

Briefing note: Role of the Office of Local Government (Oflog)

Background

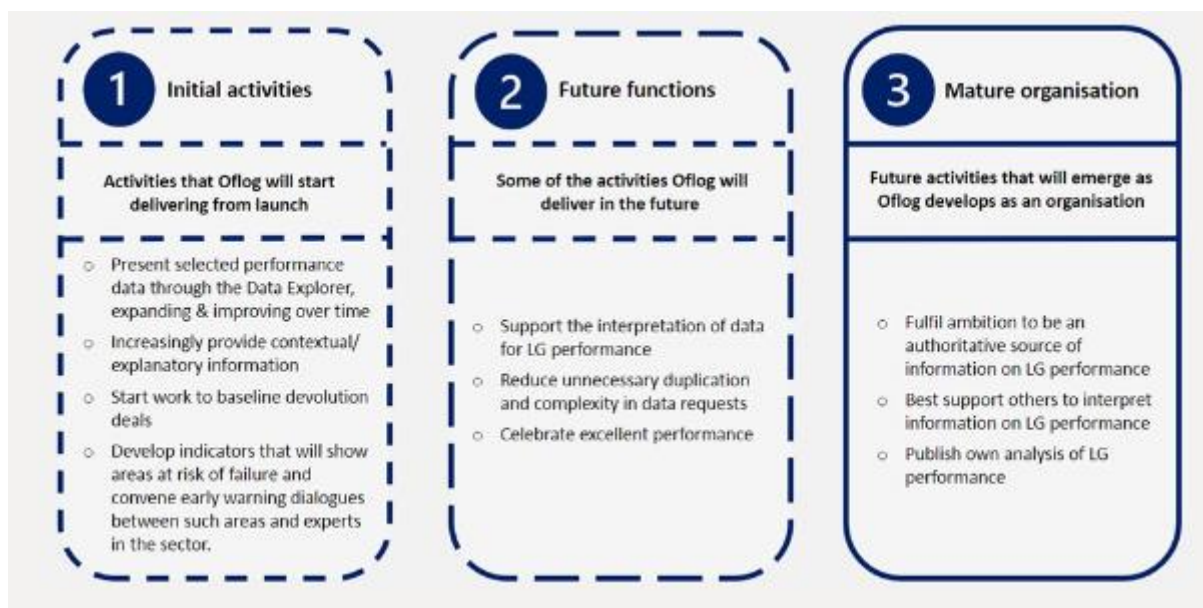
1. On 4 July 2023, Michael Gove announced the establishment of [Oflog](#) – the Office for Local Government - through his [speech to the LGA](#), a [written ministerial statement](#) and a [policy document](#). New draft [Best Value guidance](#) was also published for consultation, and the [Local Authority Data explorer](#) launched.

What does Oflog do?

2. At its launch, Oflog was announced as being 'a new performance body focused on local government in England. It will provide authoritative and accessible data and analysis about the performance of local government and support its improvement' in order to 'help all councils succeed'.
3. The organisation's aim is to 'collate, analyse and publish existing data about the relative performance of councils' and devolution deals. In particular, it publishes data in a clear and accessible way on the **Local Authority Data Explorer**.
4. Oflog's stated purpose is also to 'recognise and celebrate' ingenuity and imagination in the 'best' local authorities to make sure 'local leaders get the credit they deserve' and to 'showcase the best in class so others can learn from them'. Where councils are identified as at risk of potential failure, Oflog 'convenes dialogue between councils and expert local leaders to explore the issues in more detail'.

Why did the Government create Oflog?

