More than a Friendly Visit: A New Strategy for Improving Local Governing Capacity

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ABSTRACT This article argues that in order to take into account changes in the governance era, performance assessment at the local level may well have to be refocused. Researchers will have to reconsider their strategies. They should consider the governance character of public administration and pay attention to co-operative settings and democratic aspects. In addition, researchers should think not just about gathering facts about the performance of local government, they should also try to contribute to a learning process. This paper presents a new strategy for assessing the capacity that local governments have to get things done. This strategy acknowledges the governance context of local authorities and casts a keen eye on the way local governments fulfil their functions and aim to involve various stakeholders. The evaluation of this assessment strategy shows its relevance, although minor improvements could be made.

KEY WORDS: Local government, performance assessment, governance capacity, learning

Introduction

Local governments are losing more and more of their autonomy and capability for independent problem solving (John, 2001). Even if local government has always depended on other actors to solve, or at least cope with, societal problems, in the era of governance (Rhodes, 1997; Kickert, Klijn & Koppejan, 1997; Pierre & Peters, 2000), local governments are taking part in networks that they cannot easily steer, let alone dominate. Public actors from European institutions, national governments, regional governments and other municipalities are increasingly intervening in local policy and decision-making. In addition, the private sector, the local civil society, and individual citizens have a much larger influence than before.

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ISSN 0300-3930 Print/1743-9388 Online © 2010 Taylor & Francis
DOI: 10.1080/03003930.2010.494111
Decisions and policies are often a co-production. Local government is part—often an important part, that is true—of a bigger network in which this co-production takes place. Even if policies are co-produced, local authorities are expected, if not obliged, to account for their performance as if it could be easily distinguished from that of others in the networks in which they participate. In other words, although policy outcomes do not result solely from governmental performance (John, 2001; Franzke, et al., 2007), local government is held accountable for them anyway. This contradiction is something local governments have to deal with.

Local governments, like most public organisations, have no straightforward criteria by which to judge their overall performance, such as profit or growth. In various European countries, different strategies for measuring and assessing (we will use these terms interchangeably in this article) the local government’s overall performance have been developed over the years. The idea that governments should operate in a more businesslike manner (as suggested by New Public Management) has influenced the developing strategies. Local governments were supposed to account for their performance. Without denying the importance of accountability, we observe that the present world of increasing interdependency demands something more of local governments. Governance demands self-awareness and openness towards the environment. It demands not just the measurement of performance, but a reflection on it, too. In addition, the process of accounting takes place in a local democratic arena. The functioning of the local democracy is, unfortunately, often ignored in the process of assessing its performance.

In this article, we pay attention to the strategies for performance measurement in the Netherlands and the UK. There are differences between the Dutch and the British approaches; there are also various shared dilemmas. The Netherlands has a long history of assessing the so-called ‘governing capacity’ (‘bestuurskracht’) of local government, in which governing capacity refers to the ability to get things done (see ‘system capacity,’ Dahl & Tufte, 1973). Criticism of the strategies in use, including their objectives and results, has led to a renewal of these. Performance is no longer about what gets done, but also about how it gets done, why it gets done and whether this is in accordance with the local society. Similarly, the United Kingdom has a tradition of measurement that has been recently renewed.

In the rest of the article we will first discuss recently developed ways of measuring local governments’ performance in the Dutch context and the British context. After listing the dilemmas raised by previous measurement strategies, we introduce a new strategy which we developed and tested ourselves. Our aim is not to improve the supervision and control of central governments, but to highlight the ways in which local governments might learn about themselves and increase their awareness of the capacities, values and perceptions of other actors in their environment.
Assessing local governing capacity in the Netherlands

The Netherlands has a tradition of measuring local governing capacity. From 2000 until 2007, roughly 60% of municipalities (232) had their capacity measured (Schutgens et al., 2009; Moerkamp, 2007). These published studies of local governing capacity have several important things in common:

a. All local policy areas are included.
b. Different roles of local governments are investigated. Almost all assessment strategies distinguish various roles of local government: developing a governing strategy, providing services, being a partner and running a local bureaucracy.
c. The assessment uses a framework with criteria to be measured. These criteria more or less fit into the three value families presented by Hood (1991). One family is arranged around effectiveness (time, money, results), another around legitimacy and democracy (integrity, consensus, decision-making processes) and the third is about robustness (adaptation, learning capacity). Toonen, et al. (1998) translated these families for the tasks and roles of Netherlands’ local governments and argued that these values are not just conflicting, but need to be respected and valued by local governments in a balanced way. Strategies differ in the weight of their criteria.
d. The capacity of the local government is related to the ambition of, or challenge to, the local government in place. In many cases the local authorities define their own tasks and things-to-do.

