



# Does Leadership Matter? A summary of evidence on the role and impact of political leadership in English local government

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# *Does leadership matter*

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Francesca Gains, Stephen Greasley, Peter John, Gerry Stoker

June 2007

Department for Communities and Local Government: London

The findings and recommendations in this report are those of the author(s) and do not necessarily represent the views or proposed policies of the Department for Communities and Local Government.

\* Evaluating Local Governance: New Constitutions and Ethics (ELG) is the name of a research project which is conducting a five year evaluation of the new council constitutions and ethical framework for the Department for Communities and Local Government (Formerly the Office of the Deputy Prime Minister). The project involves a collaboration between the School of Social Sciences, University of Manchester with, Goldsmiths College and the SURF Centre at Salford University. The members of the research team are Professor Gerry Stoker, Professor Peter John, Dr Francesca Gains and Dr Stephen Greasley (University of Manchester), and Professor Nirmala Rao (Goldsmiths College). Further details about the project, publications and current activities can be found on our website [www.elgnce.org.uk](http://www.elgnce.org.uk)

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## EXECUTIVE SUMMARY

Following on from the publication of the Strong and Prosperous Communities White Paper (Communities and Local Government, 2006), the Local Government and Public Involvement in Health Bill proposes reform to strengthen leadership capacity in English local government. This research paper explores the impact of the different forms of political leadership created through the Local Government Act 2000 to tease out the potential implications of proposals for leadership reform contained in the White Paper.

We review the situation in English local government since the 2000 Act, which introduced new council constitutions into local authorities. The Act gave a choice for all larger authorities between mayoral or leader-cabinets constitutional forms and within the latter model choices about the powers given to leaders. We use data on leadership form that comes from a detailed, five-year evaluation of these arrangements (see [www.elgnce.org.uk](http://www.elgnce.org.uk)) to explore differences in perceptions of the impact on leadership, and in council performance. The key points from the report are:

- A different form of political leadership is emerging in local government. We begin by describing the term ‘**facilitative leadership**’ to best sum up what leaders can do in the modern conditions of complex governance. The components of facilitative leadership involve working in partnership, accessibility, non partisanship and effective decision making. Facilitative leaders use powers and abilities to draw citizens and other stakeholders into a shared vision for the locality, which draws on their aspirations, and enables the capacity of local councils and other actors to ‘place shape’ and improve service performance;
- Looking at councillor, officer and stakeholder views of the impact of the 2000 reform on strategic leadership processes we compare mayoral and leader-cabinet authorities where leaders had different leadership powers. We found a link between the constitutional processes established by the mayoral model and perceived benefits for the exercise of facilitative leadership;
- We also noted increasing leadership powers within the leader-cabinet model assists in producing more visible and efficient decision making but does not advance other elements of facilitative leadership in respect of accessibility, partnership or non partisanship. We found that in hung and balanced authorities an internal focus on managing coalitions and party competitors impedes the exercise of facilitative leadership;
- At the neighbourhood leadership level the evidence suggests that many non-executive councillors have struggled often to provide facilitative leadership in their communities. A role in speaking up for their communities through the Community Call for Action and other developments (as envisaged in the White Paper) may add to the levers available to non-executive councillors but pressures on time, partisan considerations and lack of resources and support for a championing and advocacy role within local authorities may limit the impact of the reform;



- Examining the link of constitutional arrangements with performance data, our major focus is on leader-cabinet authorities as the most dominant current constitutional form experienced by citizens in England. There was a positive, statistically significant relationship between the proportion of citizens satisfied with council performance in 2003/4 and the number of executive freedoms a leader enjoyed in 2002. The relationship is stronger if we focus only on the top tier authorities. When controlling for deprivation and population, the link between leader freedoms and satisfaction scores is still in evidence in 2006 when looking at upper tier authorities;
- Cautiously, and while stressing the limitations of the data, there also appears to be a link between leadership powers in 2002 and a relationship to the CPA performance. The top tier authorities that made constitutional choices providing greater freedoms to their leaders in 2002 have gained higher CPA scores in 2003, 2004, 2005 and 2006, they also performed better with the 2005 and 2006 direction of travel analysis. The relationship between 2002 leader freedoms and 2006 CPA scores is significant at the 5% level. Looking at more recent data, the number of leader freedoms in 2006 is not positively associated with CPA performance. The overall balance of evidence presented here suggests that having stronger leadership powers within the leader-cabinet model, such as those proposed in the White Paper, is linked to better performance;
- In addition, there is evidence that other indicators of leadership stability have a positive and statistically significant link to impacts at the 5% level. Satisfaction levels are higher in councils that have a majority party in office and these relationships are statistically significant in both 2002 and 2006. There is also a statistically significant link between majority party control and 2006 CPA. Councils with political stability from 2002 to 2006 have higher CPA scores in 2006 and this is statistically significant. Having a leader who has been in post for at least four years also positively associated with citizen satisfaction this relationship is statistically significant. This evidence could be seen as supportive of the White Paper's case for greater stability of tenure for leaders;
- Taken together our findings show a consistent relationship between on the one hand, authorities with stable political leadership and authorities that have over a period of time given the full range of powers to their leaders and, on the other hand, better service performance and greater citizen satisfaction. Whilst acknowledging the complexity of the relationship between performance and leadership, our evidence overall is supportive of the White Paper's case for greater powers and stability of tenure for leaders. Our findings also suggest there may be strengths in the mayor-cabinet model in developing facilitative leadership; and
- The analysis here broadly supports the argument that the practice of facilitative leadership does appear to be emerging in English local government and would be encouraged further by the changes proposed in the White Paper. It appears that political leadership does make a difference and that the appropriate constitutional incentives and resources can support the development of effective facilitative leadership further in English local government.

# Chapter 1

## Introduction

### 1.1 Purpose of the paper

This paper aims to inform the policy debate about political management and governance reforms in English local government. The paper draws on research evidence about the experience of reform following the passing of the Local Government 2000 Act and provides an opportunity to reflect on the possible implications of the proposals outlined in the 2006 Local Government White Paper.

The 2000 Local Government Act was a central plank of New Labour's local government modernisation agenda and sought to enhance executive and community leadership in local government. It marked the end, in all but the smallest authorities, of the long established committee system. Authorities with populations over 85,000 had to adopt either a mayoral system or a leader and cabinet to enhance executive decision-making. Non-executive councillors were expected to develop a stronger role in community representation and a role in scrutinising executive decision-making. A new ethical framework was also set in place.

The 2006 White Paper takes forward arguments to strengthen further local leadership developed in the *State of English Cities Research Study* (2006) and the *Lyons Inquiry into Local Government* (2006). Both reports stress the importance of the stability of local leadership, and the benefits demonstrated by local leaders engaging and encouraging partnership working and public engagement in localities.

The White Paper argues for local authorities to play a key role in shaping and leading their communities. But it notes that 'the framework in which local authorities operate can still be a barrier to effective governance that provides the representation and leadership that people have the right to expect' (Communities and Local Government, 2006, para 3.3). As the White Paper comments, getting the right quality and calibre of leadership for our communities is a challenge. Many localities are very well served by their councillors but non-executive councillors too often feel that they are short of influence in their neighbourhoods and too many leaders of councils lack the mandate and capacity to take tough decisions. Yet leadership is by common consent central to effective local government.

The White Paper proposes a number of measures to strengthen local government's capacity to provide the leadership that councils can provide to their communities and a number of specific measures to strengthen local strategic leadership in local authorities by allowing councils to adopt one of three executive models: a directly elected mayor, a directly elected executive and an indirectly elected leader, each with a four year term. It is these specific measures focused on local governance arrangements that are the focus of attention in this paper.

The White Paper proposes not only to reshape the form of local leadership but to give it more substance because in each model ‘all executive powers will be vested in the mayor or leader who will have responsibility for deciding how these powers should be discharged’ (Communities and Local Government, 2006, para 3.20). In addition, the mayor or leader will be responsible for choosing his or her cabinet, although in the case of the directly elected collective executive this choice will have been made by of the leader standing as part of the slate of candidates. Mayors or leaders will also be responsible for allocating cabinet portfolios. Thus what was discretionary under the 2000 Act, giving leadership powers that some councils exercised, will be made mandatory in 2007. Our research into how these discretionary powers were exercised since 2000, will provide an insight into what will happen after the new legislation.

Alongside a strengthening of strategic leadership the White Paper proposes measures to enhance the capacity of non-executive councillors for local leadership. The White Paper argues for a championing of the role of councillors as community leaders and proposes amending the rules on personal and prejudicial interests to remove barriers to councillors speaking up for their constituents. In addition, non-executive councillors will have a key role in supervising and supporting the Community Call for Action process, whereby citizens can petition for action by their local authority. The implications of these measures for enhancing the role of non-executive councillors will also be a focus of attention in our paper.

## 1.2 Structure of the paper

The key issue addressed is this paper is does local political leadership matter and if so what forms of leadership are more likely to deliver for local citizens and the communities they live in? Do leaders help deliver better public services? Do leaders enable communities to achieve better social and economic outcomes? These are complex and difficult to examine issues but we examine the evidence to provide the best available insights.

The paper begins in Chapter 2 by grappling with the difficult issue of what constitutes effective political leadership and how to measure it. The chapter develops an argument that what is required is a ‘facilitative’ style of leadership that allows the leader to use their resources to work effectively in partnership with others. The research challenge is to look for evidence of processes and impacts that would support or undermine the prospects for that style of leadership. Chapter 3 reviews the evidence about processes of facilitative leadership delivered by the different constitutional forms of governance arising from the Local Government Act 2000. Chapter 4 looks at evidence on the impact of different forms of leadership drawing on our own research. Chapter 5 presents a short conclusion.

### 1.3 About the ELG research

This paper draws on research commissioned by Communities and Local Government and undertaken by the Evaluating Local Governance (ELG) research team to examine how the new council constitutions and ethical framework are being implemented in local authorities. Specifically, the paper brings together findings from:

- Two census surveys of English principal local authorities undertaken in 2002 and 2006 to gather information on constitutional organisation (see Stoker et al. 2002 and Greasley forthcoming);
- Two sample surveys of councillors, officers and stakeholders in a representative sample of 40 local authorities to provide information on attitudes towards the changes and the new roles and relationships which have subsequently developed (see Rao 2005; John 2005 and Stoker et al. 2006);
- Visits, documentary evidence, interviews and observations in over 40 local authorities from 2002 to 2006 (see Stoker et al. 2003a, 2004 and Gains 2006); and
- Data outcomes and impacts relating to local government from a variety of sources (see Stoker et al, 2007, forthcoming for a fuller account).

These data provide constitutional, behavioural and attitudinal indicators on the implementation and operation of the 2000 Act which help to assess the impact of the changes embodied in the 2000 Act. It is possible to bring together some constitutional indicators from this data to assess the possible consequences of further changes proposed by the 2006 White Paper. We can examine, for example, the difference in perceptions of the impact of leadership reform between mayoral and leader-cabinet authorities; between hung and majority controlled authorities and (within leader-cabinet authorities), between those authorities who already have some of the leadership powers proposed in the White Paper and those who do not currently. Thus we can judge the potential impact of measures to change the form of political leadership and make it more stable in tenure. We can also use this constitutional data to explore the relationship between CPA performance and citizen satisfaction scores and authorities who already have stronger executive powers of the sort envisaged by the 2006 White Paper.<sup>1</sup> In addition, by studying the performance and practice on non-executive members under the post-2000 Act arrangements we can assess the prospects of them being able to take up the new roles envisaged for them in the 2006 White Paper.

The research team would like to acknowledge the assistance of local authorities and those in the wider local government community who have helped with the ELG research since 2002. It also acknowledges the support of civil servants in Communities and Local Government in accessing data to underwrite and support the research undertaken by the team. Responsibility for the research findings and the interpretation offered in the paper rests with the research team.

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<sup>1</sup> In the analysis of the data we report whether correlations between variables are large enough for us to be confident that they are different from 0. The appropriate correlation to use depends upon the nature of the data. Details of data analysis are available from the research team via [www.elgnce.org.uk](http://www.elgnce.org.uk).

# Chapter 2

## Understanding leadership

### 2.1 The emergence of facilitative leadership

What is it that makes for effective political leadership in today's local government? There are strong grounds for arguing that an authoritarian and controlling form of leadership is not tenable. Few local leaders in mature democracies at the beginning of the twenty first century are in a position to provide muscular and direct 'boss' leadership. Still fewer local leaders exhibit 'entrepreneur' styles of leadership as defined by Douglas Yates in his *Ungovernable City* (see Yates, 1977; see also Pimlott and Rao, 2000), captured by the image of strong mayoral leadership in the big US cities. Both styles require high levels of control over resources of finance, authority, organisation, networks and patronage by the leader, with the entrepreneur style demanding in addition a clear and strong vision from the leader to drive forward governance.

