findings

The impact of local government reorganisation on social services work

Despite being largely overlooked during the period of the recent reviews of local government in Scotland, England and Wales, social services work has been substantially affected by the new patterns of local government emerging from the reform. Research projects undertaken from the Universities of Lincolnshire and Humberside, and Hull, found:

- *f* There is little evidence that local government reorganisation will lead directly to financial savings.

- *f* The main costs for *local authority social services* lie in a loss of political and officer experience, and in further financial pressures.

- *f* The main potential benefits for local authority social services arise from greater 'localness', and from the opportunity to review service arrangements.

- *f* *Voluntary organisations* experienced a parallel and highly disruptive process of change but usually without funding for the costs of transition.

- *f* *Health authorities,* local authorities and voluntary organisations all experienced difficulties in changing partnership arrangements.

- *f* Transitions were generally 'seamless' for *carers and users:* but many were anxious and confused about the process of change.

The policy context

Local government reorganisation affected almost all of Scotland and Wales and a significant minority of English local authorities, during 1995-1998. However, consultative and policy documents leading up to re-organisation barely touched on the potential impact on social services (including the work of social services departments, voluntary agencies and other key partners such as Health Authorities/Boards).

In England, 46 English unitary authorities were created, leaving behind them 23 smaller 'hybrid' counties operating within a two-tier structure. Four counties were abolished entirely, replaced by 18 unitaries in all. Some authorities remained entirely unchanged with two-tier local government arrangements; and some new largely rural unitaries were created.

In Scotland and Wales, tight government control exercised over reform led to country-wide systems of unitary authorities, 32 in Scotland (including the three unchanged Islands Councils) and 22 in Wales, only Powys Council remaining with unchanged boundaries. Although earlier research suggested that the optimum range for new authorities might be around 100,000-150,000, many unitaries were much smaller than this. The overall effect has been to triple the number of local authorities responsible for social services provision in areas where reorganisation occurred.

The overall impact on those involved

The process of reorganisation was a bruising one for virtually every party closely concerned with it. More than half the local authorities surveyed reported declining staff morale, accentuated by the prospect of a severe budgetary crisis, alongside perceptions of continuing increases in the levels of service demand. Some authorities, particularly those reorganising in second or later phases, appeared to have benefited from longer run-in periods. For many of the earlier authorities, personnel processes were 'an utter nightmare' (according to one personnel officer) and one-off counselling services were widely used to support anxious staff. Many took the opportunity to leave: in one authority 40 per cent of the workforce responded to a general enquiry for expressions of interest in early retirement. One early estimate suggested that almost 7,000 local government posts were lost in the 1996 round and several thousand further jobs were thought to have been lost in the following year.

Local authorities

Although the experience of local authorities differed, depending on local political priorities and reflecting local patterns of 'winners' and 'losers', key themes emerge.

Harsh legacies

- *Inter-agency working:* In Scotland, Wales and England, NHS reorganisations over the same period as local government reorganisation resulted in local authorities and Health Authorities/Boards no longer working within the same boundaries. Some local authorities found they were one of as many as six local authorities working to a single Health Authority/Board. The extra time taken in negotiating new structures and ongoing policy discussions was considerable. Respondents felt that the Health Authority's agenda was now likely to be much more dominant in joint care planning policy. Relationships with other agencies, particularly the voluntary and independent sector, had to be reconstituted.

- *Financial crisis:* Most local authorities were smaller than their predecessors and commented on the loss of economies of scale, particularly for key central functions such as IT, personnel and training. Some found it impossible to maintain certain forms of provision. For certain authorities, the perceived inequities of the disaggregation process led to wide disparities between predicted resource needs and the level of funding provided through government grant.

- *Loss of expertise:* Member and officer experience was considerably diluted. Many key officers and senior experienced politicians ended their local government careers at reorganisation. The distribution of senior officers and of politicians with experience of social services was haphazard, depending on the attractiveness of job offers or the vagaries of electoral boundaries. Some authorities lost very heavily, emerging with no politicians with previous social services experience. Many authorities found it more difficult to manage social services with committees dominated by politicians whose previous experience had been with district councils.

- *Refocusing service provision:* The disaggregation of social services work into several authorities led to unevenness in service provision. The disaggregation of historically determined distributions of services in 'ancestor authorities' left some 'descendent' authorities relatively heavily over-provided, others under-provided. The smallness of new local authorities revealed new gaps in service provision. The effect of these imbalances could not be addressed quickly; in many authorities, further delays were caused by new political or officer leadership also deciding comprehensively to review service provision.

Significant opportunities

- *Small is beautiful?* Many authorities regarded their relative smallness as advantageous. A smaller

authority was closer to customers, brought a quicker and more responsive service, more closely aligned to local needs and perhaps more localised in its delivery. Small authorities potentially reduced bureaucracy, improved communication between senior management, policy staff and front-line workers, and were potentially more accountable to local communities, users and carers. Precise definitions of 'small' varied, however.

- *Better corporate working:* The unitary nature of most new authorities was said to offer opportunities for greater synergy. Local authority respondents pointed to the potential for better strategic and corporate policy development, from having all local authority functions within one authority. In particular, closer relationships between social services and housing (sometimes in merged departments) were developing around care issues.

- *A fresh start?* Many authorities said that reorganisation allowed them to take stock, some years after the introduction of community care and children's legislation and in the light of a smaller locality focus. Although some respondents saw this as having *'a new department with a blank sheet',* others more modestly wanted to *'build on good work and do some things differently'.* Despite difficulties in recreating relationships with other partner agencies in both children's and adult services, some authorities also saw opportunities to work in stronger and more varied ways with them.

