

trends in local-central government relations



a local perspective

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David Walker

Analysis Editor and Leader Writer for The Guardian

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about the author

David Walker is Analysis Editor and Leader Writer for The Guardian. Educated at Cambridge and Sussex Universities, he has worked in journalism for The Times, The Independent and the BBC, as a leader writer and specialist covering Whitehall, local government and social policy. He is a member of the policy board of the Public Management and Policy Association and an independent director of the North British Housing Group. His books include *Sources Close to the Prime Minister*, *The Times Guide to the New British State*, *Public Relations in Local Government* and *Dumbing Down*.

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introduction

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The basic problem of local government in modern England is that it is considered such a *problem* - at least as viewed from the centre's perspective.

Dissatisfaction with local government's place in the body politic led the Thatcher and Major governments to devote much Cabinet time and legislative energy to councils. This did not just stem from their partisan values and ideology, for anxiety about the place of councils continues under the Labour administration elected in May 1997. Its outlook is different, but the new Prime Minister and his ministers seem as often to be perturbed about the balance between centre and locality.

They have sought to make significant changes. Since 1997 there has been a flow of white papers (in education and social services as well as from the Department for Environment, Transport and the Regions). Labour has added a succession of consultation documents and major bills to the torrent of statutory and regulatory changes that flowed in the 18 years after 1979. Local government still

seems like a sore, a permanent irritation in the skin of state.

A significant devolution of power to Scotland and Wales has been accomplished with the establishment in Edinburgh and Cardiff of, respectively, a parliament and an assembly. In London, the government has created a new assembly and directly-elected mayor with unprecedented personal powers – which could sound like a substantial commitment to devolving power to the local level. But the Labour government's attention to local councils does not stem from its commitment to constitutional change.

Local government and the constitution

The rubric of "constitution" does not seem to include local government in general or more power for local authorities in the rest of England. The autonomy of local authorities does not figure in the deliberations of the Cabinet committee devoted to constitutional questions or the specialists in the Cabinet Office. No royal commission or blue-ribbon inquiry has been established to examine central-local relations, as

with the House of Lords or electoral reform for the House of Commons.

Perhaps the reason is that the fate of English local government is an old story. The Labour government looks no more likely to damp down discontent over the place and powers of local authorities than its Conservative predecessors. Meanwhile, the public at large seems to be uninterested. It neither asks central government to do so much to councils, nor does it complain that so much is done. The "problem" of local government, then, is not new, nor is it acute. Local government works. Complaints about central interference on one side and local under-performance on the other have both been heard before.

In retrospect, the period from the late 1940s to the early 1970s can be seen as one of calm and co-operation in central-local relations. Yet echoes and anticipations of contemporary problems can be identified in the 1920s. Rivalry and tensions in the relations of centre and locality have been around for a long time and do not look like disappearing soon.

the problem of central-local relations

The “problem” is three-fold, the **first** part being that the relationship remains unresolved. The question is, are local authorities principally *political* or are they mainly *service agents*?

If they are political, this raises questions about their autonomy. Can councils justify taking decisions that run contrary to the centre’s policies on the grounds that they derive a different and special mandate from the local democratic elections that select their members?

On the other hand, if councils are mainly *service agents* this also raises questions about their identity as administrative bodies. Is their ultimate purpose to deliver social and public services that are, for the most part, going to be set and paid for by the national government? England, some say, is too small to permit much variation in service levels.

The Labour government seems to recognise the question. But its response (set out in the government’s reply to a critical report by the House of Commons Environment Committee in spring

1999) describes rather than resolves the issue. Councils, it said, are *both local government and local administration*.

Because of this questions remain. If councils are autonomous politically-speaking, they might well refuse to take part in central initiatives. Let’s take a current example. Councils might seek to fight enlistment into the Labour government’s various initiatives on social exclusion and crime. Where once councils fought against what writers in the 1920s called “anomalous and illogical limitations” on what councils could do, nowadays an independent local authority might ask whether the social policy interventions proposed by the Labour government are appropriate for its area. It is not a matter of partisanship, more one of which layer of government is the best judge of local interests.

For example, why should a council elected on a local ballot feel obliged to sign up to using football pitches and leisure centres to combat social exclusion, as Social Exclusion Unit reports have suggested?

Of course, if local government *is* really about service delivery, what possible justification short of mutiny would there be for a town or county hall to attempt to cut itself off from a policy priority of the national government? It would be akin to civil servants in a benefit office refusing to pay claimants because they did not believe in disability living or jobseeker’s allowances or their appropriateness for that particular district or travel to work area.

But it is unlikely that councils would dissent. In fact, the Local Government Association (LGA), which had a clear Labour majority until the May 1999 local elections, has signed up to the Blair government’s agenda with enthusiasm.