Two developments identified three decades ago by Yates led him to suggest that these styles of leadership were in terminal decline. Leaders were finding themselves less able to control resources and dominate politics in their locality for two reasons. Decline was being driven by economic power steadily flowing away from localities and the increasingly demanding nature of local citizens and stakeholders. Yates felt that leadership styles were going to be more likely to take two forms: the 'broker' and 'crusader' style. The former is as much a follower as a leader, waiting for the best deal or project to come along so that she can endorse it. The latter is a rather hapless figure with visionary ambition but without the capacity and resources needed to obtain it. We agree with Yates that strong forms of local leadership are untenable and neither 'boss' or 'entrepreneur' styles, as he defines them, are likely to be commonplace in today's setting but we think there is scope for a more positive leadership style than the two weak broker and crusader forms that he identifies.

The need for changes in leadership style is not only noted in academic writing but in policy discussions also. ODPM's State of the Cities report describes 'entrepreneurial leadership is crucial in helping to find new economic futures for cities, their businesses and residents', (2006, 9, 104). Evidence cited points to an engagement and encouragement of partnerships as being necessary to promote success and "stability, visibility, accountability and democratic as being key features of successful local systems", (2006, p 40). The Lyons Inquiry also sees local leadership, partnership, public and community engagement and the effective use of powers as contributing the local authorities role in place shaping (2006, E.30).

A more challenging social and economic environment and better organized and demanding citizens mean that a networked form of governance is de facto the emerging style of governing in many localities and indeed at other spatial levels

(Stoker, 1998; John, 2001). Drawing on the work of Svava (1994; 2003), we note the emergence of a type of elected local political leader who is ‘a facilitator who promotes positive interaction and a high level of communication among officials in city government and with the public and who also provides guidance in goal setting and policy making’ (Svava, 2003, 157). Facilitative leadership constitutes a different way of exercising power and influence. In this form of leadership, power is not about the direct exercise of detailed influence or control over decision making, but rather is about giving direction and then mobilizing the resources necessary to ensure that the vision is fulfilled. In a complex, fragmented world, this form of power enables certain interests to blend their capacities to achieve common purposes. The capacity to blend together resources and put together a vision that can be shared across a community are seen by many as the key ingredients of effective local leadership at the beginning of the 21st century. The big question is how to measure this kind of leadership and its impact.

## 2.2 Measuring facilitative leadership: processes and impacts

Local leaders are expected to develop a style as facilitating networkers who can pull together a fragmented set of partners and citizens around a shared vision for the future of their local area. Leaders are not seen as ‘in control’ but rather as potential partnership builders, with the power to blend the capacities of others. The leadership offered by the facilitative style is purposeful and offers the prospect of providing some traction in finding solutions to diverse local problems and challenges.

We can identify four features which successful facilitative leadership needs to demonstrate: partnership skills, accessibility, low partisanship and decision-making capacity. We offer an explanation for the significance of each factor below:

- A facilitative leader would be able to *partner* with public officials and other politicians in his own authority but also work effectively with other public agencies as well as private and voluntary and community sectors. It is easy to justify this factor as it reflects a core of facilitative leadership. The political leader needs to be judged as good partner;
- *Accessibility* is also a key to facilitative leadership since it is important for the leadership to be able to understand both community issues and have the profile to support a shared vision with the community about shared objectives and goals. The leader would be relatively noticeable to citizens and be able to engage with them and offer an accessible form of politics;
- We also think that the leader would display *low partisanship* despite being elected perhaps on a party ticket. The party label and background can provide a clear set of values and a cue to the electorate about what the candidate stands for but once elected the effective facilitative leader would present themselves less as a party leader and more as a community leader open to all interests and voices in their area. The leader would be outward-looking and not tied to a narrow partisan party politics; and



- Finally, a facilitative leader needs to be able to deliver as well as reach out. The leader needs to be able to offer a *streamlined focus for decision-making* in order to provide momentum in a complex world. If deals are to be done and partnerships forged then the facilitative leader needs to be able to get things done and in particular be able to steer his or her own local authority in a way that will enable action to be taken in tune with direction set by the leader in bargaining and negotiating with the wider community.

We would argue that a facilitative style of leadership is appropriate to both strategic and more neighbourhood based political leadership. To judge whether such leadership is emerging it is necessary to look for evidence in relationship to two factors. The first is: are there *processes* in place that would support the exercise of facilitative leadership? The second is: what evidence is there in terms of *impacts* on the wider community that political leadership has made a difference? We explore in Chapter 3 evidence about how these processes to support facilitative leadership have emerged since the Local Government Act 2000. In Chapter 4 we turn to the equally crucial issue of evidence on the *impact* of political leadership. Is there evidence that leadership makes a difference? In following through these issues our underlying concern is to ask is there evidence to suggest that the measures of the 2000 Act have helped facilitative leadership to emerge and could it be that the proposals in the 2006 White Paper might support its development still further?

# Chapter 3

## Leadership processes

The style of leadership developed by any individual leader will reflect a variety of factors. Contexts, capabilities and constitutions are the classic ingredients used to explain the trajectory that different leaders take (Lowndes and Leach 2004). Context seeks to capture two things. All leaders are affected by the deeper set of institutional assumptions and norms that frame their institutional cultural environment (Mouritzen and Svava 2002) and also by the broad set of issues and challenges that the local environment may throw up. Capabilities speak to the skills and judgement of the leader in seizing opportunities and making the best of the resources at their disposal. Constitutions cannot determine a leadership style but they can make it more or less likely and are also a key ingredient in that they create the rules about roles, resource allocations and incentives in which actors make their choices.

### 3.1 Strategic leadership

#### Mayoral and leader- cabinet comparisons

The sharpest comparison in institutional/constitutional terms under the arrangements of the 2000 Act is that between mayoral leadership form and the leader in the leader-cabinet system (Greasley and Stoker, 2007). The constitutional differences between mayors and leaders in the leader-cabinet system are as follows:

- Mayors have a personal electoral mandate;
- Mayors have a direct relationship with the electorate which is not mediated through councillors;
- Mayors have a four year term of office;
- Mayors have guaranteed greater freedom to make decisions; and
- Mayors can appoint their own cabinets and award portfolios

Taken together these different constitutional arrangements strength mayoral resources and change the incentives in relationships with the electorate and councillors and as such encourage a different role for mayors to think more strategically and act in a more externally orientated way.

Here we can use data collected for the evaluation of the Local Government Act 2000 to explore whether constitutional processes which the White Paper seeks to encourage have made a difference so far (Gains, 2006a; Gains 2006b; Greasley, forthcoming). Our 2005 survey of councillors, officers and stakeholders in a representative sample of 40 authorities (see Table 1) found that mayors are perceived to offer more effective partnership relations. The councils they lead are perceived to be better at dealing with cross-cutting policy issues that require



input from a range of partners and they are seen as generally having better relationships with partners. Where mayors fall down, but so too do council leaders, is in the extent to which non-executive councillors (backbenchers) are perceived to be engaged in the policy process.

On the accessibility front the mayoral form appears to have made more strides than the council leader model in making decision-making open, transparent and engaging. Although neither form has proved able to fully overcome ingrained barriers to access. Mayors are perceived to have developed a less partisan form of politics, although such is the strength of partisanship traditionally within English local government they are not seen as fully shaking off its characteristics. Table 1 suggests that among insiders only 3 out of 10 see mayoral authorities as dominated by party politics whereas 5 out of 10 make that judgement about non-mayoral authorities. Moreover the mayor is seen as a higher profile leader and the mayoral system appears to have developed a reputation for speedier decision-making and a stronger leadership role.

The evidence from another major study supports our arguments. Leach et al (2005) found that elected 'mayors generally recognized the need for a high degree of visibility and responsiveness to public and stakeholders concerns' and that 'non-mayoral leaders varied more in the extent to which they recognized this'. They further found that most elected mayors 'saw external networking and community leadership as key roles'; while other leaders gave these roles less attention. Finally they argued that in leader-cabinet authorities 'there was no evidence of party pressure or adversarial party politics having diminished'; where as there were signs of relaxation in the case of mayoral authorities. Mayors in England with their greater decision-making authority, fewer veto constraints and direct relationship with citizens appear more likely to adopt a facilitative leadership approach. The changes proposed for executive leadership in the 2006 White Paper could reasonably be perceived as also likely to deliver leadership forms that favour the facilitative style.

**Table 1: Perceptions of impact of leadership forms by constitutional type<sup>2</sup>**

| <i>Agree/strongly agree that...</i>                                       | <i>Leader-cabinet%</i> | <i>Mayor %</i> | <i>Base</i> | <i>Statistical significance</i> |
|---|------------------------|----------------|-------------|---------------------------------|
| <b>Partnership</b>  |                        |                |             |                                 |
| The council is better at dealing with cross-cutting issues                | 38                     | 48             | 1481        | **                              |
| The council's relations with partners has improved                        | 43                     | 57             | 1456        | ***                             |
| Backbench members are more engaged  | 10                     | 12             | 1509        | n/s                             |
| <b>Accessibility</b>  |                        |                |             |                                 |
| It is easy to find out who has made specific decisions                    | 40                     | 48             | 1477        | **                              |
| It is easier to find out about council policy                             | 49                     | 59             | 1503        | *                               |
| The public is more involved in decision-making                            | 15                     | 30             | 1482        | ***                             |
| It is easier for women to become involved in council business             | 22                     | 34             | 1501        | ***                             |
| It is easier for ethnic minorities to become involved in council business | 19                     | 34             | 1495        | ***                             |
| <b>Low Partisanship</b>   |                        |                |             |                                 |
| Political parties dominate decision-making                                | 47                     | 29             | 1504        | ***                             |
| <b>Decision-making</b>  |                        |                |             |                                 |
| Decision-making is quicker  | 45                     | 61             | 1464        | **                              |
| The role of leader has become stronger                                    | 68                     | 79             | 1474        | ***                             |
| The leader of the council has a higher public profile                     | 59                     | 82             | 1478        | ***                             |

n/s= non significant difference, \*=p. < .05, \*\*=p.<.01, \*\*\*=p. <. 001

<sup>2</sup>Table 1 compares mayors to leader-cabinet authority responses and is therefore different to Table 5.4 in the ELG Sample Survey Report which also includes alternative arrangement responses.

### **Differing constitutional powers within the leader-cabinet model**

Under the proposals in the 2006 White Paper leaders in all executive systems would come closer to the mayoral model under the 2000 Act. The leader in the collective executive would have powers to make decisions, appoint cabinet portfolios and would (along with fellow cabinet members) have with a four year term. Flowing from this, it is likely they would have a different relationship with followers and would be more likely to develop a citizen-oriented outlook. The leader in the modified leader-cabinet model proposed by the 2006 White Paper would have powers to take decisions, appoint cabinet members and designate their portfolios and with a four year term would also be more likely to have a different relationship with followers with the idea of encouraging an external citizen orientation.

Following the 2000 Act the majority of authorities currently operate as leader-cabinet authorities and within this constitutional form there are a wide variety of differences in the constitutional and institutional powers granted to the leader and party strength. This data too can provide evidence on the way in which leadership processes are linked to perceptions of impact in relation to the exercise of facilitative leadership and the likely impact of the 2006 White Paper proposals.

The leader-cabinet authorities have the possibility of offering three freedoms to the leader, the power to appoint cabinet members, award portfolios and take decisions alone – all powers offered under the White Paper reforms for a modified leader-cabinet. After the 2000 Act some authorities offered none, others one, two or all three freedoms. Table 2 shows perceptions of the impact of leadership reform arising from the 2000 Act by number of leader freedoms, which range from no leader freedoms to all three. Table 2 suggests authorities within the leader-cabinet model show a statistically significant relationship between number of leader freedoms and perceived benefits for decision making. However the relationship between leader freedoms and the other components of facilitative leadership (accessibility, non partisanship and partnership) are not as clearly identified by leader-cabinet respondents as by those from mayoral authorities.