5. The Government created Oflog in order to:
 - help **councillors** and the **public** and **media** have the information they need to scrutinise local decisions more effectively.
 - ensure **council leaders can compare themselves** against their peers and find examples of good practice.
 - allow **central government and partners** to identify where there might be challenges and a need to step in and give support. (The Secretary of State spoke about the need for DLUHC to 'respond to the warning signs').
6. Another driver for Oflog's creation was devolution, so that where councils are given more freedom, this is matched through accountability and 'checks and balances in the system'.
7. The Government stated that Oflog is not an attempt to micro-manage councils or recreate the Audit Commission. It also made clear that Oflog is a maturing organisation, and that its activities will evolve over time – see graphic below:



Local Authority Data Explorer (LADE)

8. In the Oflog policy document, the Government says that the current 'dispersal' of the data collected on local government performance 'limits its collective value and use', saying that instead there needs to be an organisation that can locate itself at the centre, synthesising the data, making it more accessible and useful, without increasing the current burden on councils.
9. So far, the [LADE](#) only covers adult skills; adult social care; finance; planning; roads and waste management (drawing on existing data from the Single Data List and Local Government Transparency Code), but these will be expanded to cover the breadth of what councils do and the metrics will be improved over time.
10. The LADE uses 'median absolute deviation' – i.e. each council is shown in terms of how far from the median for all English councils it deviates. In its initial stages, Oflog will not be looking at data on the **impact** of services, but the ambition is, however, to transition as soon as possible to an outcomes-based approach to performance that focuses on impact.
11. The indicators that Oflog measure are included in West Suffolk's Key Performance Indicator dashboards that are scrutinised by Performance and Audit Scrutiny Committee on a quarterly basis.

New Best Value guidance

12. Councils are subject to the 'Best Value Duty' which requires local authorities to 'make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness' (under the Local Government Act 1999).
13. Councils are required to have regard to statutory guidance issued by the Secretary of State on the Best Value Duty (under s26 of the 1999 Act). Previous

guidance documents were issued in [2011](#) and 2015 (in relation to how councils worked with the VCSE).

14. The [Best Value statutory guidance](#) sets out seven themes of 'good practice for running an authority to secure continuous improvement and provide value for money'. This includes the characteristics of a well-functioning council and those used to identify challenges that could indicate failure.

15. The seven themes are:

- Continuous improvement
- Leadership
- Governance
- Culture
- Use of resources
- Service delivery
- Partnerships and community engagement

16. These themes are then expanded upon in a lot of detail in the draft document, with indicators of what 'good' looks like and what indicators of potential failure are, and then guidance is given on how the Government will intervene in failing authorities.

Oflog draft Corporate plan

19. The draft corporate plan of Oflog (published in February 2024 and covering the period 2024 to 2027), outlines the organisation's objectives and strategies to fulfil its remit. Since its launch Oflog has engaged with various sector colleagues to shape its plans and ensure alignment with the goals set by the Secretary of State in February 2024.

20. Oflog's purpose remains to enhance the performance of local government, ensuring efficient delivery of services and prudent use of taxpayers' money. It aims to address three key gaps in the current system:

- i) Inform: Oflog seeks to increase understanding of local authority performance data among citizens, civil society, and local government itself. This involves making data easily accessible and providing clear explanations of its limitations.
- ii) Warn: Oflog aims to identify local authorities at risk of serious failure early on, helping prevent crises before they escalate. This involves both desk-based analysis and direct engagement with local authorities.
- iii) Support: Oflog will provide support to help local authorities improve their performance, productivity, and value for money. This includes identifying and promoting best practice and helping authorities make better use of data.

24. Oflog will not engage in lobbying or arbitrate funding disputes between local authorities and the government. It also lacks regulatory powers and will not conduct routine inspections. Oflog also cannot intervene directly in the affairs of

a local authority, as regulatory powers remain vested in the Department for Levelling Up, Housing and Communities (DLUHC). Oflog will also not develop policies to enhance the system of external audit for local authorities. This responsibility lies with other entities within the system, including DLUHC and the Financial Reporting Council (FRC).

25. The organisation will operate independently, with oversight from its Chair. It will collaborate closely with the local government sector and other relevant stakeholders.
26. The business plan for 2024 to 2025 includes initiatives to achieve these objectives, such as expanding the Data Explorer to cover more metrics and conducting Early Warning Conversations with at-risk authorities. Oflog's activities will be governed by DLUHC, with oversight from an appointed Board and regular reporting on progress.

Next steps for West Suffolk Council

17. Officers are keeping abreast of developments with Oflog and will update Members on any further information about how it will operate.