



Governor Martin O'Malley – Maryland, USA

Note from What Works Growth and Centre for Cities roundtable event

Thursday 18th September 2014

On Thursday 18 September, Centre for Cities and the What Works Centre for Local Economic Growth hosted Governor Martin O'Malley of Maryland for a roundtable discussion on evidence-based policy-making and using data to improve city governance.

In his tenure as Mayor of Baltimore from 1999 to 2007, Governor O'Malley introduced the signature CitiStat, an urban policy evaluation tool for tracking and monitoring urban programmes, from criminal investigation to potholes. CitiStat is inspired by CompStat, the organisational management tool used by the New York Police Department. CitiStat won Governor O'Malley the Innovations in American Government award from the Harvard Kennedy School of Government and 18 cities in the USA now govern through CitiStat.

The session provided an opportunity to share insights from Governor O'Malley's experiences and expertise as well as to discuss experiences from UK policy-making. This note provides a summary of the discussion on the day.

Demanding more from policy-makers and city leaders – the Mayoral model

There is growing demand for a new form of governance across the board, based on responsiveness, pragmatism and entrepreneurialism rather than ideology or bureaucracy. Younger generations, in particular, have an appetite for, and will engage with, more evidence-based and data driven public services.

City governance and the mayoral model are well adapted to providing this type of responsive and outcome-driven leadership. Mayors in the US have fewer people to answer to in the day to day running of their city than their state or federal-level colleagues, and are held to account at elections.

Nonetheless, even in US cities where leaders enjoy greater freedoms and flexibilities than in the UK, there are areas of policy intervention that can only be tackled at state-level, an opportunity that was one of the attractions of Governor O'Malley's current role as leader of the state of Maryland.

A shift towards, and appetite for, more evidence-based decision-making

Related to, but distinct from, the demands for a shift in governance, there is also an increased appetite for greater evidence, accountability and transparency in decision-making across the US and the UK. We are witnessing a shift away from simple measures such as 'money spent' or 'people treated' being considered the successful output of an intervention, to a more critical, evidence-based approach. This is also expanding to new areas of policy, beyond transport and infrastructure projects which have historically used cost-benefit type analyses, towards more 'human' focused policy interventions.

Ultimately, better data and evaluation enables more successes to be celebrated, as well as people brought to task when policies are not effective.

Using data to enable good policy-making – what does it look like?

Service silos and lack of communication between traditionally separate departments, agencies and services, form a barrier to good policy-making. But it is important not to obsess about fully aligning service design, delivery and implementation. Dismantling existing structures is costly and complex, and distracts from the core aim of better collaboration: sharing a common platform which supports better communication.

In Baltimore, the focus was on ensuring that datasets all 'land' on the same common platform, that they are able to 'speak to each other' and can be shared and used across services. Developing these common platforms, and then making use of maps to show the implications is an obvious solution for cities and produced significant benefits to service delivery in Baltimore.

Distinguishing between what cannot and has not been measured?

There are gaps in what we currently measure and evaluate. Data-driven policy-making works very well in certain areas but there was a debate about whether it is harder to gather evidence in areas such as business finance and advice or employment training, where the outcomes cannot be observed as a direct result of the intervention (so completion of a course does not mean that an individual get a job immediately). There is also a debate surrounding what can, or cannot meaningfully be measured and evaluated, as opposed to what has, or has not yet, been measured or evaluated.

However, 10 years ago, tracking in more 'human'-focused public services data and programme evaluation did not exist. There is therefore an opportunity to constantly challenge ourselves to improve data gathering and evaluation where gaps currently exist, while recognising the limitations of what we have.

Data, targets and evaluation: challenges from the UK

Hitting targets and missing the point. The increasing use of evaluation in policy-making leads to more targets being set, but these can be problematic when badly designed. It is important to think about how people will respond to targets, and how behaviours might be distorted away from achieving the desired outcome, rather than meeting a target output. The distortions created by GCSE targets in the UK that initially focused on grades alone, rather than also looking at content, were given as an example of badly thought-out target outputs that did little to improve outcomes.

Making the case to the public. Even with good data and robust evidence to make the case for a policy intervention, it can be difficult to make the case stand sufficiently for the public to support it. The current housing affordability crisis in many UK cities was used as an example of a situation where a large amount of

evidence points to the same solution, but this is still not resulting in the policies that the evidence suggests are required to build more houses.

Evaluating policies across departmental and service silos. Comparing schemes from different sectors that address the same issue but in different ways is difficult in the current UK policy-making landscape, where evaluation and tracking mechanisms are not compatible across departments. Making the case for a transport-related scheme as a means to improving employment chances, for example, can be difficult: the feedback loop between funding and decision-making is limited to employment and welfare-related policy responses.

The importance of effective 'feedback loops' – a warning against centralised funding and localised responsibility

In the private sector, the incentives for gathering more data are strong: retailers, for instance, will lose business as a direct result of not knowing their consumers. There are fewer incentives for cities in the UK to do this because of the broken loop between local and central government. The nature of city financing and policy-making in UK cities, with centralised funding and fiscal arrangements but localised responsibilities, limits the degree to which city leaders can learn from evaluation and alter the course of policy as a result.

Payment in Lieu of Taxes (PILOT) schemes in the US offer an interesting model, whereby cities can incentivise businesses to locate in their city by giving them property tax breaks, and subsequently reap the rewards through, for example, increased revenue from parking, room and phone taxes. UK cities do not have the same control over taxation and are limited in their ability to support the local economy in this way.

Conclusion: a multi-dimensional case for more powerful cities to deliver more effective services

The opportunities afforded by technology to gather data and develop more effective policy as a result of rigorous evidence are significant. The appetite for more user-friendly, transparent public services is also strong and ties in with a demand for more pragmatic and responsive governance. Cities and mayoral leaders are natural allies in achieving this.

City-regions represent the scale at which economies function and people live their lives, distinct from often less meaningful administrative boundaries at which policies are designed and decisions made. Mayors are also relatively freer than their regional or national counterparts to innovate and drive local change. This suggests that, as the UK considers how best to devolve powers to and within countries, there is a great deal to learn from Baltimore and other cities' experiences in the US.

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