**Table 2: Perceptions of impact of leadership forms by leadership powers in leader-cabinet authorities**

| <i>Strongly Agree/ Agree:</i>   | <i>Number of leadership powers 2006</i> |          |          |          | <i>Base</i> | <i>Statistical significance</i> |
|---|---|----------|----------|----------|-------------|---------------------------------|
|   | <b>0</b>                                | <b>1</b> | <b>2</b> | <b>3</b> |             |                                 |
| <b>Partnership</b>  |   |          |          |          |             |                                 |
| The council is better at dealing with cross cutting issues                | 38                                      | 38       | 36       | 38       | 1052        | n/s                             |
| The council's relations with partners have improved                       | 42                                      | 42       | 43       | 54       | 1032        | n/s                             |
| Backbench members are more engaged  | 11                                      | 13       | 10       | 8        | 1067        | ***                             |
| <b>Accessibility</b>  |   |          |          |          |             |                                 |
| It is easier to find out who has made specific council decisions          | 30                                      | 34       | 43       | 43       | 1050        | **                              |
| It is easier to find out about council policy                             | 46                                      | 53       | 49       | 49       | 1065        | n/s                             |
| The public is more involved in council decision making                    | 15                                      | 19       | 14       | 16       | 1052        | n/s                             |
| It is easier for women to become involved in council business             | 21                                      | 27       | 16       | 21       | 1060        | n/s                             |
| It is easier for ethnic minorities to become involved in council business | 25                                      | 25       | 17       | 13       | 1054        | ***                             |
| <b>Low Partisanship</b>   |   |          |          |          |             |                                 |
| Political parties dominate decision-making more                           | 41                                      | 40       | 52       | 45       | 1067        | n/s                             |
| <b>Decision making</b>  |   |          |          |          |             |                                 |
| Decision making is quicker  | 29                                      | 43       | 45       | 49       | 1042        | ***                             |
| The role of the leader has become stronger                                | 50                                      | 68       | 70       | 77       | 1051        | ***                             |
| The leader of the council has a higher public profile                     | 46                                      | 55       | 60       | 65       | 1052        | ***                             |

n/s = non significant difference; \* = p < .05; \*\* = p < .01; \*\*\* = p < .001

## Majority and Hung/Balanced Authorities

We can also look at the differences in responses from majority and hung authorities. The clearer mandate in majority authorities permits leaders to focus more on partnerships and external relations rather than spending time brokering internal deals within and between parties which impede externally responsive and speedy decision making (Gains, 2005 and Gains, 2006a). As Table 3 shows perceptions of the impact of leadership reform arising from the 2000 Act from respondents in majority controlled and hung/balanced authorities do suggest differences relating to the processes or exercise of leadership.

**Table 3: Perceptions of impact of leadership forms in majority and hung/balanced authorities**

| <i>Strongly Agree/ Agree:</i>   | <i>Majority authorities %</i> | <i>Non-majority authorities %</i> | <i>Base</i> | <i>Statistical significance</i> |
|---|-------------------------------|-----------------------------------|-------------|---------------------------------|
| <b>Partnership</b>  |                               |                                   |             |                                 |
| The council is better at dealing with cross cutting issues                | 41                            | 36                                | 1530        | *                               |
| The council's relations with partners                                     | 48                            | 40                                | 1507        | **                              |
| Backbench members are more engaged  | 11                            | 8                                 | 1557        | n/s                             |
| <b>Accessibility</b>  |                               |                                   |             |                                 |
| It is easier to find out who has made specific council decisions          | 42                            | 33                                | 1528        | ***                             |
| It is easier to find out about council policy                             | 54                            | 41                                | 1553        | ***                             |
| The public is more involved in council decision making                    | 17                            | 15                                | 1534        | n/s                             |
| It is easier to find out about council policy                             | 54                            | 41                                | 1553        | ***                             |
| It is easier for women to become involved in council business             | 24                            | 19                                | 1550        | *                               |
| It is easier for ethnic minorities to become involved in council business | 21                            | 17                                | 1536        | n/s                             |
| <b>Low Partisanship</b>   |                               |                                   |             |                                 |
| Political parties dominate decision-making more                           | 48                            | 43                                | 1553        | n/s                             |
| <b>Decision-making</b>  |                               |                                   |             |                                 |
| Decision making is quicker  | 51                            | 33                                | 1515        | ***                             |
| The role of the leader has become stronger                                | 72                            | 56                                | 1528        | ***                             |
| The leader of the council has a higher public profile                     | 64                            | 45                                | 1532        | ***                             |

n/s = non significant difference; \* = p < .05; \*\* = p < .01; \*\*\* = p < .001

Taken together these three analyses do indicate:

- a link between the constitutional processes established by the mayoral model and perceived benefits for the exercise of facilitative leadership;
- increasing leadership strength within the leader-cabinet model assists in producing more visible and efficient decision making but does not advance facilitative leadership in respect of its accessibility, partnership or non partisanship;
- in hung authorities an internal focus on managing coalitions and party competitors impedes the exercise of facilitative leadership; and
- the ELG survey data seems to suggest that of the three models offered in the White Paper the one which is likely to most clearly deliver facilitative leadership which embraces partnership, is accessible, non partisan and more efficient is the mayoral model but all three should make some impact particularly on efficiency of decision making.

The one exception to this, across the board, is in examining the relationship of the executive to non executive members, where no matter what processes are in place (mayoral, greater leader freedoms or majority leader-cabinet) there is a perception amongst respondents that back-bench members are not 'engaged'. None of the models appear to assist in delivering the engagement of 'back-benchers' and only the mayoral model appears to have an impact on the domination of political parties and deliver a perception of low partisanship. The role of non executive councillors in offering facilitative leadership at a neighbourhood level is explored in the next section.

### 3.2 Neighbourhood leadership

As Table 3 indicates the 2000 Act may have created the conditions for advancing facilitative leadership at strategic level but it has not enhanced the role of non-executive councillors many of whom feel excluded from an effective role in their local authorities. Very few observers of the new system of local governance argue that backbenchers are more engaged. There are other barriers that non-executive councillors face if they are going to fulfill that local community leadership role envisaged for them in the 2006 White Paper.

The study of 'Exemplars of Neighborhood Governance' (White et al, 2006) found tensions that are unavoidable between a councillor acting as a community advocate and one acting with a broader leadership capacity in having to balance the interests of one set of citizens against another. No governance system can design away these tensions although the changes proposed in the 2006 White Paper in respect of declarations aim to make it easier for councillors to represent community interests and the interests of public bodies on which they serve.

What is perhaps more worrying from the perspective of developing the role of non-executive councillors as neighbourhood leaders and advocates is that researchers found 'the public is often unclear about what councillors' roles are and they can feel mistrustful of councillors. Furthermore, the majority of people do not contact councillors and the public does not always see councillors as 'representative', especially where turnouts at local elections are low' (White et al, 2006, para 6.13). In short councillors may lack the profile, trust and legitimacy to deliver a facilitative leadership role. They may also struggle to deliver against a backcloth of partisan politics, facing discipline from their own parties if they do not toe the line and challenge from other local representatives and party activists if they attempt to present their role in too non-partisan light. Moreover an enhanced neighbourhood role for councillors has staffing, support and resource implications that in many local authorities are not met in full as this may mean that councillor do not have the decision-making capacity to deliver (Stoker et al, 2004).

Policy makers envisaged that the change in role of non-executives and a reduction of time spent on committees would lead to new opportunities for working in wards as 'community champions' possibly through area committees and in taking up the new advocacy roles in scrutiny committees. But our research suggests a picture where this change in role has only partially emerged.

Our sample survey data does show that non-executive members spend a greater proportion of their time on communicating with their constituents (18 hours per month) than any other function. However reading and preparation for council meetings (17 hours) runs at a close second and if other aspects of council business like regulatory committees, discussions with executives, area committees, and working groups are included on average 38 hours a month are involved. Party meetings and contact with stakeholders add another 6 hours on average each. The other activities identified by non-executive members did not vary a great deal from those of the executives with ward issues – for example case work, attending parish council meetings, writing and delivering newsletters – being very commonly mentioned. Administrative tasks were also frequently cited. In total non-executive councillors spend over 80 hours a month on council related business but much of that is related to internal council business (Stoker et al, 2006; Greasley, forthcoming).

**Table 4 Average hours per month spent on council activities by non-executive members 2005**

| Council activities                           | Average hours per month 2005 |
|--|------------------------------|
| <b>Council business</b>                      |                              |
| Working groups (task and finish groups)      | 7                            |
| Discussion with executive members            | 3                            |
| Area committee                               | 4                            |
| Reading/preparation                          | 17                           |
| Regulatory committees                        | 7                            |
| <b>Party meetings</b>                        | 6                            |
| <b>Communication with constituents</b>       | 18                           |
| <b>Contact with stakeholders</b>             | 6                            |
| <b>Other</b> (casework, parish, newsletters) | 21                           |

Is there hope that non-executive members could perform the kind of advocacy and challenge role envisaged in the 2006 White Paper? Table 5 (over) presents a mixed picture in relation to the current overview and scrutiny role. It is positive that over half of non-executive councillors say they have worked with members of the public to investigate community concerns. However only one in four report achieving any publicity for a scrutiny activity, perhaps indicating party loyalties may impede public challenge to the executive.

**Table 5 Duties undertaken as a non-executive member 2005**

| Duties undertaken   | 2005 % |
|---|--------|
| Pushed for an item to go on an O & S agenda                         | 50     |
| Joined a task and finish group                                      | 59     |
| Achieved significant publicity for a scrutiny activity              | 26     |
| Visited outside organisations in relation to a scrutiny activity    | 47     |
| Called-in a decision from the executive                             | 26     |
| Been involved in policy development through O & S                   | 42     |
| Worked with members of the public to investigate community concerns | 53     |
| Investigated best practice in other organisations                   | 30     |

We also know that councillors use various ways to communicate with their constituents. Most modes of communication are the traditional methods used by councillors. In addition, new technology is now commonly used as a means of communication. Some 75% of councillors use email to communicate with their constituents and more than one in ten reports using interactive websites.



**Table 6 Councillors' means of communication with constituents 2005**

| Means of communication              | %     |
|-------------------------------------|-------|
| Telephone                           | 90    |
| Local meetings                      | 90    |
| Meeting people in the street        | 80    |
| Post                                | 79    |
| Local community or voluntary groups | 78    |
| Email                               | 75    |
| Meeting people at social events     | 73    |
| Holding surgeries                   | 60    |
| Holding street surgeries            | 23    |
| Other                               | 20    |
| Interactive website                 | 11    |
| (base)                              | (914) |

There is a substantial amount of qualitative research to illuminate the nature of the new relationship being developed. Interviews with leaders and chief officers suggest that one of the most problematic features of the new council constitutions is embedding the changing role of non-executives (Gains 2006). There were similar views across all authorities that this aspect of the legislation had had mixed results and had not worked out as envisaged. One leader of a county authority described the role of non-executives as 'the downside of the new council constitutions' arguing 'non-executives were still cannon fodder under the old system – but not as overtly'.

In terms of the community champion role views ranged from observing 'no change', for example, suggesting that councillors always had acted as community representatives, to patchy adoption of new roles, for example indicating that members are not happy with community engagement 'harking back to the old system', 'some confident and some not', or that the authority has had to pay attention to supporting councillors in getting involved in their wards. One council mentioned it was encouraging its non-executive members to develop 'ward action plans' to support the community champion role. A leader of a large metropolitan authority argued the visibility of ward councillors was higher as they all had websites. Another chief executive in a mayoral authority reported 'most people don't know who their councillors are' (Gains, 2006). The evidence that was presented to us suggests that the visibility of councillors has not uniformly changed from the time in the mid 1980s where the Widdecombe Report found that in England 30% of the electorate could correctly name at least one of their local councillors (Widdecombe, 1986, par 2.81)

A similar varied picture emerges in terms of respondents' perceptions about non-executives' scrutiny role. In one large metropolitan authority the scrutiny officer observed that some councillors liked scrutiny whereas some wanted their committee role back. In a county authority the scrutiny officer felt new members were enthusiastic. In another the scrutiny officer reported that the chairs were happy with their role. In two mayoral authorities the scrutiny officers were more positive. In one the officer reported that non-executive role was 'enhanced' and the Mayor argued the system created opportunities which some non-executives responded. In another the officer reported that members write and present their own reports and the monitoring officer suggested that it had taken until now before members had begun to appreciate their new role with new members adapting earlier.

The evidence suggests that many non-executive councillors have struggled often to provide leadership in their communities, let alone facilitative leadership. However there are positive signs in that bringing in the public can enliven overview and scrutiny and that a range of communication outlets to the public are open to non-executive councillors. A formalization of a role in speaking up for their communities through the Community Call for Action as envisaged in the White Paper may add to the levers available to non-executive councillors. But pressures on their time, partisan considerations and lack of resources and support for a championing and advocacy role within local authorities may limit the impact of the reform (Stoker et al, 2004).

## Chapter 4

# Leadership Impact on Performance

This section analyses whether there is a relationship between constitutional processes and political context associated with the exercise of leadership and the performance of authorities. Earlier qualitative and quantitative research conducted for Communities and Local Government on the long term evaluation of the best value regime shows that leadership – both political and officer - is a key driver of service improvement (Martin et al, 2006). Underlying the thinking of the White Paper is the contention that leaders that have a stable base and appropriate decision-making resources in their council are more likely to be able to provide leadership that supports service performance and place shaping.

Our data allows us to assess the impact of the constitutional and political context of leadership on the performance of councils (as judged by the comprehensive performance assessment scores and best value performance indicator on citizen satisfaction). The ELG surveys upon which these figures are based had a response rate of 75% (2002) and 78% (2006) and offer a representative picture of the constitutional situation in the two years.