Successive governments, Tory and Labour, and most local authorities have preferred to live with ambiguity. Local authorities see themselves as neither fish nor fowl. They are neither free without limitations nor entirely bound. Their identity is mixed and this ambiguous existence is likely to continue.

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The Labour government is seeking to reform local political procedures to “modernise” and free councils to make decisions more actively. At the same time it is imposing new obligations on councils – for example in the fields of crime prevention and transport planning – and cutting back councils’ role in schools and educational provision.

It seems that in our flexible and “unwritten” administrative system, we are content to live with contradiction and perhaps a measure of confusion. Thus, the fundamental question remains. Do councillors exist in order to determine the local collective will or are they a type of substitute for their party colleagues in the House of Commons, carrying out the will of government under a local framework? Indeterminacy seems to be local government’s fate.

If we move the lens away from the Department of Environment, Transport and the Regions (DETR) to the parts of government concerned with specific services, the picture of central-local relations may look different. The

Department of Health (DoH) has made no programmatic statements about the future of its relationship with local authorities, even if one of its junior ministers has gone on the record hinting that local autonomy in the social services field may need to be curtailed.

Similarly, those Whitehall departments that rely on local government to carry out essential parts of their mission (trading standards for the Department of Trade and Industry, leisure services for the Department of Culture, Media and Sport) rarely address the question of central-local relations as a matter of principle. If they did, they might even resist proposals for change or adjudge relations as better than they have been for a long time.

The **second** aspect of the central-local government relations “problem” is that this ambiguity sometimes bites. This takes the form of varying standards. How far are we prepared (in England at least) to tolerate deviance from *national standards* in our principal public services, from street lighting to school examinations?

The persisting paradox is shown in a draft mission statement for the new Food Standards Agency from the Ministry of Agriculture, Fisheries and Food. The new agency “will have to work closely with *local* authorities, in particular, in order to develop *national* standards” (my italics). Logically that would seem to make local authorities mere agents of national purpose; it does not offer much room for free thinking or administrative autonomy.

This problem of national standardisation bedevils discussion of local government’s future. And even where a radical boost in councils’ powers is proposed, the shadow of national government is not far away. The report from the Commons’ Environment Committee in summer 1999 mentioned above boldly proposed denationalising business rates (National Non-Domestic Rate) which the Conservatives had taken out of local control.

But there had also to be “a corresponding adjustment to equalisation through the Revenue Support Grant to ensure that areas with low non-domestic rateable

There will never be a great divergence between the general policy of the government and the opinion represented by the generality of local authorities

values are not disadvantaged. The Government should also ensure any increase in locally-raised revenue was fairly divided between the non-domestic rate and the Council Tax". In other words, central intervention in local finance would have to increase in order to ensure that no one area lost out as a result of returning business rates to local jurisdiction.

Central departments assert, and public opinion seems consistently to agree, that there should be minimum levels of provision across the country for the four basic services of education, personal social services, police and fire, which account for the bulk of local spending. Many would add other services, refuse, planning, and so on. But that implies equalisation of revenue support for local authority spending and an end to major differences in budgets.

The **third** factor may be a problem that will never be resolved. It stems from the fact that public opinion is inconsistent.

Take education. The basis of league tables and competition between

schools is *difference*, that is to say variations in decision and performance between different schools. But the government (and the public, it seems) emphasise equality or similarity at the starting gate. Children should start at their different schools with a similar capacity to learn and make progress. What happens subsequently is supposed to be down to their individual talent and motivation.

There is, inevitably, going to be conflict between the aspiration to equality and recognising the interests, needs and resources of different places. The most avid proponents of freedom for local government usually also want large grants from the centre to ensure that services to the public are not deprived of resources.

In their report, the MPs on the Environment Committee tied themselves in knots, as reviewers of the problem have often done in the past. "We recognise that there will always be a trade-off between fairness and simplicity in the system to distribute government grant to local authorities. However, we are of the view that fairness and equity

are more important than simplicity," they said.

But that could mean making calculations for Standard Spending Assessment and the allocation formula for the Revenue Support Grant even less intelligible to the public than they are now. That in turn makes the financing of local government and the public's financial stake in local democracy even harder to fathom. Who, these days, is going to stand up and argue that children in one area should expect less money for teachers, books and school roofs because that somehow reflects the abstract principle of local autonomy?

Local government cannot escape from country-wide expectations about both the level and quantities of service delivery, with all that implies for the subordination of officers and councillors to the will of the centre. There is nothing new here. As D N Chester of Nuffield College, Oxford, wrote in his 1951 book *Central and Local Government*: "There will never be a great divergence between the general policy of the government and the opinion represented by the generality of local authorities."