In recent years both academic and local government practitioners’ criticisms have increased. Schutgens, et al. (2009) pointed out that many indicators and comments in reports on local governing capacity are about internal functioning. Herweijer (1998) has pointed out that in many cases the measurement has had a double agenda. Provinces sometimes use performance assessments to point out a local governing capacity deficit and to start mergers of smaller local governments.1 Ringeling (2007) criticised the lack of attention paid to local democracy in measuring local capacity. And, finally, municipalities increasingly behave strategically. If they set their ambitions high, their capacity is likely to be judged low. A modest ambition makes it easier to show that the present local governing capacity is sufficient to realise the ambition. Knowing that a negative outcome of a local governing capacity measurement may bring a policy process towards amalgamation, ambitions are set lower than they probably really are.

Assessing Local Governing Capacity in the United Kingdom

Interestingly, a different history of local governing capacity assessment has evolved in the United Kingdom. In 1991 the national government
introduced the Citizens’ Charter indicators for local governments. Based on the 1999 Local Government Act, local governments must publish a ‘Best Value Performance Assessment Plan’ as a public document. This plan contains more than a hundred performance indicators, all with common definitions and national guidance. These indicators show actual performance for the current year, comparative performance for previous years and a target performance for the current and next three years. Some indicators have national targets, others can be decided upon locally. The 2001 Government White Paper introduced Comprehensive Performance Assessment (CPA) and the assessments started in local governments in 2002. A national assessment was completed for several indicators mentioned in the ‘Best Value Performance Assessment Plan’. The results are translated into an overall rating and published for each council in December of each year. The rating has consequences for the degree of supervision and/or intervention by the national government. With a high score, there is much more freedom and fewer interventions, whereas with a very low score, the national government may ask another body to temporarily take over responsibility for running a particular service.

As in the Netherlands, the method for assessing local governing capacity has met criticism. Part of this criticism has been documented by the Audit Commission (see Audit Commission, 2008). Discussions with CPA auditors and local officers involved with the CPA process confirmed the main lines of criticism. It was noted that the overall performance rating over the years has improved. The improvement was most marked in rural areas and in some poor performing local authorities. The main lines of criticism are, first, that the indicators change continually. Second, local governments question whether the indicators measure the right things. The introduction of comparative groups has helped to reduce the effect of ‘unique’ circumstances to some extent. For instance, the number of pedestrians killed or seriously injured in traffic accidents, shown as a proportion of the population in the area, relates to the nature of the area. Rural areas, small cities, and suburbs and urban areas show wide differences on this indicator. Furthermore, it is felt that many indicators are related to input and direct outputs, but not related to the societal effects. Third, results were rather poor in the period up to 2004. The whole process resulted in a rather modest improvement overall, just a small percentage each year, and not to the expected transformation of local governments. Public satisfaction declined in the same period. Fourth, strategic behaviour and the ‘massaging’ of figures were observed here and there in order to show better results. Overall then, it is felt that CPA no longer stimulates learning and improvement. It has become an administrative burden on local governments.

From 2005 until 2009 the CPA became a harder test for local governments, because it also evaluated councils’ community leadership against the five priorities shared by local and central government for that specific local authority. In this period more focus was on users and residents,
thus compensating for the internal focus of previous measurements. The various inspectorates worked more closely together in this period, making it possible for local governments to focus on the CPA with less distraction from other assessments. Scoring methods also developed in this period, including scores for how well the council was developing (direction of travel assessments) and using resource assessments.

