by councillors as much as by the VCS. Government Offices play a balancing role here by gathering opinions from stakeholders outside LSPs; however, this does not provide a route to address a persistent problem or conflict between a part of the community and an LSP.

There is a lack of clarity about formal complaints procedures about LSPs and seemingly no mechanism to enable excluded groups to engage in dialogue with the LSPs. One option would be to consider a role for mediation agencies in situations where there is a long-running problem between LSPs and VCOs. Mediation services could perhaps be delivered by independent mediators, possibly funded from Government Offices, through the ChangeUp infrastructure, managed by Capacitybuilders since 2006, or in other situations by franchising the service to other community umbrella organisations. The aim would be to provide a mechanism for groups who feel under-represented or are involved in significant conflicts to engage LSPs in constructive dialogue.

LSPs need to be encouraged to build their capacity for partnership working, with particular emphasis on encouraging greater accountability through good governance of LSPs and providing opportunities for greater public scrutiny of LSP performance.

e)   Local authorities

Building the capacity of local authorities to play a strategic role in community leadership and empowerment underpins all of the issues discussed in the previous pages, and possibly is the single most important element of a structural capacity building programme. Local government needs the capacity to provide strategic direction and oversight, support the development of other stakeholders, to establish strong community governance, promote well-being and community cohesion, and establish the appropriate checks and balances for managing the risks of community governance.

Local authorities face the same challenges as other stakeholders: a huge variation in skills and capacity across different service functions and geographical areas different starting points for awareness and understanding of community engagement, lack of resources and financial pressures, and the need to operate in a culture of centralised and service-focused targets. However, there is a clear and direct benefit to building local authority capacity to engage with communities more effectively, in terms of improved service outcomes, stronger community engagement, and greater resident satisfaction.

6   A risk management framework for community governance

Undeniably, these are significant risks associated with community empowerment and strengthened community governance. However, many of these threats are not new. Local authorities, communities and other agencies and institutions, are already managing issues concerning the legitimacy of neighbourhood bodies who claim to represent local views, inequalities between localities, and issues with community cohesion and political or religious extremism, that threaten to undermine relationships within communities.

New powers for communities may increase the likelihood of these issues arising, but we conclude that these risks can be effectively managed if the right framework is applied. Most of the elements required for a robust risk management framework already exist. Moving forward, they need to be strengthened, not recreated.

The key elements in a risk management framework for empowered communities are:

1. **Clearly delegated responsibilities for statutory and non-statutory community bodies who wish take up delegated powers, including:**
   - For community councils wishing to take on an enhanced governance role, these responsibilities should include compliance with a reformed Quality Status framework (with stronger democratic and administrative tests, and a strong emphasis on inclusion, community cohesion, and understanding the practical implications of equalities legislation)
   - For non-statutory community bodies that wish to claim a representative role in communities, these responsibilities should include compliance with a new, "recognised community body" status, which gives a clear mandate for local action and guarantees minimum standards of governance and public accountability
   - Promotion of voluntary good governance standards for non-statutory community bodies that are not claiming a representative role, but wish to control public resources or assets

2. **A strategic role for local authorities to manage the risks of community governance, including a clear mandate for local authorities to:**
   - Determine their "offer to communities", which sets out the basic rights and powers community governance bodies may take up, and the conditions and responsibilities they must meet
   - Intervene where necessary to protect local communities – in particular in the context of community cohesion, service standards and public goods

3. **Stronger guidance for local authorities about how to interpret the Duty to Involve:**
   - Help for local authorities to understand what minimum standards, good practice and innovation look like for informing, consulting and involving communities

4. **A programme of structural capacity building for local government and other stakeholders in the community empowerment agenda**
   - To minimise the risks of: ineffective neighbourhood working, poor community engagement, or inadequate checks and balances being placed on empowered communities

5. **Recruiting a more diverse population of elected members**
   - Efforts to encourage people from a cross-section of society to participate in community activism and local politics, including measures to recruit a more diverse population of ward councillors, who are more representative of the nation as a whole. This should include more people of working age, more women, and more candidates from different social and ethnic groups

6. **Accepting that innovation involves risk**
   - Critically, community empowerment and engagement are flexible and dynamic concepts, which will require space for innovation and experimentation. Central and local government and communities will need to accept a degree of failure is inevitable, and failures will provide opportunities for learning and improvement

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About this paper

This paper was first published by the Young Foundation in 2006 as part of the Transforming Neighbourhoods programme. It has been updated and revised for publication in 2010.

Transforming Neighbourhoods was a research and innovation consortium on neighbourhood governance and empowerment that ran from 2006 to 2008. It brought together government departments, community and research organisations. Partners included the Department for Communities and Local Government, the Home Office, the Joseph Rowntree Foundation, CABE, The Community Alliance and 15 local authorities including Birmingham, Camden, Haringey, Knowsley, Lewisham, Liverpool, Newham, Sheffield, Staffordshire, Suffolk, Surrey, Tower Hamlets, Wakefield, Waltham Forest and Wiltshire.

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