The greatest consistent policy shift was observable in charging for services. Most authorities had reviewed and/or extended charging systems. Some authorities suggested their services could now be more needs-led, but the majority still felt driven by budgets. The balance between public, private and voluntary provision shifted towards the latter two, and relatively more so in Scotland. The small size of many new authorities meant both that strategic planning became more difficult both internally and in relation to partners; and that corporate (but non-statutory) functions such as the development of anti-poverty work had to be abandoned.

Health Authorities/Boards

Health Authorities also commented on the more complex relationships which emerged: more meetings, involving more partners, and duplication of procedures and structures. Health Authorities typically now worked with two or three sets of policies, strategies and eligibility criteria, and relationships became more complex when some partnerships worked well and others didn't. The lack of proper co-ordination between the timetables for NHS and local government reorganisation meant that some Health

Authorities faced 'planning blight' whilst local authorities 'caught up'. Respondents commented on the failure of government to practice what it preached in terms of a corporate approach to local governance. Whilst the Department of Health's reorganisation of Health Authorities led to larger administrative units, local government reorganisation, led by government departments responsible for local government, worked the other way.

Health Authority experience was that all policy areas had been disrupted, however temporarily, by the creation of new structures and procedures. Positive opportunities commented on by Health Authorities included the possibility for better developmental work around public health and for more locally-sensitive services. Some felt also that the 'fresh start' might help to put mistakes in inter-agency working behind them.

Voluntary sector

Voluntary organisations offering specific care services for adult users and children's services are heavily dependent on local authority funding. Many voluntary agencies reported their concern that changes contingent on local authority reorganisation significantly threatened the services delivered by a group, and indeed its entire future. These difficulties arose in a number of ways.

- First, some voluntary agencies had funding reduced as they took their share of across-the-board cuts: funding might be withdrawn altogether because new, smaller, authorities couldn't fund projects or work up cross-authority funding packages with neighbours. New funding arrangements became particularly complicated where projects were covered by joint funding arrangements with Health Authorities/Boards.
- Second, because voluntary sector agencies were marginal to the process of reform, information was often difficult to come by. Decisions about the voluntary sector were made late in the day or not at all; some agencies had to issue redundancy notices to staff to cover their own legal responsibilities.
- Third, partnership arrangements involving the voluntary sector were dismantled and formal mechanisms for joint planning removed as reorganisation approached. Even where these were replaced quickly, it was in an entirely new form, requiring new types of voluntary sector response.
- Finally, because key contacts within local government moved or were moved to new responsibilities (often out of the authority altogether), voluntary agencies lost lines of communication at member and officer level by which to keep informed of policy and organisational changes.

Consequently, relationships between the voluntary sector and local authorities often deteriorated. The pressures on councillors in many new authorities meant that voluntary sector concerns were unlikely to be addressed as a matter of priority. Some voluntary organisations also found that the strategic responsibilities of the new councils meant that close contact with particular politicians was less feasible. In a few cases, new councils were markedly more hostile to the voluntary sector than their predecessors.

Local voluntary agencies were forced to confront a parallel process of organisational change as a result of reorganisation, usually without supplementary funding. Only in Scotland, where the impact on the voluntary sector was most profound, was limited additional funding available from central government. Geographical areas of interest and trust deeds had to be redrawn. Voluntary agencies which covered a wide area had also to disaggregate their own resources and staff to meet new authority boundaries. The consequences were administratively costly and often confusing for users. The human cost was reflected in a high level of anxiety, stress and uncertainty amongst staff in, and the users of, voluntary organisations.

Users and carers

Users and carers, furthest removed from the process of reform, felt most vulnerable and least able to affect the way in which it occurred. Although many voluntary sector organisations saw themselves as representing users' interests, voluntary agencies themselves were often left with difficult decisions as to when and how to communicate the consequences of change to users' and carers' groups. In the short term, local authorities generally appear to have succeeded in providing a seamless service on the ground. However, for users and carers, more information was gleaned about the process of reorganisation through the local media than directly from local authorities: the first these groups learnt directly of longer-term impacts was when they were informed of changes to local charging policy or of reductions in service provision. This then placed new local authorities in a bad light.

The disaggregation of bigger local authorities to multiple smaller ones also meant that service boundaries were redrawn, often with confusing outcomes for users and carers who had to adjust to new patterns of service delivery and a different constellation of organisational arrangements. In some areas, users and carers had made use of services which were now on 'the other side' of a new local authority boundary and which might be less

important to a new authority. Where partnership structures had offered a stronger role for carers' and users' groups, experience was mixed. Some authorities moved quickly to rebuild new and extensive structures. In other cases, structures were dismantled and regular consultation was replaced by infrequent meetings where local groups felt they had a less effective voice. Carers' and users' groups also expressed concerns about the difficulty of matching new boundaries, that small authorities might not be able to fund them, about the loss of familiar structures and contacts, and the need to work to more than one authority. Some groups saw a local focus as beneficial, offering the potential for better consultation. In some cases this brought a sharper focus to service delivery, for example by creating more strongly rural areas.

About this study

The study was also supported by the Association of Directors of Social Services, Association of Directors of Social Work, NSPCC, the Children's Society, Barnado's and the Association of County Councils. The main elements were i) a regional study in Yorkshire, Lincolnshire and Humberside of authorities representative of the three major outcomes of English reorganisation - abolition and replacement by unitaries, hybrid solutions, and no-change ; ii) national surveys in England, Wales and Scotland of local authorities following reorganisation; iii) surveys of voluntary and private sector organisations and Health Authorities; and iv) detailed case studies in a sample of local authority areas.

How to get further information

A full report, **Unfinished business? Local government reorganisation and social services** by Gary Craig and Jill Manthorpe is published by The Policy Press in association with the Joseph Rowntree Foundation and *Community Care* magazine (ISBN 1 86134 162 8, price £15.95 plus £2 p&p).