Urban Governance – the complex politics of measuring performance
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Statistical measures have assumed a set of new roles in contemporary post-industrial, and in some important respects post-democratic (Crouch 2000), societies. Since the development of effective statistical data production in the nineteenth century, quantitative measures have played a central, and indeed in many ways constitutive, role in governance (see Desrosières 1998). We can see them as essential tools of information about social change at the meso and macro level in the form of standard census measures from the 1830s in the UK. We can see economic statistics as crucial to the development of macro-economic management as the basis of Keynesian modes of regulation in mid twentieth century. We can see Moser's development of descriptions of *Social Trends* as an effort to inform rational debate among a wide political public in the 1970s. In the late twentieth century social measures, some new and some already existing, have been assigned two new functions. One is to inform 'consumers' of publicly provided services as a basis for the exercise of choice by those consumers in a quasi-market context, exemplified by the production of school performance data as the basis of 'parental choice' in state education in England. The other is as 'performance indicators' as part of the performance management of subordinate – the subordination is very important – components of governance. There is of course a real overlap between the use of measures for performance management and evaluation in a broader sense. Evaluation is about measuring the effectiveness of interventions and can and should be understood in the broadest sense as part of the process of determining what works and providing general information about what works. Performance indicators are part of any quantitative evaluation process but they are also potentially part of systems of control which are about the exercise of power.

Urban strategy and neighbourhood development are two areas of governance where performance indicators play a major role and in these two domains the replacement of democratic processes by

apparently technical, although in reality deeply political, determination is both apparent and of great significance. In order to sustain this assertion it is necessary to say something about the changes in urban governance which have developed over the last twenty some years. There are a set of related processes in operation here. First, there has been a massive reduction in the financial autonomy of elected local government in Britain since the Thatcher era in the early 1980s. Of course local government was increasingly dependent on central government grants in aid throughout the post-war era but the abolition of domestic property rates and the transfer of the determination of business rates to central government was a step change. Second, there was the transfer of local government functions to a variety of QUANGOS which themselves have undergone the permanent administrative re-organizational revolution which has characterized so many components of UK governance and service delivery. However, it is in the field of urban regeneration that processes of 'determination of the future' have most evidently been taken from the clear democratic process. The first such agents were Heseltine's Urban Development Corporations, beginning with the London Development Corporation, which removed planning powers from elected local authorities in a set of English and Welsh conurbations. The UDCs had targets set for their operations, or set such targets for themselves. These were couched in terms of 'jobs created or retained' – which targets were seldom if ever properly measured, especially since 'jobs retained' became a very elastic category, and the gearing ratio of private capital investment to public investment in UDC areas. This latter was more easily established and in the early period it is plain that UDCs seldom achieved targets but the rising residential and commercial property markets of the 1990s certainly did lead to subsequent large private investment in UDC areas.

UDCs were criticized precisely because their focus on property development, which was entirely in accord with their statutory basis, was seen as not 'people centred'. Subsequent initiatives included City Challenge, the development of Single Regeneration Budgets and a range of service specific interventions such as Health Action and Education Action Zones. In this piece the focus will be on two key new post-democratic agencies in urban regeneration. We will examine the role of statistical measures in relation to the operations at the meso level of Local Strategic

Partnerships which operate in relation to whole local government units and at the micro level of neighbourhood we will consider 'New Deal for Communities'. This is convenient because the same set of indicators essentially applies to both sets of agencies. The key expression in relation to both levels of agency is 'Floor Targets' and the significant measures are those which are used both to set targets and to determine achievement of them.

Floor Targets

The full set of national target measures can be accessed at:

http://www.fti.neighbourhood.gov.uk/page.asp?id=4

In summary the targets cover a set of domains with specific indicators identified in each domain. The domains and indicators (with a selection of targets included for illustrative purposes) are:

Jobs / Worklessness

Employment rate of disadvantaged areas

SR2004 Target (DWP): Over the three years to Spring 2008, and taking account of the economic cycle, increase the employment rate of disadvantaged groups … [including] those living in the Local Authority wards with the poorest initial labour market position and significantly reduce the difference between the employment rates of the disadvantaged groups and the overall rate.

Employment rate of lone parents
Employment rate of ethnic minorities
Employment rate of those aged 50 and over (to 69)
Employment rate of those with lowest qualifications
Self-employment rates in the 15% most deprived wards in England
Productivity of rural areas
Regional Economic Performance

Crime

Crime: overall level
Crime: High crime areas

Target (Home Office): Reduce crime by 15%, and further in high crime areas, by 2007/08 - Source: Home Office (recorded crime BCS comparator)

Crime: overall vehicle crime
Crime: overall burglary

Education

Education: England GCSEs pass rate A*-C
Primary education: English and maths level 4
Secondary education: English, maths, science, and ICT level 5
Percentage of schools in England where 30% of pupils are achieving 5+ GCSEs grade A*-C