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history and background

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Throughout English history (there are variations but basically the story is the same in Scotland and Wales) the centre has been deeply interested in local authorities' activities, whether they were magistrates, local tax collectors, burgesses or land-owners wielding delegated governmental powers.

But two historical turning points can be identified when the centre became even more concerned about local government. As government provision expanded from the mid-19th century on, Whitehall and Westminster intensified their interest in and scrutiny of what local government did.

Around 1870 parliament started to enact social legislation, for example housing for the working classes. Local authorities, rudimentary as they were, were alone in a position to provide, though the voluntary housing movement also contributed.

In education the churches were involved. But the universal provision that Parliament wanted could only be offered under the

auspices of public authorities with powers in a specific locality. That usually meant local elected bodies, however disparate and old fashioned they were (Parliament went on to rationalise and modernise their operations later in the 19th Century).

To check how grants were being spent, inspectors were sent in, moving the Victorian inspectorate from factories to public health and then to the schools. This established a pattern of subordination, where inspectors reported to central departments in Whitehall. Their reports were usually critical and were rarely "owned" by local stakeholders.

The other turning point was in the aftermath of the 1914-18 War. Significant funds were allocated by central government to housing which local authorities alone could build. Councils in London and the big cities – controversially — also took on new responsibilities in the welfare field.

It was in the 1920s that the principle of central supervision by means of a cadre of professional

inspectors, which had long been applied to education and public health, was formalised in the financial field with the creation of the district audit function. It pretty much retains the same shape today.

Again, the idea behind this was that councils needed tutelage. Despite being elected and levying much of their income from local taxation, councils had to be monitored, supervised and inspected. The fear was that they would otherwise become unruly and waste public money.

Since the expansion of social spending, which began in the 1870s, it was often local ratepayers who called loudest for central government to intervene. What best suited Whitehall, prodded by the Treasury to take care over its own spending and staff numbers, was an inspectorial relationship with local government. Whitehall inspectors could not directly be held to account for local authority performance, but they could check and countermand council decisions after the event.

After the 1939-45 war, the Labour government led by Clement Attlee made the critical decision to make public health a national bureaucracy completely outside local government

Central government of course had other ways of securing the delivery of local services. The churches and voluntary sector remained important in education and welfare. The centre also had its own far-flung executive arms in the Post Office and, since Lloyd George, local employment offices. But none of these cohered with local government, which until the Second World War belonged, departmentally speaking, to the Ministry of Health.

After the 1939-45 War, the Labour government led by Clement Attlee (not only a former mayor of Stepney but a one-time advocate of extending councils' powers) made the critical decision to make public health a national bureaucracy completely outside local government. Having attained national power, Attlee perhaps had to accept that local authorities were too cramped in their outlook, too prone to the narrow view to be entrusted with a great national service. Look at the names local authorities had been given, he had once written - "urban district" or "school board". They were hardly inspirational.

Much the same could be said seven decades on: who relates to a "metropolitan district"?

In retrospect, the three decades from 1948 were a period of orderly central-local relations, each side seemingly respecting the other. These were the years when the formula applied to education – a national service locally administered – seemed to fit the bill elsewhere in social service provision. Relations were generally calm, measured and predictable.

The economy was growing and public spending gradually rising. In this context, councils were allowed much autonomy in how and where they provided services, including higher education, thanks to growing financial support from the centre.

The proportion of local outlays covered by central grant grew. Councils became, first and foremost, service providers, bound ever tighter into the ambit of central departments. But while this was happening, these were years when, in retrospect, relations between councils and their publics cooled;

local electorates became alienated and suspicious of the bureaucracy represented by the town hall.

But the cosier relationship between Whitehall and local government did not last. It was Labour Environment Secretary Tony Crosland who declared the party over in 1976 – the centre wished to retrench and the scene was set for conflict. Councils could not do the obvious thing and raise their own revenue. This was partly because they were bound into a centrally-determined programme of service provision, mandated by law and paid for largely by grants. It was also partly because the public would not wear big increases in the rates.

Councils' main instrument of local finance autonomy was the much-resented property tax, the rates. When the Conservatives came to power in 1979 committed to cutting direct taxation, it was only a matter of time before councils' revenue-raising powers were curtailed. And with rate capping and the nationalisation of business rates in the 1980s, they certainly were.

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the thatcher inheritance

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Margaret Thatcher harried local government over her 11 years in office. The Conservatives presented Parliament with umpteen pieces of legislation that radically altered the relationship between councils and the centre.

In 1980, the Local Government Planning and Land bill introduced the much-despised compulsory competitive tendering, which is only now being abolished.

The poll tax or community charge was introduced in 1990 but replaced only three years later, having been a contributory cause of the prime minister's downfall. However, the revolt against the poll tax - nearly £1 billion is still uncollected - was no endorsement of local autonomy against the centre, much more an expression of deep dislike of local taxation.