A survey of 547 chief executives, deputy chief executives and directors of finance found that the CPA process helped the council to improve steadily and sustainably over the years. It also revealed that the greatest effect is derived from the bad performers, since the CPA names and shames poor performers (Audit Commission, 2008). The UK Local Government Association has commented on the CPA as well:

Over the last few years it became generally recognized that whilst CPA had been an important driver of improvement it had now reached the limit of its ability to stimulate further sustained improvement and had become over burdensome. A new approach was required that reflected the focus on improved outcomes through partnership working, and this has led to the development of the Comprehensive Area Assessment. (www.lga.gov.uk/lga/core/page.do?pageid=18420)

The 2007 Local Government Act established the Comprehensive Area Assessments (CAA) as effective from 2009 onwards. The CAA joins all inspectorate assessments in one framework for local government. An important difference with the CPA is that the CAA focuses on outcomes. These outcomes can be the responsibility of the local government, but also of the partnerships that local government has with public, private and voluntary organisations (Audit Commission, 2009). The CAA will not have an overall score, but will use a red flag for significant concerns about outcomes and a green flag for innovative or exceptional success. In addition to the CAA, local governments (and fire and rescue authorities) will have an organisational assessment, including financial management, service-provision, management of resources and performance. As under the CPA process, good results are rewarded with a reduction of assessment activity by the Audit Commission. An interesting development is that the Audit Commission and the involved inspectorates will make use of self-assessments: those that are already obligatory, and additional ones.

**Comparing Experiences in the Netherlands and the UK**

According to Loughlin and Peters (1987), the UK and the Netherlands belong to different state traditions. The British tradition of central authority over local governments is stronger than the Dutch tradition. In the UK, local government has long suffered the *ultra vires* rule, resulting in little local autonomy, despite local governments’ huge service delivery responsibilities
Wilson, 2005). Due to new public management ideas, national monitoring and performance assessments are rather heavy. Centralisation is strong (John & Copus, 2010). In the Netherlands, municipalities, provinces and national government together form the state (Toonen, 1990; Hendriks & Schaap, 2010). They are interdependent and need to co-operate. The Constitution guarantees sub-national governments’ existence, the legislature cannot simply abolish them by a mere act of law. In addition, despite their financial dependence on national funding (general and specific grants), municipalities have local autonomy, which means that they can take up whatever policy issue they want (unless they act against national laws). In Dutch history, this autonomy has proved invaluable in the development of the welfare state (Veldheer, 1994; Derksen & Schaap, 2007). Finally, many national politicians have local political roots and quite strong ties exist within political parties, making it all the more difficult to significantly reduce the importance of municipalities. In that context the authority of the centre is limited and cannot be used to proclaim a CPA for the Netherlands’ local governments.

If we compare the assessment strategies, it is hard to miss the fact that while the CPA focuses on effectiveness-related values as indicated by Hood (1991), the Dutch measurement includes at least some estimation of legitimacy and robustness. Despite those differences in inter-governmental relations, a close look at the British and Dutch strategies for performance assessments shows striking similarities. In both countries all policy areas of the local government are included in the assessments. Even if the CPA takes annual measurements using a more or less constant set of monitoring indicators, whilst the Dutch measurements are not executed on a regular basis with the help of a fixed set of indicators, several local governments in the Netherlands have expressed the need for more quantitative information based on a set of indicators used on a regular basis. To that end, a group of local governments has formulated a set of 50 indicators to be measured in a similar way in all governments.

A second commonality is that the measurements are rather inward looking. This is true for the indicators and the analysing frameworks used. As a result, the conclusions and recommendations are also internal to the local government organisation. This means that there is little attention given to the impact on local society of the functioning of local government. It also means that there is little reflection on the way in which local government relates to its inhabitants over policies. Furthermore, the role of the local government in relation to other authorities and to important local partners (e.g. housing corporations, police and welfare organisations) receives relatively little attention. A third similarity is that not much seems to be done with the results. Follow-up action in the Netherlands is often missing and improvements in the United Kingdom fell short of expectations, especially in the first few years after the introduction of CPA. Finally, in both countries there is little to no attention given to the functioning of local
democracy, as assessments mainly focus on service delivery and its effectiveness.

The criticism in both countries leads us to the formulation of a number of dilemmas in performance assessment:

1. **Uniformity versus Local Context**
   How do we take the uniqueness of local context into account when assessing and comparing performance? Every local authority has unique characteristics. No local authority is similar to another if we take the context, local issues, political priorities, local community’s self-steering capacity and other features into account. Measurement often implicitly starts from the assumption of *one best way* of organising. As a result, the variety in municipalities is overlooked. Every environment demands a specific way of working (Burns and Stalker, 1961). Similarly, there is not one ideal municipality that should be the standard for all municipalities. Councils can make legitimate choices as to what should and should not get priority; these choices will differ from one council to another. At the same time, there is a need for some standards.