The analysis in this chapter focuses on leader-cabinet authorities as their greater number allows for statistical comparison and by focusing on them, we are examining variations in the dominant current constitutional form of local government as experienced by citizens of England with over 8 out of 10 councils run under this form of constitution. The small number of mayoral authorities makes it difficult to reliable conclusions about comparative performance.

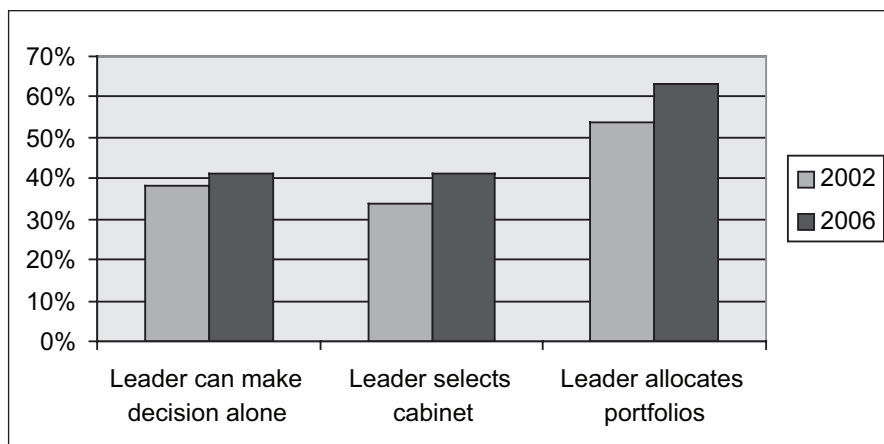
### 4.1 Constitutional context in leader-cabinet authorities

Turning now to the dominant leader-cabinet model in English local government we measure the impact of constitutional context through three indicators of leader freedoms in leader-cabinet authorities:

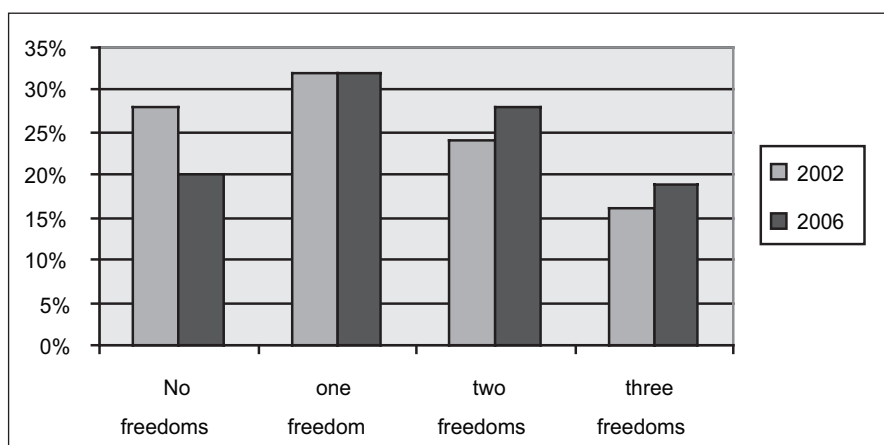
- Whether the leader can make executive decisions;
- Whether the leader selects members of the cabinet; and
- Whether the leader allocates portfolios

These indicators are appropriate in that they reflect constitutional variations available since the 2000 Act and are the focus of attention in the 2006 White Paper. Figure 1 shows the change in these indicators since the 2002 survey. To create a measure of a leader's position, we give an authority a score of '1' if its leader has a particular freedom and '0' if not. Adding these together produces a measure where leaders with all three freedoms score '3' and at the other end of the spectrum those that have none of the freedoms score '0'. The results are shown in Figure 2 which suggests that, over the four years since the implementation of the 2000 Act, there has been a slight shift towards stronger constitutional positions for leaders in local government.

**Figure 1 Leader-cabinet authorities giving leaders each of three freedoms, 2002 and 2006**



**Figure 2 Number of leader freedoms, 2002 and 2006**



## 4.2 Leadership freedoms and council performance

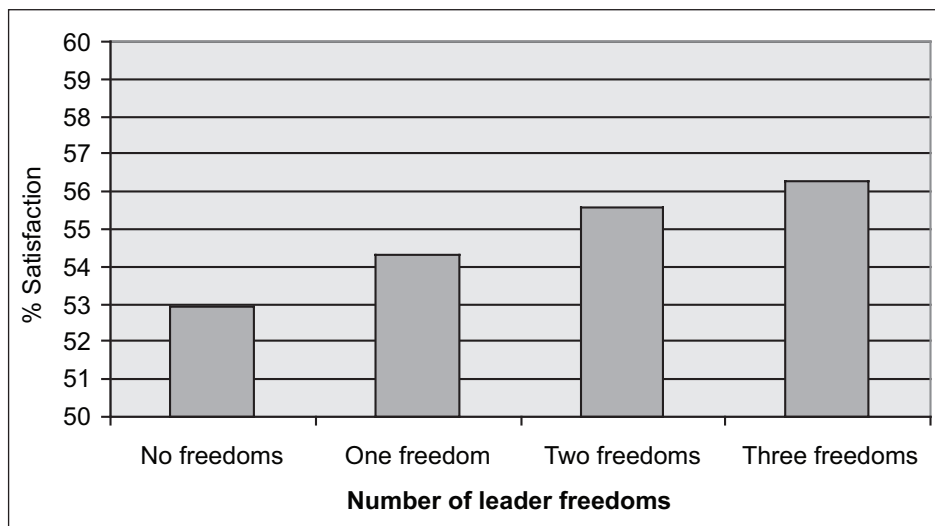
Does the constitutional context in which a leader operates have any influence on council performance? There are various ways of trying to measure council performance, but here we use two measures. First, we assess whether citizens' satisfaction with the overall performance of the council is associated with the constitutional strength of leaders. We do this using Best Value Performance Indicator (BVPI) 3, which was measured for all authorities in 2003-04 and in 2006-07 and is a key performance indicator for local government. Is there a positive relationship between leaders' constitutional freedoms in 2002 and the proportion of citizens expressing satisfaction with the overall performance of the council in 2003-04? Is the constitutional position of a leader in 2006 associated with satisfaction in 2006-07? We also use both surveys to construct an indicator of whether the leader freedoms have been 'high' for the whole 2002-2006 period and assess whether this influences satisfaction in 2006.

Second, we assess whether CPA scores in 2003, 2004, and 2005 are associated with leadership freedoms in 2002 and 2006. The 2006 CPA scores have recently been published and are the first since the second wave of the ELG census in 2006. These are analysed both in comparison to the leadership freedoms in 2002 and 2006.

### 4.3 Leadership freedoms and citizen satisfaction

Figure 3 shows the relationship between the constitutional context of the councils' leaders in the first wave of our survey and the average proportion of citizens who were satisfied with council's overall performance in 2003-04 (BVPI 3).

**Figure 3 Leadership freedoms 2002 and average citizen satisfaction 2003-04<sup>3</sup>**

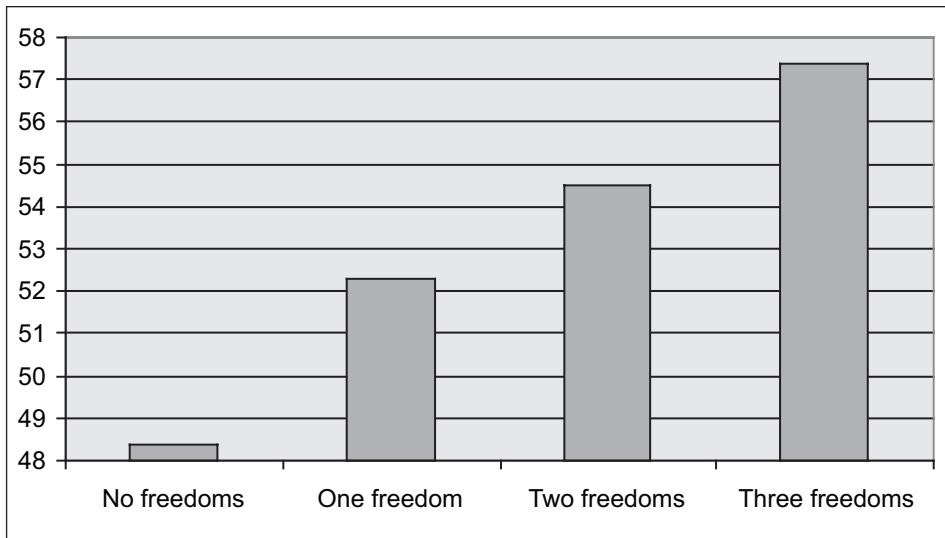


The data show a slight upward trend, authorities that give their leader more freedoms have greater citizen satisfaction, on average, than those with fewer freedoms. In order to test whether there was a positive relationship between the proportion of citizens satisfied with council performance and the number of freedoms a leader enjoyed in 2002, a rank correlation coefficient was calculated and was tested for statistical significance. The correlation is statistically significant at the 5% level but does not show a large effect.

The relationship is stronger if we focus only on the upper-tier authorities (Figure 4). Here the correlation between leader freedoms and citizen satisfaction is stronger than when analysing all authorities and is statistically significant at the 1% level. Figure 4 shows the average proportion of citizens satisfied with council services.

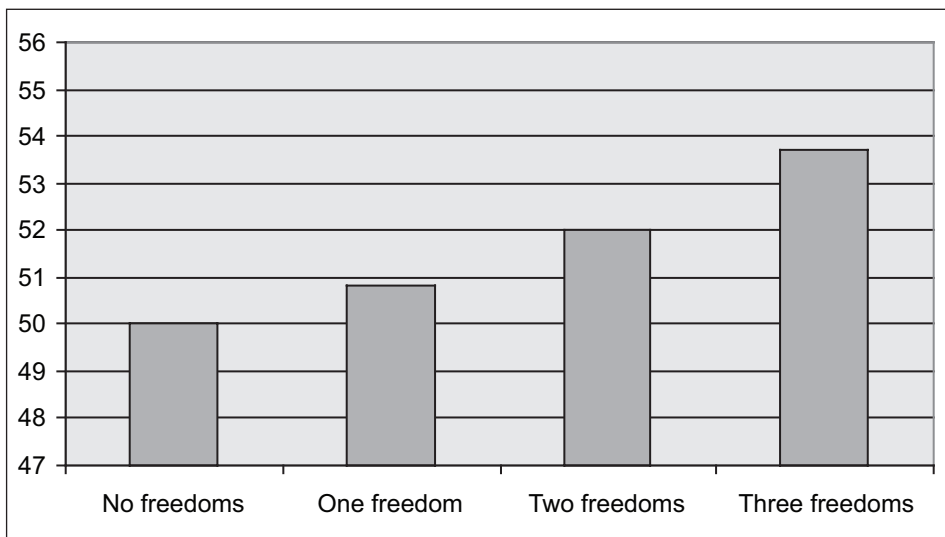
<sup>3</sup> The lower and upper bounds of the y axis are the upper and lower quartile values for citizen satisfaction in the leader-cabinet authorities

**Figure 4 Leadership freedoms 2002 and average citizen satisfaction 2003-04 (upper-tier authorities only)**



As yet, we only have access to the upper-tier authorities' 2006-07 BVPI 3 data. Figure 5 shows the relationship between leadership freedoms in 2006 and the average citizen satisfaction score for 2006-07. The upward trend is still in evidence but the correlation is less strong than it was in 2003-04 and is only significant at the 10% level.

**Figure 5 Leadership freedoms 2006 and average citizen satisfaction 2006-07 (upper-tier authorities only)**



Ordinary least squares regression was used to control for the effects of deprivation and population size on citizen satisfaction. We conducted a similar analysis for all authorities in 2002 and for upper-tier authorities alone in both waves of the survey. In order to do this the measure of leadership freedoms was split into two categories, 'low' (no freedoms or one freedom) and 'high' (two or three freedoms). The results are present in Table 7 a.-c.

Table 7 a. shows the results for the analysis of the relationship between leadership in 2002 and the proportion of citizens satisfied with council services in 2003-04. In this case, when population size and index of multiple deprivation are controlled for, 'leader freedom' is not a statistically significant predictor (at the 10% level) of the proportion of citizens satisfied with council performance.

