

Free Commune Experiments: lessons for policy in England

The Free Commune Experiments (FCEs) were set up in Scandinavia in the late 1980s and early 1990s in response to the rising costs of the welfare state. Policy makers were seeking ways of devolving greater responsibility for policy making and service provision to the local level with the aim of securing more responsive and cost effective local services.

Selected, well performing, municipalities were granted exemptions from elements of national legislation in order to encourage bottom up development of new approaches that would provide exemplars and enable central government to decide what freedoms local areas needed on a permanent basis. The approach offered a low cost and initially temporary way of testing increased autonomy. The FCEs were given greater powers and control over spending decisions, simplification of planning and environmental rules, and were encouraged to use innovation and cross boundary service delivery to create efficiencies.

The FCEs helped to create a policy environment in which local authorities were able to experiment with new approaches resulting in innovation and efficiency. Services were better able to respond to local needs and priorities, offering increased choice and citizen participation. The local authorities were able to play a more pro-active role in policy making and a new culture of central-local government relations developed.

Implications

The links with English policy and the move towards a new localism through Local Area Agreements, more joined up service provision, greater choice and community empowerment are clear. There are also some key lessons.

The report considers the possibility of granting freedoms wider than those available through LAA's and LPSA's in order to stimulate more innovation at a local level, coupled with the adoption of presumption in favour of granting exemptions unless there are compelling reasons for not doing so. This would be a major step forward as current policy places the onus on the local authority to justify and evidence the need for flexibilities, and in many cases this is proving very difficult. The approach would be a major step towards realising the Government's vision for public service delivery.

In its recent discussion paper *"From Decent Homes to Decent Communities"* DCLG propose to explore new freedoms and flexibilities for local authorities, ALMO's and housing associations to achieve priorities and create new models for delivering and managing social housing. In particular, DCLG will look at the costs and benefits of allowing excellent performing local authorities to operate outside the HRA subsidy system, and greater opportunities for successful ALMOs to play an effective role in driving up the quality of housing. Evidently restricting freedoms and flexibilities to excellent performing organisations is intended to act as an incentive and reward to drive up performance.

Your Views

As part of our ongoing dialogue with members regarding freedoms and flexibilities, we would be interested in your views.

What conditions would you like to see placed upon organisations being offered greater freedoms and flexibilities?

Is it appropriate for freedoms and flexibilities to only be granted to excellent performers or is there an argument for granting freedoms to poor performers, to create better opportunities to improve performance and drive up standards more quickly?

The full report can be found at:

http://www.communities.gov.uk/pub/877/TheFreeCommunesExperimentslessonsforpolicyinEngland_id1500877.pdf

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