2. **Effectiveness versus Legitimacy**
   To what extent can we combine effectiveness and democratic legitimacy criteria? The dilemma boils down to finding a balance between effectiveness and legitimacy. On the one hand, services should be provided in an efficient and effective way. But, on the other, local governments are also communities that enable the expression of local identities. Local democracy is crucial for arriving at decisions that are felt to be legitimate.

3. **Self-evaluation versus External Evaluation**
   How can we prevent all-too-easy self-appraisal and a top-down inspection? Local autonomy suggests endorsing local criteria and priorities, and may even be self-assessment. At the same time, central government is concerned about the correct implementation of national rules and the achievement of national goals, for instance for service provision. As previous measurements were often seen as coming from outside and not being recognisable for the local government concerned, assessments should aim at a mixture of self-evaluation and ‘neutral’ judgement. Without the use of important local knowledge, one could risk missing important insights and support for the conclusions could decline. Over-reliance on self-assessment would not ensure critical assessments.

4. **Internal versus External Focus**
   How can the internal and external focuses of assessments be combined? The measurement should have the right mix of internal and external focuses. In fact, the measurement should make clear how capable local organisations and/or groups are of solving their own problems before it can be said how much local government should be able to invest in a
certain problem area. If a local organisation is capable of helping itself, why would there be a need for much governing capacity on the part of the local government?, one should ask.

5. Regular Measurement versus Measurement when Needed
The final dilemma we see has to do with the way in which assessment can be used to have a sustainable impact. How can a sustainable impact be guaranteed if regular assessment can lead to strategic behaviour and irregular assessment might not encourage a continuous learning process? The assessment should result in improvement in the functioning of the local authority, meaning that the local government involved implements the recommendations given. There is always the danger that some measures are taken without this meaning that the assessment has a sustainable effect on the way the municipality works.

A New Strategy
In the summer of 2008, the mayor and CEO of Krimpen aan den IJssel, a mid-sized city close to Rotterdam, visited our university in Tilburg, the Netherlands. Aware of the weaknesses of the current measurement strategies, they asked us to develop a new strategy. During the months that followed, we developed a new strategy, which we turned into a concrete procedure. As our inspiration, we took accreditation systems in the sphere of education and research, e.g. the accreditation system used by the EAPAA (European Association for Public Administration Accreditation, see http://www.eapaa.org/). Accreditation, which in some form or another has been around for centuries (Schillemans, 2009), has also been used to assess the governance capacity of municipalities for some time (van der Knaap and Ritzen, 2000; Korsten, 2004). In the absence of an accreditation authority, the big challenge of this way of working was to make use of its potential for helping participants to learn (Schillemans, 2009).

But what exactly did we mean by organisational learning? Here, we followed the ideas on learning as developed by Argyris and Schön (1996). They distinguished between single-loop learning and double-loop learning. Single-loop learning involves error detection leading to modifying one’s behaviour in order to keep it (the behaviour) within the range set by prevailing organisational standards (i.e. values, norms, assumptions). Double-loop learning involves inquiring into organisational standards and possibly changing them. Values and actions have to be adjusted to each other. An assessment of local governing capacity, in our opinion, could certainly involve single-loop learning. Our ambition, however, was to develop a procedure that could trigger a more fundamental learning process as well. Ideally, the members of local government would debate among themselves the standards that they use. Assessment would expand their self-awareness, knowledge of the environment of local government and of the ways in which both interrelated.
Apart from wanting to facilitate a debate within local government through self-evaluation, we reasoned that the involvement of members of participating local governments is a crucial condition for stimulation and facilitation of a learning process. Not only should the choice to participate in an assessment be made by the local council, but the various parts of the municipal organisation should also make an active contribution to the whole process. At the same time, we had to find a way of combining both self-evaluation and critical reflection. Part of this critical reflection, we estimated, could be generated by involving a selection of actors from the environment of local government: co-governors, co-producers, partners, clients, customers, i.e. all those who are in contact with the local government and could therefore judge its capacity. In this way, local knowledge of both local government and its environment could become part of the process. Finally, in order for the procedure to work well, we wanted various local governments to participate. This would allow the governments to learn from one another. In sum, our strategy could be typified as an effort to maximize the involvement of stakeholders and to broaden the view of governing capacity from a focus on what gets in to one on how it gets done.