When the analysis focuses only on upper-tier authorities in the same period (Table 7b) 'leader freedom' is a statistically significant predictor of citizen satisfaction at the 1% level. This relationship continues to hold when leader freedoms in 2006 and citizen satisfaction 2006-07 are considered (Table 7c), the relationship is statistically significant at the 5% level. The co-efficients of the leadership score in Tables 7a-c give estimates of the difference between authorities scoring 'low' leadership and those scoring 'high' whilst holding population and deprivation constant.<sup>4</sup>

**Table 7a 2003-04 average proportion of citizens satisfied with council services (all leader-cabinet)**

|   | Co-efficient           | Standard error |
|---|------------------------|----------------|
| Constant                                    | 58.631                 | 1.484          |
| Leadership dichotomy 2002 (all authorities) | 1.307                  | 1.091          |
| Index of Multiple Deprivation               | -0.229**               | 0.06           |
| Population size                             | -9.33x10 <sup>-7</sup> | 0.000          |

**Table 7b 2003-04 average proportion of citizens satisfied with council services (upper-tier leader-cabinet)**

|   | Co-efficient          | Standard error |
|---|-----------------------|----------------|
| Constant                                    | 48.012                | 2.833          |
| Leadership dichotomy 2002 (upper-tier only) | 5.700**               | 1.734          |
| Index of Multiple Deprivation               | 0.044                 | 0.092          |
| Population size                             | 3.93x10 <sup>-6</sup> | 0.000          |

**Table 7c 2006-07 average proportion of citizens satisfied with council services (upper-tier leader-cabinet)**

|   | Co-efficient           | Standard error |
|---|------------------------|----------------|
| Constant                                    | 53.132                 | 1.971          |
| Leadership dichotomy 2006 (upper-tier only) | 2.250*                 | 1.121          |
| Index of Multiple Deprivation               | -0.055                 | 0.061          |
| Population size                             | -3.85x10 <sup>-6</sup> | 0.000          |

\* p. < .05; \*\*p. < .01; \*\*\*p.< .001

<sup>4</sup> All coefficients reported in this paper are unstandardized.

In this analysis the measure of high leadership emerges as a statistically significant influence on the proportion citizens satisfied with council performance in the upper-tier authorities, and this relationship holds when measures of deprivation and the number of residents in an authority are controlled for. The relationship appears to have become less important over time (comparing Table 7b with Table 7c).

The analysis above is ‘cross sectional’ measuring leadership strength at a particular point in time. However, our two surveys suggest that 48% of upper-tier authorities have changed the number of freedoms given to leaders<sup>5</sup> between 2002 and 2006. To analyse whether the position of the leader over time influences the proportion of citizens satisfied with council performance, we added together the number of leadership freedoms in 2002 to the number in 2006 to give a range from ‘0’ to ‘6’. Authorities that scored ‘3’ or less were categorised as ‘low’ and those that scored ‘4’ or more as ‘high’. Does scoring high on this measure of consolidated leadership influence the level of citizen satisfaction?

The correlation between this measure and the proportion of citizens satisfied with council performance in 2006-07 is statistically significant at the 10% level. Controlling again for population size and multiple deprivation, Table 8 shows that the measure of leadership has a positive effect on citizen satisfaction (the relationship is statistically significant at the 10% level).

**Table 8 2006-07 average proportion of citizens satisfied with council services (upper-tier leader-cabinet)**

|   | Co-efficient | Standard error |
|---|--------------|----------------|
| Constant  | 52.409       | 2.362          |
| Leadership consolidated 2002-2006 (upper-tier only) | 2.755        | 1.433          |
| Index of Multiple Deprivation                       | -0.001       | 0.073          |
| Population size                                     | -3.67x10-6   | 0.000          |

\* p. < .05; \*\* p. < .01; \*\*\*p.<.001

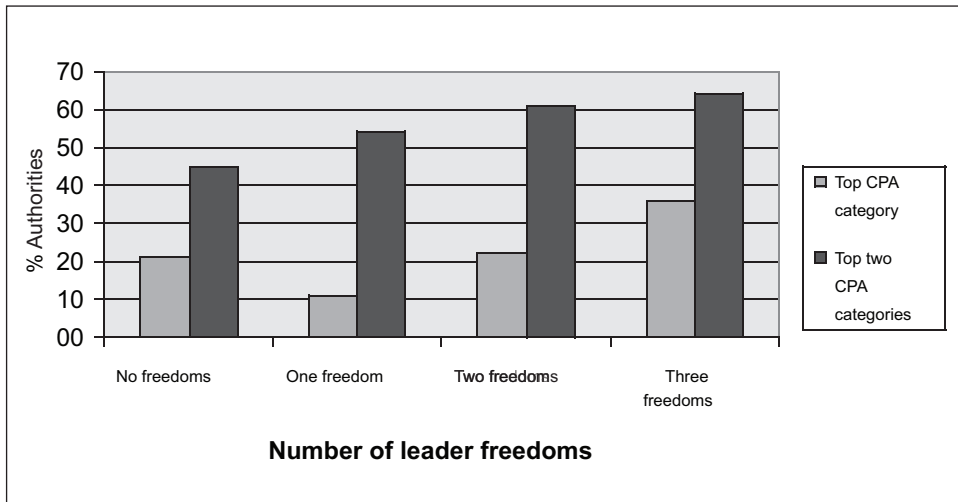
### *Leadership freedoms and CPA*

The second measure used to assess performance is the Comprehensive Performance assessment (CPA). First, we use the CPA category scores in 2003 for the upper-tier authorities (2003 is the first year of scores after the first wave of our survey). Figure 6 shows the proportion of authorities at each number of leader freedoms receiving the highest possible CPA and the proportion receiving the two highest CPA scores. The figure suggests that a year after the implementation of the Act those authorities that had constitutions that offered leaders more freedoms were performing better than others. The pattern is fairly clear and consistent with that found with the satisfaction data and the correlation between leadership freedoms and CPA 2003 scores is statistically significant at the 10% level.

<sup>5</sup> 77 of the 138 leader-cabinet top-tier authorities responded to both surveys

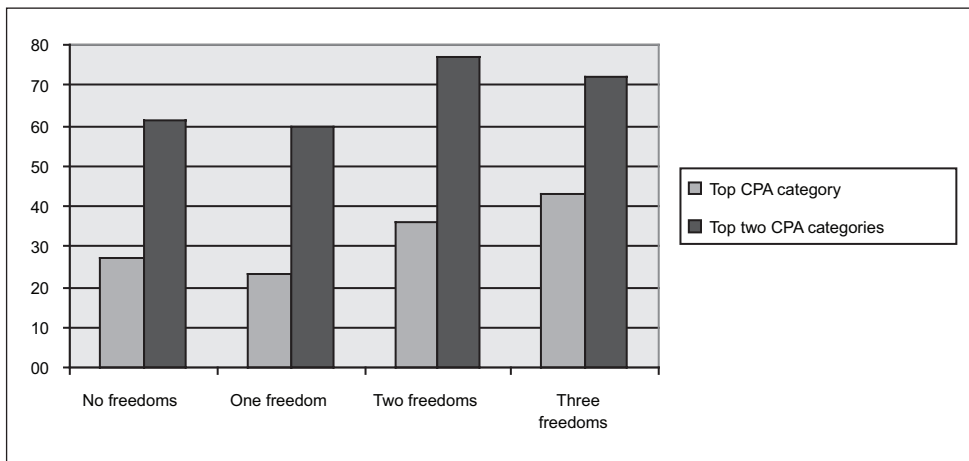


**Figure 6 Leadership freedoms 2002 and CPA performance 2003 (upper-tier authorities only)**

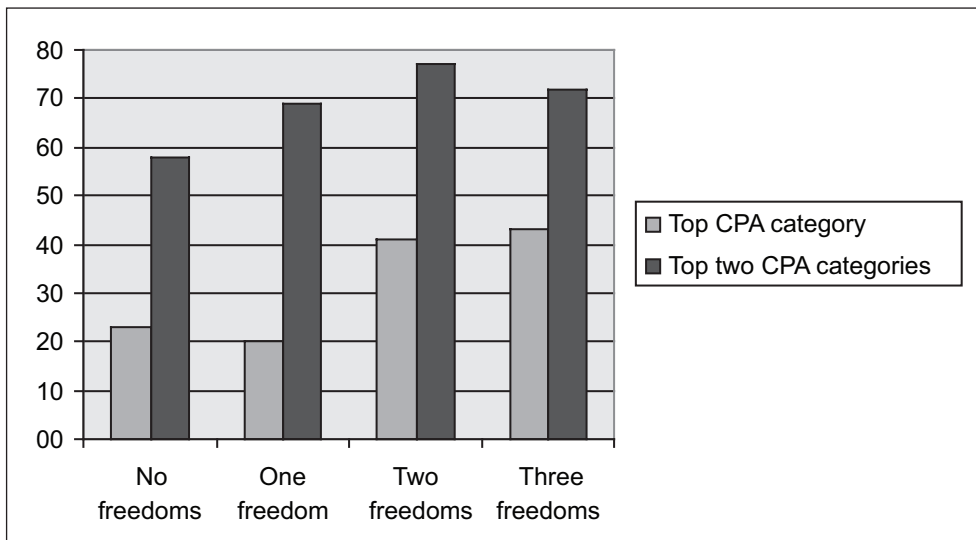


The effects of leadership on council performance may take some time to work through the system. Figures 7 and 8 show the relationship between leader freedoms in 2002 and CPA performance in 2004 and 2005. The correlation between leader freedoms and CPA score is significant at the 10% level for the 2005 data but not the 2004 CPA score.

**Figure 7 Leadership freedoms 2002 and CPA performance 2004 (upper-tier authorities only)**



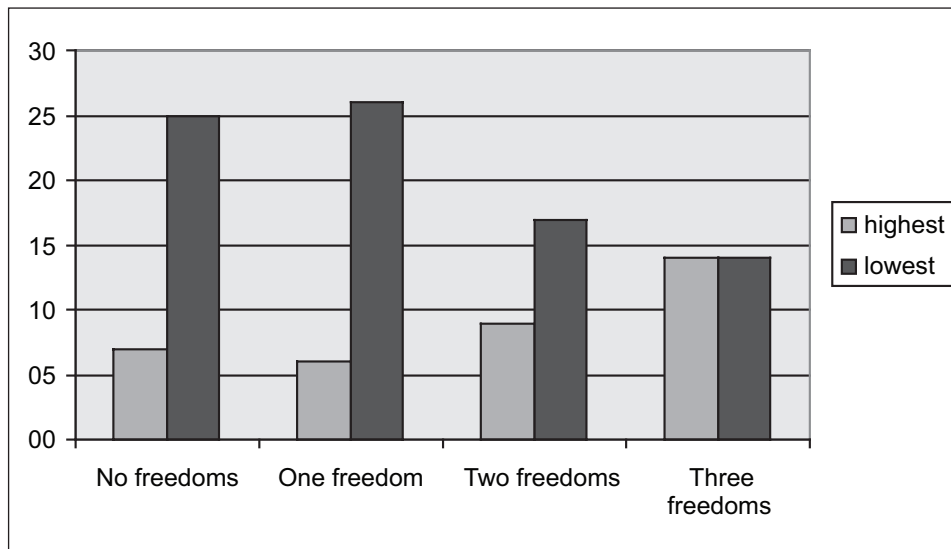
**Figure 8 Leadership freedoms 2002 and CPA performance 2005 (upper-tier authorities only)**



Over the period 2003 – 2005 a higher proportion of authorities in the ‘3 freedoms’ category attain the highest CPA score when compared to other authorities. Over this period there has been a general improvement trend among the weaker authorities and the relationship between leadership and the proportion of authorities in the *top two* categories has dissipated.

Care must be taken when analysing CPA change over time particularly as the method for calculating CPA changed in 2005. One way to address this is to look at the new 2005 score for ‘direction of travel’. Those authorities with more leader freedoms in 2002 were more likely to score highly on ‘direction of travel’ in 2005. Among the authorities for whom we have complete data on leader freedoms the highest score for direction of change was ‘improving strongly’ and the lowest was ‘improving adequately’. The distribution is shown in Figure 9. The blue columns represent the proportion of authorities scoring ‘improving strongly’ in 2005 and these rise with the number of leader freedoms 2002. The purple columns represent the proportion of authorities scoring ‘improving adequately’ and these fall with the number of leader powers. However, the correlation between leader freedoms and direction of travel is not statistically significant at the 10% level.

**Figure 9** Direction of travel 2005 and leadership freedoms 2002 (upper-tier authorities only)



The results of CPA 2006 were published in late February 2007. This is the first CPA score since our 2006 census was conducted. Figures 10a-c show CPA performance in relation to the number of freedoms a leader enjoyed in, respectively, 2002, 2006 and in relation to the leadership score consolidated over the two waves of the survey that we used in Table 8 earlier in the chapter.

Figure 10a shows that the pattern of higher CPA scores with the number of leadership freedoms allocated in 2002 is sustained in 2006. A non-parametric correlation between the freedoms and CPA is statistically significant at the 5% level. Figure 10b shows the 2006 CPA with the leader freedoms in 2006. In this figure the pattern has disappeared and to some extent reversed. Those authorities with one freedom in 2006 are the best performers on this measure, but the correlation is not statistically significant at the 10% level. Finally, Figure 10c shows the relationship between the leadership score consolidated over the two census years. With this measure the pattern between stronger leadership and better performance is found but is not statistically significant at the 10% level.