Target (Department for Education and Skills) (DfES): By 2008, 60% of those aged 16 to achieve the equivalent of 5 GCSEs at grades A* to C; and in all schools at least 20% of pupils to achieve this standard by 2004, rising to 25% by 2006 and 30% by 2008. - Source: DfES (2004/05 revised data)

Percentage of schools where 65% or more of pupils reached level 4 Key Stage 2
Percentage of schools where 50% or more of pupils reached level 5 Key Stage 3

Health

Circulatory disease mortality rates
Cancer mortality rates
Suicide mortality rates
Smoking rates
Life expectancy: male
Life expectancy: female
Teenage pregnancy rates

Target (The Department of Health (DH) and the Department for Education and Skills) (DfES): Reduce the under 18's conception rate by 50% by 2010 - Source: DH

Infant mortality
Overall road accident casualties
Road accident casualties: people killed and seriously injured
Road accident casualties: children killed and seriously injured
Accidental Dwelling Fire Deaths
Deliberate fires in England

Housing and the Environment

Vulnerable households / non-decent housing
Non-decent social housing

Target (Department for Communities and Local Government) (DCLG): By 2010, bring all social housing into decent condition with most of this improvement taking place in deprived areas... - **Source:** DCLG English House Condition Survey

Housing: large scale voluntary transfer
Liveability: i) % unacceptable litter
Liveability: ii) Abandoned vehicles
Liveability: iii) Green Flag Awards
Liveability: v) % poor environment
Liveability: vi) % satisfied with parks
Liveability: vii) % households satisfied with local environment

There are a variety of sources for the data used to manage performance. Most are regular surveys or sets of data derived from administrative returns. The typical mode of presentation of this information is by simple tabular and graphical presentation of comparisons among a particular locale, comparator 'deprived' locales, and England as a whole. So for Gateshead :

Overall crime per 1,000 population, 2003/04 to 2005/06

	2003-4	2004-5	2005-6
England	69.3	64.0	62.7
Gateshead	74.4	62.6	56.2

High Crime NRF Crossover (34 CDRPs)	105.5	93.2	91.0

Source: Home Office

Achievement of targets – over-achievement in this instance – is measured by relative position against values both for the nation (England) and a set of comparator cases. The great majority of the targets reflect social objectives which are not contentious in themselves although there is one outstanding exception to this:

Housing: large scale voluntary transfer

which refers to the highly politically contestable – and contested – transfer of council housing from direct municipal control to some other stand apart mode of management. Likewise there is plainly a substantial ideological component to the target:

Self-employment rates in the 15% most deprived wards in England

Target (Department for Trade and Industry) (DTI): Build an enterprise society in which small firms of all kinds thrive and achieve their potential with more enterprise in disadvantaged communities.

Quite why small firms should advantage disadvantaged communities, particularly given the record of poor pay and lack of collective organization in them, is an interesting question. Of course all this resolves around the word 'enterprise' which under 'New Labour' represents the solution to all political problems and particularly problems of urban deprivation.

The setting of floor targets and the evaluation of local strategic partnership and 'new deal for communities' management against achievement of them is generally recognized to be part of the programme of 'New Public Sector Management'. This is often (e.g. in Sanderson 2001) considered to involve a reduced role for the state and a greater emphasis on private sector delivery of public services – the metaphor of steering rather than rowing is employed here. However, in an important respect 'performance management' represents an increased role for central government and the state bureaucracy as against local democratic process. The actual

mechanism employed in the UK is that of the Government Offices for the Regions. To quote the relevant website:

> Representing 10 Whitehall Departments, Government Offices are the primary means by which a wide range of Government policies are delivered in the English regions. http://www.gos.gov.uk/national/

The crucial mechanism through which Government Offices regulate local activities is through 'local area agreements'. Again to quote the relevant website:

> **Local Area Agreements (LAAs) are a new way of striking a deal between central Government, local authorities and major local delivery partners in an area.**
> Based on Sustainable Community Strategies, LAAs cover a three year period and set out priorities for local areas. LAAs are structured around four themes:
> *Children and young people*
> *Safer and stronger communities*
> *Healthier communities and older people*
> *Economic development and enterprise (introduced from Round 2 onwards)*
> Government Offices have been given the leading role in negotiating LAAs. This is because they provide local partners with a single point of contact with central Government, and are better able to respond to local issues because of their local knowledge.
>
> Government Offices work to negotiate **clear targets and outcomes** (my emphais) with local authorities and their partners, who will then have the freedom to decide locally how best to achieve them. LAAs will also simplify funding streams, allowing greater discretion with the use of funding, and reduce the bureaucracy attached to multiple funding streams.
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> Both Local Public Service Agreements and the Neighbourhood Renewal Fund (NRF) can also form part of an LAA, with the NRF maintaining its focus on deprived areas and the attainment of targets. Where local partners

agree targets that stretch performance beyond what would have been expected, they will be rewarded for the extra performance.