The procedure we developed contains three basic steps. The first step is a self-evaluation by the municipality. The municipality writes a report on its own functioning. This is an intensive trajectory in which all parts of the local government are involved. The format for the assessment is based on seven so-called ‘capitals’ of the municipality (comparable to policy areas, see the Appendix). For each of the seven capitals, various questions were posed to the municipality. Five government roles should be addressed per capital. In the self-assessment, officers, executives and councillors are encouraged to indicate strengths and weaknesses of local government. The second step is an additional, independent investigation. Researchers write a report on the seven capitals on the basis of (1) interviews with officers, politicians, administrators and representatives of civil society, (2) a study of relevant policy documents and (3) a survey among members of the civil society and citizens. The aim of this part of the assessment is, on the one hand, verification of the report local government made itself and, on the other, an estimation of societal resilience (VGS-VB, 2007).

The third step consists of an assessment of the governing capacity by a special visiting committee. The members of the committee are practitioners: Chief Executive Officers (or Town Clerks) and Mayors of the municipalities involved. Together with two academics, an independent chairman and an independent secretary, this committee forms a small, mixed community in which various skills and kinds of knowledge meet. The members of the committee study and discuss the two reports (self-evaluation and additional report) produced during the first two steps. After this, they make a site visit. During this visit, which lasts one day, the committee talks to representatives of local businesses, local civil society and the municipal council. The committee also meets with a delegation from the municipal organisation and
the Board. On the basis of the two reports, the site visit, and a comparison with other local governments, the committee formulates conclusions and recommendations.

**Evaluation: Dealing with the Dilemmas in the Netherlands**

During 2009, the authors assessed four local governments in the Southwest of the Netherlands: Albrandswaard, Capelle aan den IJssel, Krimpen aan den IJssel and Ridderkerk. After assessing the governments, we evaluated the assessment with the help of various actors involved.\(^5\) Were we now able to work with the dilemmas identified? What problematic features of the former ways of measuring were we able to solve and what problems (new and old) did we encounter?

**Uniformity and Local Context**

In order to allow for diversity, we did not develop standards that municipalities either fitted or didn’t. Nor did we develop ‘scales’ on which the municipalities could have ‘scores’. We did, however, offer a format for the self-assessment and we used an analytical framework for the interviews, document analysis and the survey that formed the additional investigation (Step 2). We also compared the municipalities, noting various best practices. The visiting committee weighed the outcomes. The members of that committee (two mayors, two CEOs, and two Public Administration researchers) faced the challenge of taking the context and priorities of each local government into account. Although a partly shared environment and similar characteristics across the four municipalities enabled a thorough comparison and, hopefully, an awareness of other ways of working, the comparison was not used to rank the municipalities on a scale.

**Effectiveness and Legitimacy**

Previous measurements failed to pay attention to the democratic side of local government. In order to deal with this ‘democratic deficit’, we specifically looked at local democratic practice. As it turned out, this became more than just one of seven capitals. Especially during the site visit, this matter was an important topic. Based on the self-assessment and the additional report, the committee met not just with council members and board members, but also with members of civil society who either participated in policy making or had to deal with the democratic institutions in another way. It was interesting to see how quickly the mayors and CEOs from other local governments recognised and analysed the type of democratic culture in the local government under scrutiny.\(^6\) In all four municipalities, the committee advised the municipalities – especially the councils – to make improvements in their local democracy.
Self-evaluation and External Evaluation

For the right balance of self-evaluation and external evaluation, it was an advantage that there was no higher authority involved. The council of the smallest municipality (approximately 20,000 inhabitants) was expecting the province to be seeking an amalgamation of the municipality. Their suspicion of the visiting committee abated when it became clear that the committee had no such political agenda. The measurement was not done with amalgamation as a possible – let alone a likely – result. The self-assessment enabled the local government to speak for itself.