Figure 10a Leadership freedoms 2002 and CPA performance 2006 (upper-tier authorities only)

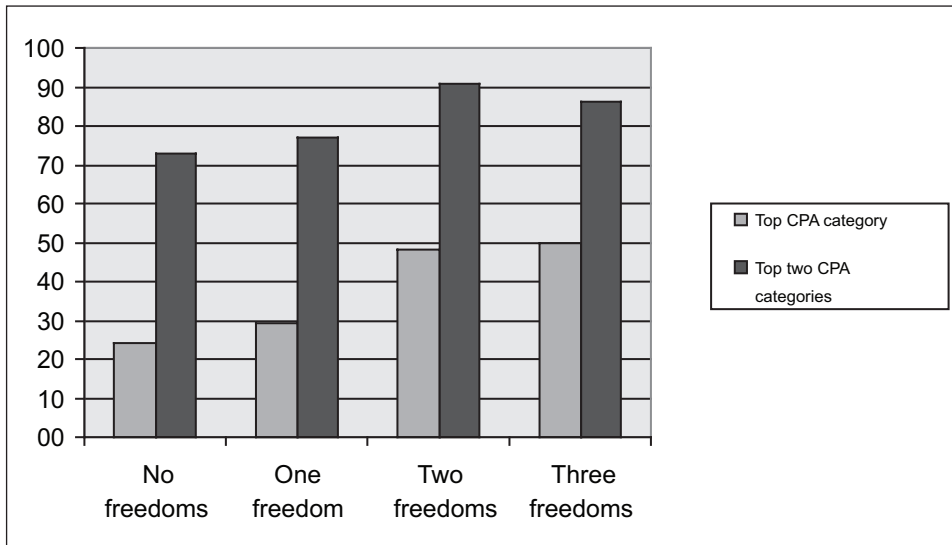
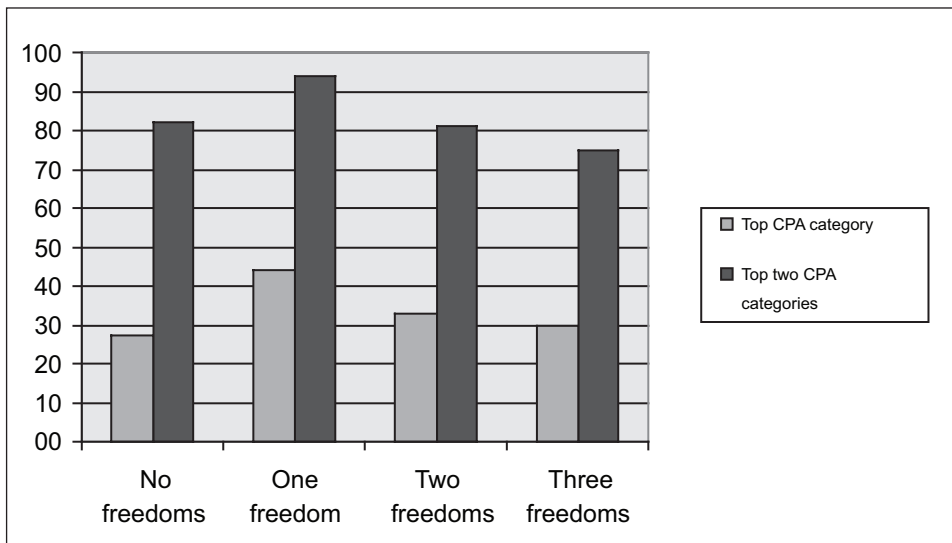
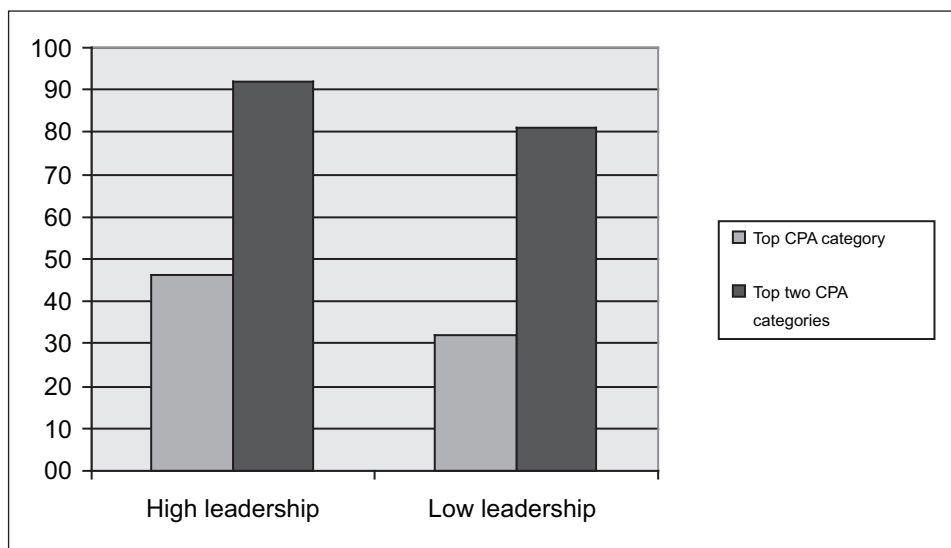


Figure 10b Leadership freedoms 2006 and CPA performance 2006 (upper-tier authorities only)



**Figure 10c Consolidated leadership score 2002&2006 and CPA performance 2006 (upper-tier authorities only)**



Before we discuss these findings we assess a second indicator of performance from the 2006 CPA. Figures 11a.–c. perform a similar analysis with the direction of travel scores 2006 as the measure of performance. Figure 11a shows the relationship between the number of freedoms an authority gave to its leader in 2002 and how the Audit Commission assessed its direction of travel. The highest achievable score was ‘improving strongly.’ The proportions of authorities achieving that score are shown in the blue columns. The red columns show the proportions that were judged to be ‘improving adequately.’ ‘Improving adequately’ represents the second lowest score (out of four) but it was the lowest achieved by any of the authorities that returned a complete survey. Figure 11a shows a broadly positive association between number of leader freedoms 2002 and scoring ‘strongly’ in the direction of travel 2006. A negative pattern is in evidence between leader freedoms and scoring ‘adequately’ on direction of travel, although the correlation is not statistically significant at the 10% level.

Figure 11b the relationship between the number of freedoms an authority gave to its leader in 2006 and how the Audit Commission assessed its direction of travel. Here, whilst authorities with three freedoms more frequently score in the higher category of ‘improving strongly’ than other authorities, they are also much more likely to score in the lower category of ‘improving adequately’. Overall, the correlation between direction of travel 2006 and then number of leader freedoms 2006 is negative and statistically significant at the 10% level. Finally, Figure 11c shows the pattern between the leadership score consolidated over 2002 - 2006 and the direction of travel 2006. Here the overall pattern shows positive performance, with a moderately higher proportion of authorities in the high leadership category scoring ‘improving strongly.’ On the other hand there is a marginally higher proportion of authorities in the high leadership category scoring ‘improving adequately.’ The correlation is not statistically significant at the 10% level.

Figure 11a Direction of travel 2006 and leadership freedoms 2002 (upper-tier authorities only)

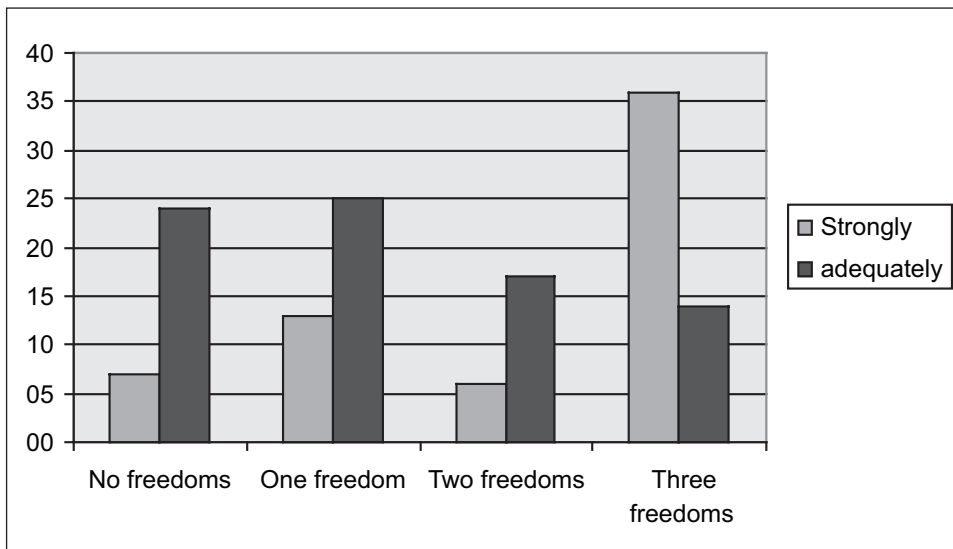
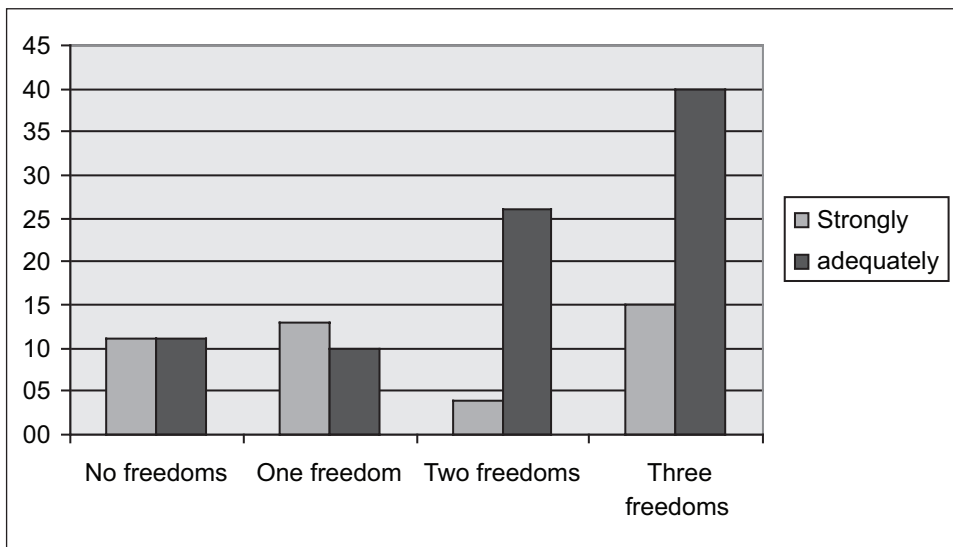
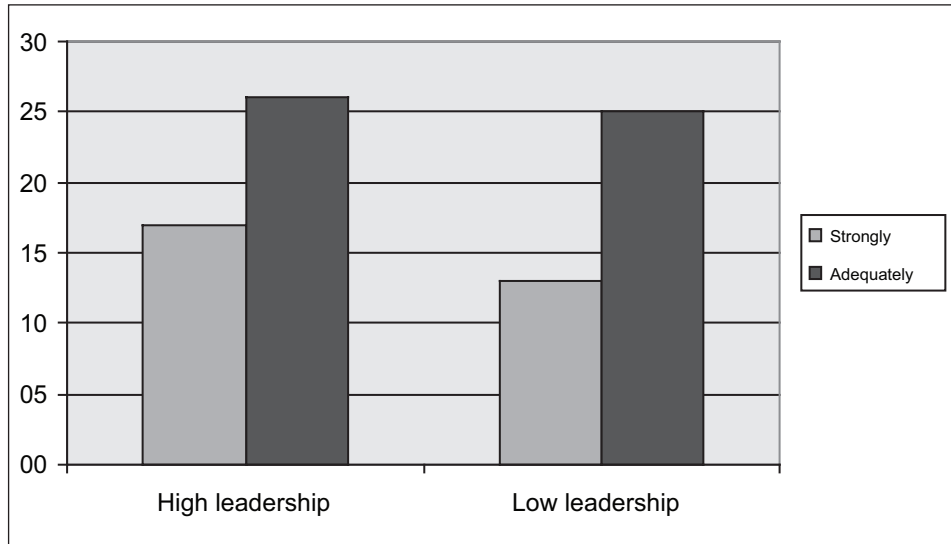


Figure 11b Direction of travel 2006 and leadership freedoms 2006 (upper-tier authorities only)



**Figure 11c Direction of travel 2006 and consolidated leadership score 2002 & 2006 (upper-tier authorities only)**



The upper-tier leader-cabinet authorities that made constitutional choices providing greater freedom to their leaders in 2002 have gained higher CPA scores in 2003, 2004 2005 and 2006 they also performed better with the 2005 and 2006 direction of travel analysis. This pattern emerges consistently throughout the CPA data presented in this section although not all of the differences are statistically significant at the 5% level and it must be remembered that the absolute numbers in some categories are quite small. The relationship between 2002 leader freedoms and 2006 CPA scores is significant at the 5% level. A different picture emerges when we look at the pattern between leadership freedoms from the 2006 census and 2006 CPA. The pattern is reversed for both the overall CPA score (marginally) and the direction of travel score with those authorities allowing more leadership freedoms in 2006 overall performing less well. The analysis of leadership scores consolidated over the two waves of the census suggests positive relationships between strength of leadership over the previous four years and performance in 2006, although the relationships are not strong.