To date, there have been two rounds of LAAs. Further information on these can be found on the Round 1 and Round 2 pages of the website. http://www.gos.gov.uk/localgov/laas/?a=42496

In effect there is a mix here of carrots and sticks. With the appointed bodies the stick is removal from appointment for failure to achieve targets. Although this has happened to both executive and non-executive directors of Health Trusts, another area of governance where targets reign supreme, this has not happened very much if at all in the urban regeneration and management field. Here instead the carrot of increased resource allocation has been the main mechanism. However, that is not to say that direction does not happen. Relations between the staff of Government Offices and the subordinate bodies are, in my limited direct and more substantial hearsay experience, good mannered and respectful on both sides BUT there is a great deal of exhortation, peer pressure, and general acculturation towards target achievement and these 'soft' management techniques are highly effective in practice. This is particularly the case in relation to failure to achieve targets specified in local area agreements and the key agents in this respect are the Local Strategic Partnerships which manage the 'joined up' part of target achievement.

Three key issues emerge in relation to these processes and the use of statistical measures as mechanisms within them. The first is the simple one of local democratic process. In effect local democracy in England is dead and simply remains to be buried. There is virtually no autonomy in determining the strategic direction of localities and, in terms of 'new deal for communities' of neighbourhoods. In both cases the major decision makers are not even elected bodies. There is some element of, generally deeply frustrated and often alienated (see McCulloch 2004) 'community' representation at both levels, although only for Neighbourhood bodies is this elected. Local authority representatives sit on Local Strategic Partnerships but in the corporatist mode of these bodies they do not act as delegates and LSP matters are not referred back to the democratic process.

In effect these bodies, Local Strategic Partnerships included, have no strategic power. They have discretion as to the implementation mechanisms they adopt to achieve targets, although the emphasis on 'sharing of best practice' within an overall audit culture, means that even here there are pressures to conformity. Do as others do and it is easier to avoid criticism for not achieving targets. The result is to totally depoliticize local administrative processes. There is no place for ideological difference or for the simple understanding that different groups have different objectives and social desires. Conflict is out. All is for the best in our 'socially inclusive' if simultaneously neo-liberal world and as people of good will we pursues rational means towards the achievement of non-controversial ends.

But hang on a minute. If we are operating rationally then surely we should have some notion of developing understanding of causality in relation to processes of social change. Even in technical terms we can see a major fault with the simple use of indicator targets in relation to social change. Our understanding of science since the seventeenth century has depended absolutely on the establishment of accounts of causal systems which correspond to the empirical evidence we have concerning reality. Moving indicators without any understanding of how and why they move is profoundly unscientific. There are some very simple efforts at control in floor targets. For example, targets about the employment rate are constructed relatively and with reference to the impact of the economic cycle, although without reference to local structural factors which can influence employment rates. However, even this simple level of control, which pays some concession to complex causation, does not apply to most of the indicators. For example overall crime rate is simply to be reduced by 15%. Well demographic change in terms of reduction of the proportion of young adult males in local populations might well achieve that regardless of any policy interventions. In general we have data without models. No models mean that there is no serious effort at any kind of technical social science.

In a twenty first century where science has to confront complexity, the use of single indicators as measures of anything very much can be called into question. Byrne (1998) has argued that these kinds of indicators are 'variables' which should not be considered as

having causal power in and of themselves but rather understood as variate traces of complex systems. It is useful and important to measure them but they must not be regarded as anything more than mapping the changing trajectory of the complex systems which are the real entities of the world. Localities and neighbourhoods can plainly be understood as complex systems and have been understood as such since Jacobs published *The Death and Life of Great American Cities* (1961). Actually the measures as such in floor target indicator set are actually quite useful – purged of the ideological dross about self employment and housing stock transfer – as a set describing locality and neighbourhood trajectories <u>if they are taken not separately but together as ways of describing a whole system.</u> To translate this into terms of actual method, we could well use most of the indicators as entries into a cluster analysis at time one, generate descriptions of localities in terms of a typology at that time, and then after the operations of local governance use them as entries into a cluster analysis at time two and map trajectory change with a particular emphasis on achieving change of kind over the time period. Another way of putting this is to say that classification of all LSPs at time one would show us the good, the bad, and the merely indifferent in terms of social conditions. The target for intervention would then not be changes in a disparate set of single indicators but rather changing the whole character of bad places so they became better, and indifferent places so they became good.

This approach would not merely involve a technical, (and really rather easy to achieve since the necessary data sets exist in EXCEL format which can be read into SPSS), date management. It would actually serve to re-politicize the processes because changes of kind involve real political arguments about changes of WHAT kind. Of course a change in approach to data management would not of itself re-politicize local politics but looking at things as a whole is a much more political process than looking at single indicators taken as targets externally imposed on the local by the neo-liberal powers of central government.

Statistics themselves are never neutral. Issues of operationalizations always involve political decisions, however technical that process may seem even to those who construct the data measures. In the post-democratic politics of the early twentieth century UK we see statistics being even more politicized

in the modes of their employment. Here we have focused on targets and governance. There is another paper to be written on statistics as guides to consumption with citizens understood as consumers exercising informed choice to their own benefit rather than as informed actors – informed inter alia by statistics – acting collectively in political processes.

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