In this way, local knowledge became the basis of the measurement. The intended by-product of self-assessment is the creation of support for the final conclusions, since actors in the municipality have contributed to these. As it turned out, however, self-assessment cost the governments more time and effort than they had anticipated. In one municipality this led to substantial delays, putting the process in danger. We concluded from this that the timeframe for the process should be longer. The investigation and the site visit were needed to balance the self-evaluation. Even if the self-evaluation revealed some self-criticisms, confronting perceptions from outside the local bureaucracy was very insightful. As one of the high-ranking officers admitted, it is hard not to present oneself in a favourable light in a self-evaluation. Inviting administrators onto the visiting committee – two heads of the local bureaucracy and two mayors were members of it – increased the involvement of the municipalities in the project and the further use of local knowledge.

Linking Internal and External Focus

As a fourth critique, we argued that most measurements did not give enough attention to the resilience of the local community. We included measurements of local resilience in our strategy. We also asked the local governments to think about ways in which societal resilience could be taken into account. Nevertheless, we think that we could still improve on this point. During our analysis we realised that it was hard to get a clear picture of what civil society can accomplish ‘on its own’. We merely tried to find out if local government had a clear picture of how well civil society and private companies were organised in various fields and how well local governments had adapted their approach to the context encountered. For local government, it is also important to make their own choices. Is there maximum room for other partners to develop policies and activities? Does the local government want to partake? Are policies the result of bargaining (give and take, partnership) or is there almost no room for others to take part in the decision-making process? During the process, the researchers developed a tool for combining a degree of societal resilience with administrative choices (see Table 1, below).
The final dilemma we dealt with had to do with the impact of measurements. The three reports (self-evaluation, additional research and a report by the visiting committee) were made public just after the summer break of 2009. The report by the committee, based on the other two reports, the site visit and comparison, drew quite some attention. The committee visited the municipalities for a second time to publicly present its findings. Although some concrete recommendations were formulated, the committee aimed at facilitating organisational learning of a different kind. The reports mostly focused on asking questions about dominant assumptions. In three out of four municipalities the committee’s report received a warm welcome and local government recognised itself in the picture painted by the committee. In the fourth, the reception was less successful. This can be attributed in part to some assessments in the report that were not acceptable to the council. But at a more fundamental level, we concluded that willingness to participate in the process and openness towards it were not shared by enough key members of the local authority to start with. Although the assessments have ended and the conclusions and recommendations have been made public, it is too early to ascertain the final impact. Even if the local governments involved claim they will use the results in their policy making, the final impact will have to be evaluated in a couple of years. For the time being, we can say that 83% of the involved officers and board members (aldermen and mayors) have stated that the assessments really contributed to improving the municipality’s performance.

Overall, the new strategy seems to have worked well, although it is – of course – not yet clear what the final impact will be. Nevertheless, the process in which we were involved, including the evaluation of the assessments, in the end led us to modify our strategy. The discussions among the committee members and researchers were especially helpful in this respect, and led to a

### Table 1. Societal resilience and administrative choices.

<table>
<thead>
<tr>
<th>Administrative choices</th>
<th>Societal self-steering</th>
<th>Partnership</th>
<th>Government decides</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strong</strong></td>
<td>Facilitate</td>
<td>Division of tasks, contracts, confront partners when needed</td>
<td>Negotiation, sometimes prevention of self-steering</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td>Stimulate</td>
<td>Co-production, leading role for government, improve societal resilience</td>
<td>Consultation, preliminary forms of interactional policy making</td>
</tr>
<tr>
<td><strong>Weak</strong></td>
<td>Create</td>
<td>Build strong partnerships, empowerment</td>
<td>Government does everything alone</td>
</tr>
</tbody>
</table>

**Regular Measurement versus Measurement when Needed**

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set of general research questions for judging governing capacity which in principle were applicable to all local governments. These questions helped the visiting committee to judge the research results. In future assessments they can serve as criteria from the start of the process.

The research questions are the following: Does the local authority know what the main challenges in its local and regional surroundings are? If so, did it formulate those challenges and translate them into strategies and policies? How did it involve the local society in this process? Did the municipality implement those policies, and has this resulted in visible outcomes? What ideas does the local authority have about the role it must play in public administration (local, regional) and does it act accordingly? Does it work according to a clear view of the relationship between governing capacity and societal resilience in specific policy areas, and does it act accordingly? How do the council and executive board share their views with each other? Are they able to formulate shared views and to inspire the local bureaucracy and its officers? We do not suggest that having clear understandings, views, strategies and policies in place all of the time is necessary, or even desirable. Having one’s ideas and planned acts carved in stone does not fit the idea of a learning government. Rather, we think that it is necessary that local authorities engage in activities that generate understandings, views, strategies and policies that are, to a certain degree, co-produced with, or at least made clear to, the various actors (groups in civil society, individual citizens, local businesses) involved.