In the next section we move away from looking at the effect of specific constitutional change on to assessing the more general argument that leadership position and stability may contribute to authority performance.

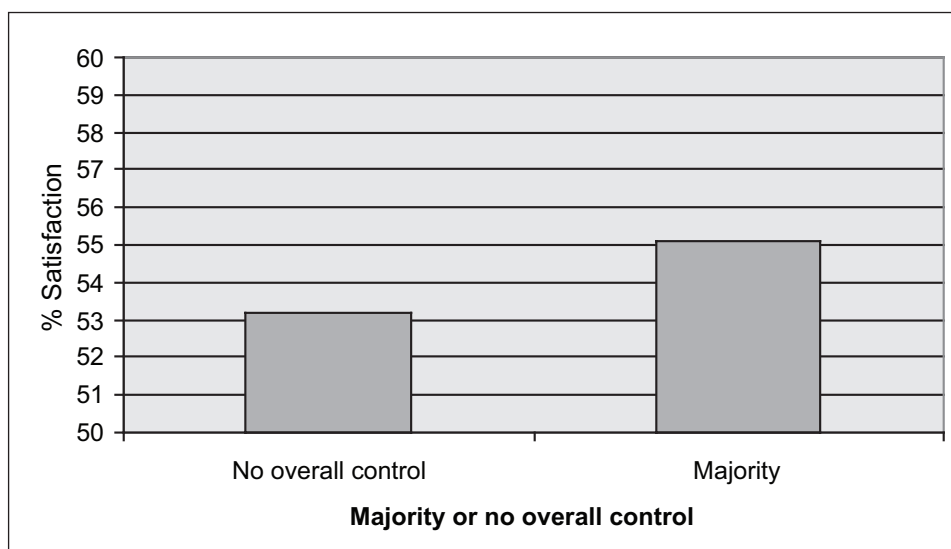
## 4.4 Political context

The previous analysis relates elements of the constitutional position of leaders to the performance of their councils. The wider political environment in which leaders operate may also influence their ability to develop facilitative leadership styles. An underlying assumption of the White Paper is that stable leadership is on average beneficial so we now examine some of these relationships. This analysis includes all the authorities that answered the survey not just leader-cabinet authorities. First we look at whether councils with majorities perform better than those with no majority, then we look at political stability over a four year period.

### *Political Context 1: majority control*

One factor that may make coherent leadership difficult is if the party group of the leader of an authority does not have an overall majority in the council. Citizen satisfaction levels are slightly higher with councils that have a majority when compared to no overall control authorities, the correlation is statistically significant at the 10% level but in absolute terms the difference is fairly small - see Figure 12.

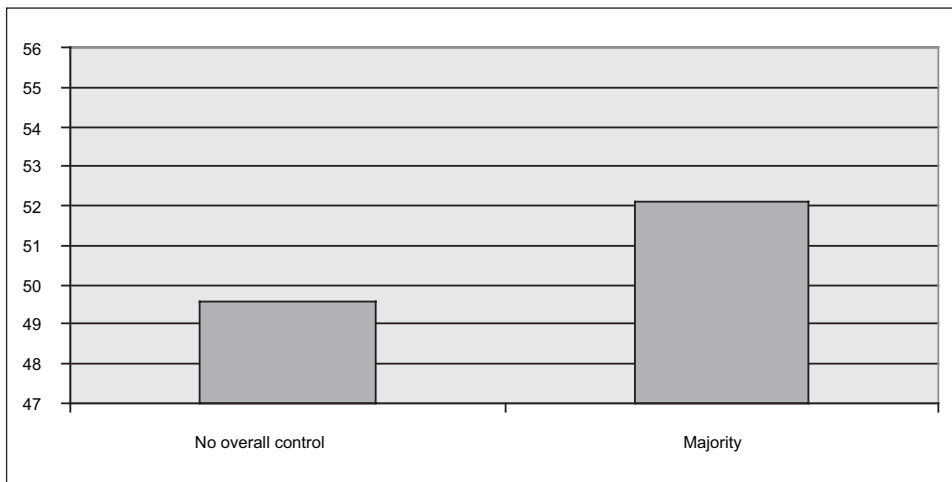
**Figure 12** Majority control 2002 and average citizen satisfaction 2003-04



The positive association between majority control and the proportion of citizens satisfied was maintained in the upper-tier authorities in 2006 and is significant at the 5% level (see Figure 13, below).

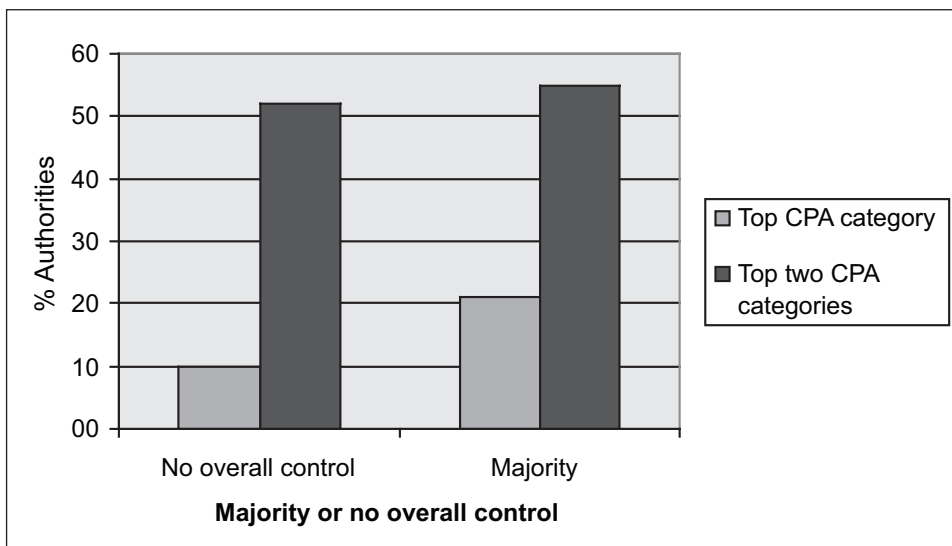


**Figure 13** Majority control 2006 and average citizen satisfaction 2006-07 (upper-tier authorities only)



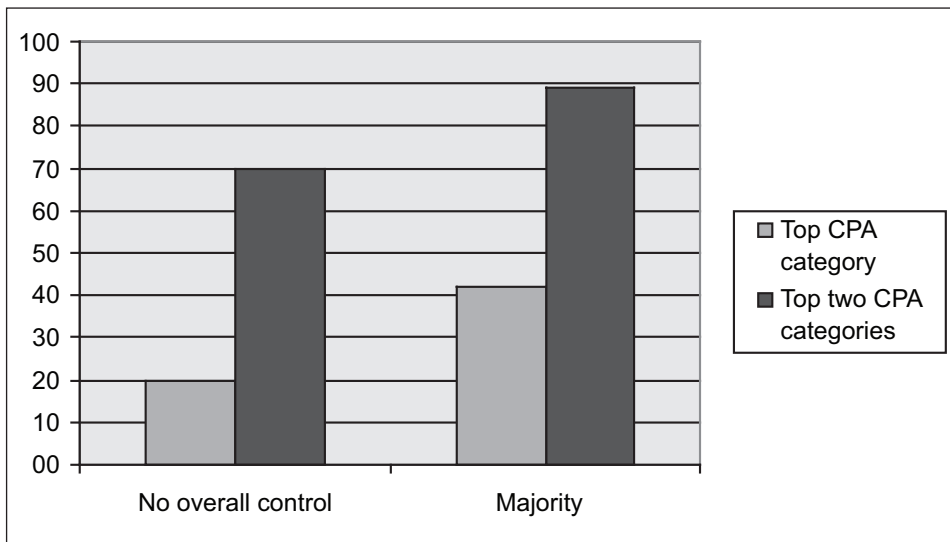
A positive relationship is also found when CPA scores are considered. Figure 14 shows that a higher proportion of councils with a majority group are in the top CPA category in 2003 when compared to no overall control authorities. This relationship is also present when comparing the top two categories of CPA, although the correlations are not statistically significant at the 10% level.

**Figure 14** Majority control 2002 and CPA performance 2003 (upper-tier authorities only)



Again looking at the 2006 CPA, majority councils in 2006 are more likely to be in the top two categories and twice as likely to be in the top CPA category than non-majority authorities (Figure 15). The positive correlation between a council having majority control and the CPA 2006 score is significant at the 1% level.

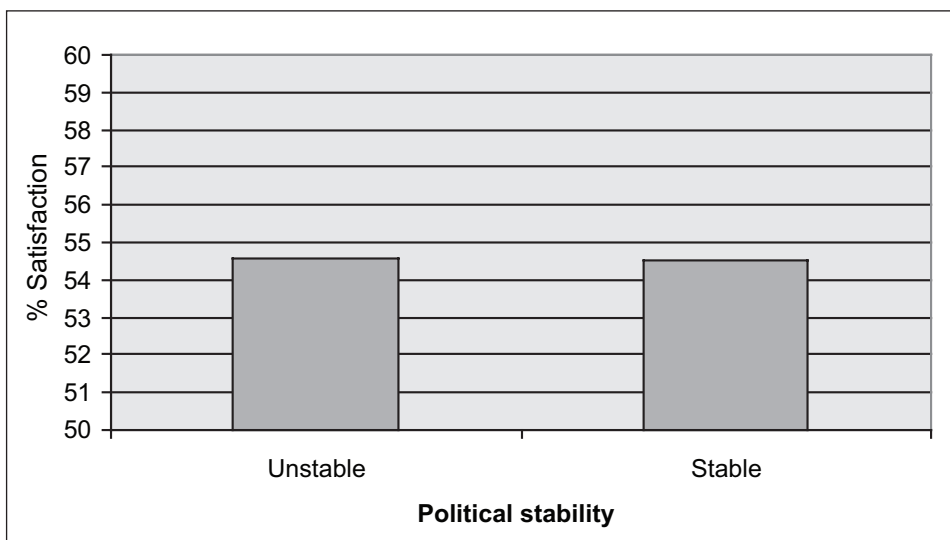
**Figure 15** Majority control 2006 and CPA performance 2006 (upper-tier authorities only)



***Political Context 2: Political stability***

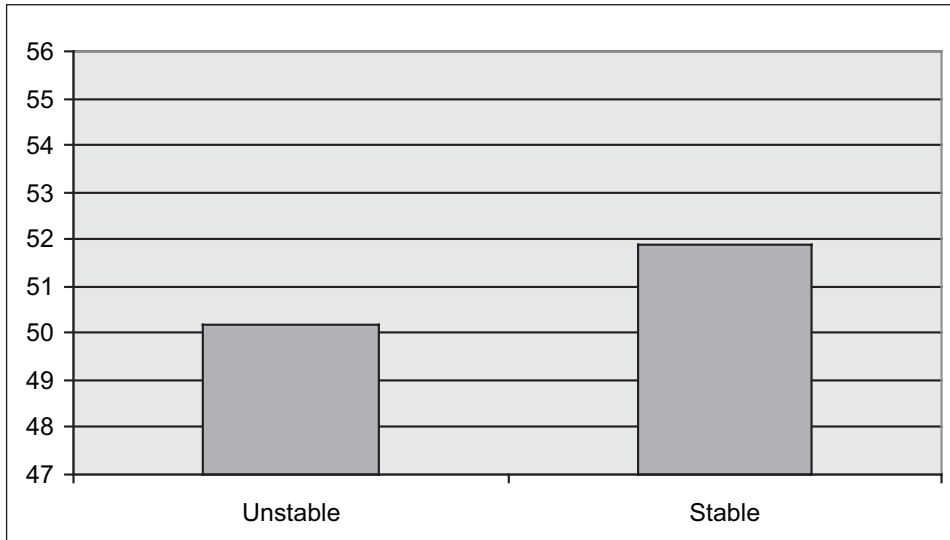
When comparing authorities that have experienced change in political control over the four years before 2002 and those that were stable the satisfaction data is marginally more positive for the authorities that had experienced political change although the difference was just over 0.1 of a percentage point, and was not statistically significant at the 10% level (Figure 16).