A second general improvement suggested in our evaluation of the new strategy concerns the involvement of council members. In the 2009 assessment, councillors (a) decided on the budget for having this kind of assessment, (b) discussed the outcomes of the self-evaluation and the municipality’s strong and weak points (Step 1 of the assessment), (c) had a discussion with the committee, and (d) received the final reports in a public meeting with the committee and the researchers, during which they could ask questions of the committee. This level of involvement is apparently not the right one. In future assessments, councillors need to be given more active or additional roles. The committee may have a councillor as one of its members; councils might discuss the additional report (Step 2). The precise improvement in this area will also depend on the preferences of new councils joining new rounds of assessments.

**Conclusion and Discussion**

Over the last few years in both the Netherlands and the UK, new assessment strategies have been developed. Strategies deal with at least five dilemmas in assessing local governing capacity: uniformity versus local context, effectiveness versus legitimacy, self-evaluation versus external assessment, internal versus external focus and, finally, regular measurement versus measurement when needed. In this article we have presented our experiences
with the new strategy we developed and tested in practice. Although we have not evaluated the CAA strategy, we expect the following differences. Despite some self-assessments, CAA might still be more of an external assessment, providing local authorities with relevant data and telling them what they do well, and where performance is poor and should be improved. Our method ensures local ‘ownership’; local authorities themselves invest heavily in writing a self-assessment. In addition, the method respects local political priorities. CAA may be perceived as a hierarchical report, whereas our method is largely based on local peer review. What we do not know is how our strategy would work if it were to be adopted by the national or regional authorities. CAA appears to be strong on quantitative data; our method on narrative data. Maybe a combination would do better, especially if we want to compare municipalities’ performance.

A comparison of CAA and our strategy could be made in the near future and might help to further improve assessment of local governing capacity on both sides of the North Sea. Our experiences with the new strategy suggest that two general issues are very relevant in both countries: learning and performance in a governance era.

Learning Impact

From the experiences analysed, we observe that local governing capacity assessments help learning processes if various factors are considered: repetition, sense of urgency, a safe learning environment and a trusted messenger. Organisations learn when the lessons and ideas that result from learning processes transfer from the individual’s learning and conviction and become embedded in the organisation. Repetition of assessment is essential for feeding the learning cycle. In the UK, assessments are done on a yearly basis, whereas in the Netherlands, up to now, typically, a single analysis takes place. Repetition has two effects on learning. Local governments focus on the indicators applied and gradually shift resources and activities towards improving their performance: a single-loop learning effect (Argyris and Schön, 1978). Secondly, by reacting to assessments and getting feedback, governments may become more self-aware and aware of their environment and their relationships with that environment, which are all part of double-loop learning. Governments may change their ways of working as a result. Finally, they can become more skilled at how to learn. Local governments may gradually gain more experience of the process of learning and learn to learn (Bateson, 1958), e.g., become better at increasing self-awareness.

Regarding the second factor, a sense of urgency stimulates learning. This sense of urgency may have been felt by low-scoring British local governments in the early CPA years. The effect of realising that performance was rather poor in comparison with other local authorities and the possibility of stricter supervision by the national government may have stimulated this sense of urgency. In principle, local authorities that organise
their own assessment – like the ones in our round of assessments – can be expected to be eager to learn, even if this willingness is mostly located in the boardroom or is instrumental as a strategy for keeping one’s fate more in one’s own hands. In the use of our new strategy we discovered, however, that weaker support for the assessment throughout the process in one of the municipalities could go hand in hand with a relatively low acceptance of the conclusions drawn. Although this gives no conclusive evidence of the relationship between support for the assessment as such and a willingness to do something with the conclusions, it does point in that direction.

A sense of urgency may not work if the context, a third factor of importance, is not a secure one. Dutch local governments that score low on governing capacity in assessments fear for their existence and therefore often concentrate on defending themselves towards higher authorities, for instance, by trying to influence the political decision-making process over a possible amalgamation with one or more other municipalities. But, as van der Knaap (1997) already noted, ‘learning needs leeway’. The possibility of using your own experience and judgement in the process also stimulates learning. The self-assessment in our new strategy showed sensitivity to the local context in which local authorities do their work. It also created room for municipalities to point at areas in which they would like to learn and improve. Under these conditions, real impact in the form of organisational learning seems more likely.

Finally, the messenger is important. Local government assessment reports written by an external advisor have had very limited impact in the Netherlands (Schutgens et al., 2009). Assessment by a mixed, visiting committee of scientists and experienced practitioners from the municipalities themselves helps make criticisms more acceptable. This increases the chance that local government will internalise them. What is more, while those who assess get close to the practice they have to assess, the practitioners involved in the assessment get a unique opportunity to reflect on their practice through their work with the visiting committee. As Duijn et al. (2010) argue, when practitioners and scientists engage in joint research, both can become stronger in what they do. The co-production of assessments by practitioners and scientists in general is an aspect of the new strategy that can revitalise the way municipalities are assessed.

**Good Performance in the Governance Era**

In theory and in the practices of public administration, a shift has taken place from government to governance. Although this shift does not mean the end of governments, it is clear that local governments must increasingly interact with and influence other actors and institutions to achieve results. In the UK the focus of local governing capacity assessments has been widened to area assessments, including results from other institutions. In the Netherlands this shift is less noticeable. If results are becoming more
dependent on arrangements amongst various organisations, including local
governments, and the ability of the local government to effectively create
and steer such arrangements, the focus of analysis cannot be only on
measuring effects. The learning effect would be strengthened if the process of
co-operation is also assessed and recommendations could be formulated on
how to strengthen these arrangements.

Acting in governance settings leads to a difficult situation, especially if we
want to assess a single authority’s performance. As stated in the
introduction, policy outcomes do not result solely from governmental
performance. If this is the case, we need to redefine performance assessment.
Instead of meeting criteria and fulfilling the designated tasks, we need to
assess authorities’ networking and collaborative capabilities. In new
strategies the focus is still too much on governmental performance as such,
as if authorities stand alone. The local community’s resilience, for example,
gets too little attention. It is part of the second step in our strategy, but
improvement is possible and necessary. A number of additional questions
seem to be at stake: is the local authority able to create an adequate picture
of the local and regional society’s resilience, as discussed in the previous
section? Does the authority have a strategy based on a sound analysis of the
society’s resilience and awareness of its own capacities in a certain policy
area, not on a political programme only? Does the local authority assess and
safeguard the democratic quality of network governance (See Sorensen &
Torfing, 2007; Bekkers et al., 2007)? If the answer is a threefold ‘yes’, then
we may call that specific authority a well-performing one. We may even call
it a strong authority. Strong governing means adequate collaboration with
other public actors, and respecting societal resilience, as well as guaranteeing
democratic quality; it requires brains rather than muscles.

Notes
1 This will not be very useful, since Herweijer’s research (1998) shows that there is no evidence
that bigger local governments perform better.
2 See: UK Local government Act 1999 and explanatory notes to the Local Government Act
1999, available at: www.opsi.gov.uk/acts; and also: Office of the Deputy Prime Minister,
ODPM Circular 05/2006: Local Government Act 1999 Part 1 Best Value and Performance
Improvement; and: Briefing on the Audit Commission’s Comprehensive Performance
3 This list of seven capitals was developed some time ago on the basis of responses of mayors of
44 cities in an international study by PriceWaterhouseCoopers (2005).
4 The idea is that in the third step the committee investigates whether the local authority under
study (a) is aware of the level of resilience of the local community, and (b) adjusts their way of
governing to it.
5 In this evaluation we asked officers involved in the self-evaluation questions via a survey. We
also had conversations with project leaders from the local governments and the members of
the visiting committee.
6 Even if the idea is that working together with various partners in policy making with civil
society is the modus operandi in the governance era, co-operation in democracy is not running
smoothly.
References


Appendix. Capitals and roles in local government.

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<thead>
<tr>
<th>Capitals</th>
<th>Roles</th>
<th>Strategic policy-maker</th>
<th>Service deliverer</th>
<th>Governmental partner</th>
<th>Executer of policies</th>
<th>Employer</th>
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<td>Local democracy</td>
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<td>Knowledge and innovation</td>
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<td>Social capital</td>
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