**Figure 16** Political stability 1998-2002 and average citizen satisfaction 2003-04



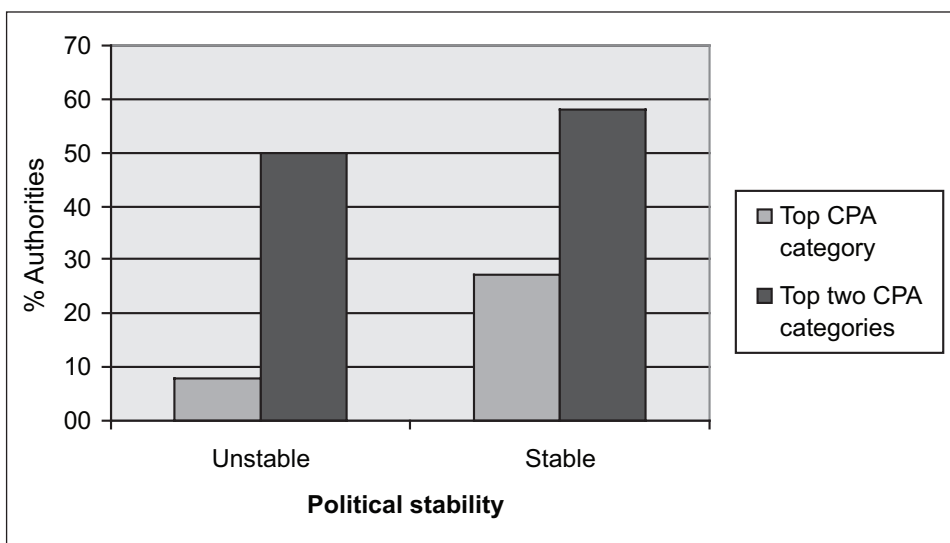
Political stability and citizen satisfaction in upper-tier authorities display a positive association in the second wave of the census survey, although not statistically significant at the 10% level (see Figure 17).

**Figure 17 Political stability 2002-2006 and average citizen satisfaction 2006-07 (upper-tier authorities only)**



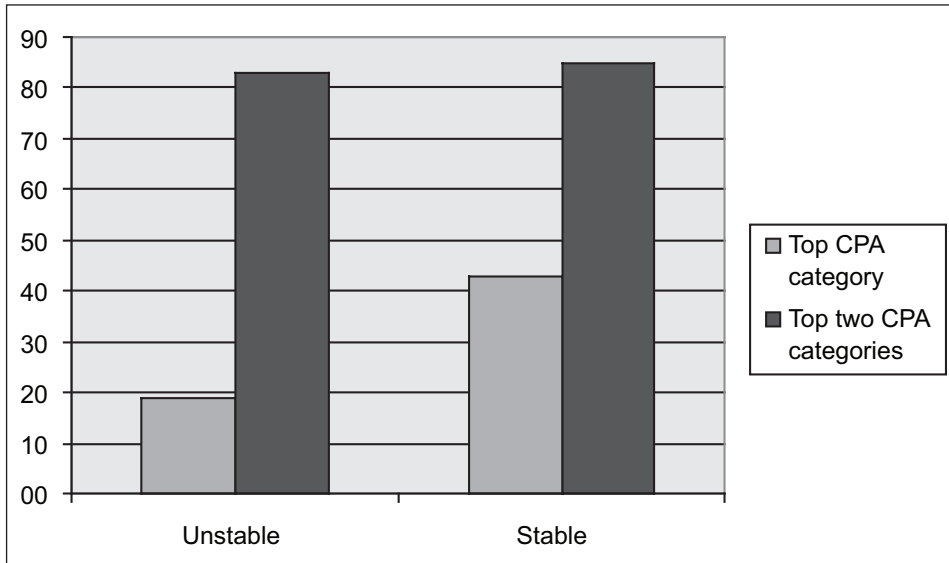
A positive relationship is found when we look at CPA and political stability, although the correlation is not statistically significant at the 10% level. A higher proportion of authorities with stable political control are in the top category and the top two categories of the 2003 CPA than those that have experienced political change, but the correlation is not statistically significant at the 10% level (Figure 18).

**Figure 18 Political stability 1998-2002 and CPA performance 2003 (upper-tier authorities only)**



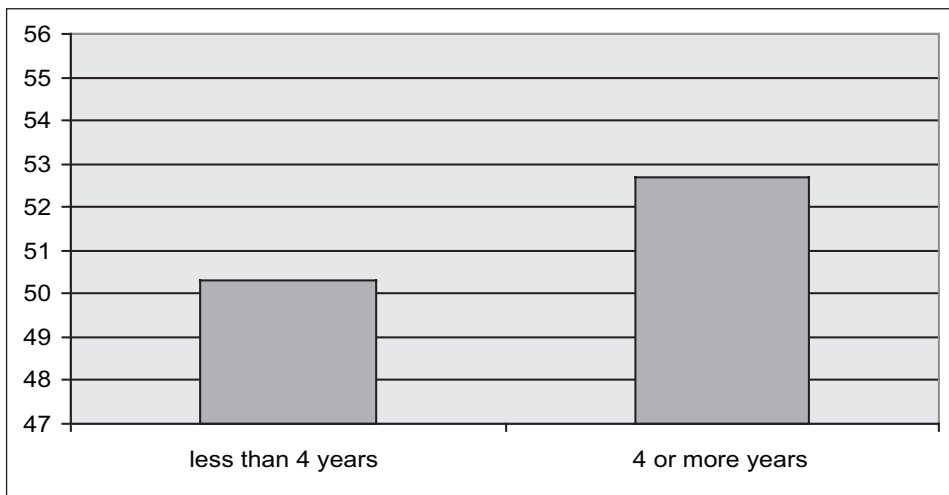
Turning now to the second wave of the ELG census, the 2006 CPA scores show a similar pattern with political stability having a positive effect. In 2006, authorities that have been politically stable over the previous four years are twice as likely to be in the highest CPA category, although there is little difference between the proportions in the top two categories (see Figure 19). The correlation is statistically significant at the 5% level.

**Figure 19 Political stability 2002-2006 and CPA performance 2006 (upper-tier authorities only)**



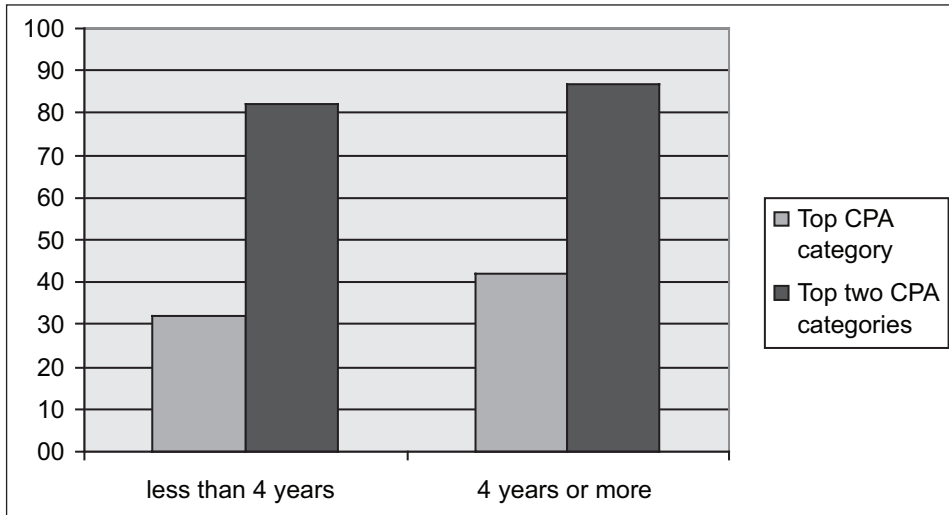
In the second wave of the census we asked a question about how long the leader had been in position. Having a leader in post for at least four years is positively associated with the proportion of citizens expressing satisfaction (Figure 20) with the council and the correlation is significant at the 5% level.

**Figure 20 Leader tenure and average citizen satisfaction 2006-07 (upper-tier authorities only)**



Finally, we can compare the CPA performance of an authority in 2006 and whether the leader has been in position for at least four years. Figure 21 shows that where a leader has been in position for four years or more, a greater proportion of authorities achieve the highest CPA score when compared to others. The effect is less marked when the top two CPA categories are considered. The correlation is not statistically significant at the 10% level.

**Figure 21 Leader tenure and CPA performance 2006 (upper-tier authorities only)**



The analysis in this section has assessed whether three characteristics associated with leader stability and strength are associated with positive performance. These three measures are all closely related to each other and it is difficult to draw strong conclusions about the different effects of the specific characteristics. However, the analysis allows us to conclude with some confidence that where an authority operates in a political context that supports stable and coherent political leadership it is more likely to perform strongly when compared with authorities in a more turbulent environment.

# Chapter 5

## Conclusion

This research paper has explored the impact, both perceived and in performance, of the different forms of political leadership created through the 2000 Act to tease out the potential implications of proposals for leadership contained in the White Paper.

We started with an examination of the character of political leadership in the twenty-first century, drawing on the academic literature that uses the term 'facilitative leadership' to best sum up what leaders can do in the modern conditions of complex governance. They need to build links with the many actors in the urban scene to become effective generators of effective and legitimate policies for the citizens of today's localities. The components of facilitative leadership involve working in partnership, accessibility, non partisanship and effective decision making. Facilitative leaders do not depend on a top down or authoritarian approach, but use their powers and abilities to draw citizens and other stakeholders into a shared vision for the locality, which draws the best on their aspirations, and the abilities of local councils and other actors to 'place shape'.

We reviewed the situation in English local government since the 2000 Act, which introduced new council constitutions into local authorities, giving local communities the choice between mayors or leader-cabinets and within the latter model choices about the powers given to leaders. We use evidence that comes from a five-year evaluation of these arrangements. Initially we explore the varying constitutional *processes* of leadership to see the impact on perceptions of the components required for facilitative leadership.

We found a link between the constitutional processes established by the mayoral model and perceived benefits for the exercise of facilitative leadership. We also noted increasing leadership powers within the leader-cabinet model assists in producing more visible and efficient decision making but does not advance other elements of facilitative leadership in respect of its accessibility, partnership or non partisanship. We found that in hung authorities an internal focus on managing coalitions and party competitors can impede the exercise of facilitative leadership. These findings suggests that of the three models offered in the White Paper the one which is likely to most clearly deliver facilitative leadership which embraces partnership, is accessible, non partisan and more efficient is the mayoral model but all three should make some impact particularly on efficiency of decision making.

We found considerable evidence of the challenges for leadership faced by the non-executive councillors. We suggest that a role in speaking up for their communities through the Community Call for Action and other developments (as envisaged in the White Paper) may add to the levers available to non-executive councillors but pressures on time, partisan considerations and lack of resources

and support for a championing and advocacy role within local authorities may limit the impact of the reform.

Next we move on to examine the link of constitutional arrangements in leader cabinet authorities with performance data. Given the proposals in the White Paper we examine whether having stronger leadership powers within the leader-cabinet model is linked to citizen satisfaction and better performance. Running various tests against citizen satisfaction with council services we found a statistically significant relationship between greater freedoms being taken by the leader in 2002 and satisfaction scores. The link between leader freedoms and satisfaction scores is still in evidence in 2006, when looking at upper tier authorities, but the correlation is less strong.

Cautiously, and while stressing the limitations of the data, there also appears to be a link between leadership powers in 2002 and relationship to CPA performance. The top tier authorities that made constitutional choices providing greater freedoms to their leaders in 2002 have gained higher CPA scores in 2003, 2004, 2005 and 2006, they also performed better with the 2005 and 2006 direction of travel analysis. Looking at more recent data, the number of leader freedoms in 2006 is not positively associated with CPA performance but this finding is difficult to interpret. Looking at a measure of strength of leadership over the whole period covered by the surveys does show a positive relationship with CPA. The overall balance of evidence presented here suggests that having stronger leadership powers within the leader-cabinet model, such as those proposed in the White Paper, is linked to better performance.

In addition, there is evidence that other indicators of leadership stability have a positive link to impacts. Satisfaction levels are higher in councils that have a majority party in office. In 2006, there is also a link between majority control and CPA scores in upper tier authorities. Councils with political stability tend to have a higher CPA outcome. Having a leader longer in tenure is also positively associated with citizen satisfaction. This evidence could be seen as supportive of the White Paper's case for greater stability of tenure for leaders.

Explanation in the social world is always challenging and often involves sifting through an array of complex evidence. We have taken into account in our research work the complexity of the institutional environment of local government and the range of factors that could come into play to influence service performance and citizen satisfaction. We also need to bear in mind that the effects of institutional reform usually count in decades rather than the half a decade here. But we are able to note the emergence of a form of facilitative leadership that is particularly but not exclusively associated with the mayor-cabinet model. We note that political leadership appears to make a difference to service performance and citizen satisfaction, which supports the White Paper's case for greater powers and stability of tenure for leaders. The evidence suggests that facilitative leadership is emerging in English local government and would be encouraged further by the changes proposed in the White Paper. We conclude that political leadership does make a difference and that the appropriate constitutional incentives and resources can support the development of effective facilitative leadership further in English local government.

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