The Audit Commission was created in 1982 and though it turned out to be closer to local government and more

independent-minded than ministers had envisaged, it none the less also represented a large extension of central involvement in the minutiae of local operations. Commission reports and audits led to deeper penetration by the centre into what had once been the business of councils and local residents alone.

Lady Thatcher abolished the Greater London Council and the Metropolitan Counties but did not go on to rationalise the police authorities or the county councils. Under her successor a swathe of unitary authorities was created leaving the map of boundaries and functions even more complex.

Local authority tenants were encouraged either to become owners or to seek alternative landlords. Parents and governors were encouraged to opt out of local authority control. Legislation provided for Education Associations put together by the

centre to take over failing schools – but it was left to the Labour government elected in 1997 to try the mechanism out, for the first time in the London borough of Hackney.

The new local “governance”

Partly by accident, the Conservative era gave rise to a new spirit among local authority managers and a new conception of how councils fitted into the national scheme. Well before Labour returned to power in 1997, the idea of “governance” had taken root. This presents councils as only one among several local agencies, some of them voluntary, some statutory, some private sector; but all having a legitimate stake in local service provision.

Many new local bodies had sprung up to take over services previously provided by councils. Some service provision was

Well before Labour returned to power in 1997, the idea of “governance” had taken root

transferred to state-appointed bodies (both local and national), while central government created, in addition, a large number of wholly new kinds of institution including grant-maintained schools and Training and Enterprise Councils (TECS).

As a result, councillors and officers began to reconsider their relationship with the public during the 1980s. Was it true, as some argued, that councils had been rolled over by the centre largely because they could rely on little overt public support in any contest between them and Parliament or ministers?

Local governance required chief executives to rethink their role. Some moved towards “networking” with external bodies. But what might this mean for political leaders? Thoughts turned towards creating an office new to Britain but well established overseas, the executive, elected mayor.

What do councillors do?

As councils started to define what they could do — strategy, empowerment, facilitation, contracting out, local partnership — councillors were called upon to change too. The political parties proved reluctant to discuss this since (as a report from the Joseph Rowntree Foundation put it) new roles for councillors of scrutiny and representation “challenge traditional party political allegiances”.

The Rowntree research, published in 1999, concluded that the traditional system of political decision-taking through committees, with the authority of the council leader coming from the majority group, had to change. The “traditional players” needed to move over. “Councillors will need to act more as advocates and champions for their area rather than as defenders of the local authority, spending more time in the community than in committees,” it argued.



local government under labour

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The new government inherited and absorbed much from their Conservative predecessors. Ministers happily took over an elaborate structure of controls over spending and service delivery. Yet there was a mood for change. After the creation of the unitary councils, there was relative stability in the basic structure of English local government but there was also a ferment of review and rethinking about the role and responsibilities of both officers and members.

Labour's 1997 manifesto commitments towards local government — where the Labour Party was so strong — were light. But so far, Labour's approach to the problems of local government shares many of the Conservatives' intellectual presuppositions. One commitment the Cabinet felt obliged to uphold was removing compulsory competitive tendering. But this was to be replaced by "Best Value", a scheme in which the centre (in the form of the Audit Commission) kept extensive powers to compare, inspect and contrast local authority performance.

New partnership

The style of local-central relations has changed. Ministers opened their doors to council delegations and a new Central-Local Partnership was created, chaired by deputy prime minister John Prescott.

The government approved various symbols of the warmer relationship. In 1998 the United Kingdom acceded to the European Charter of Local Self-Government, promising to uphold fundamental principles of local democracy. It began an extensive programme of "modernisation" of local processes and participation, in an apparent effort to reinvigorate and re-legitimate local politics.

But Labour ministers have shown themselves no more willing to "let go" than the Conservatives, either in the sense of ceasing to view local government as a problem demanding time and attention or loosening the bonds of financial and political control by the centre.

Finance

The financial skies have certainly lightened since the Conservatives

left office. During the 1990s, between 1993/94 and 1997/98 revenue grants (including the police grant and their allocations from the non-domestic rate pool) to local authorities increased by 2.1% (or 7.6% after taking account of community care), according to the DETR. This was barely enough to maintain existing levels of provision let alone expand or improve services. Local authority capital spending declined in real terms by about £1.6 billion between 1993-94 and 1997-98.

The incoming Labour government stuck with Conservative projections through to April 1999 when the results of its Comprehensive Spending Review were applied. This provided for net aggregate external finance to local authorities to increase by an average of 4.5% a year from 1999-2000 onwards, allowing some scope for improvement and expansion. On the capital side, net public sector investment is supposed to double by 2002, with local authorities getting their share.

Under Labour, the DETR claims to have moved to a new equilibrium, leaving unpredictable

Local authority capital spending declined in real terms by about £1.6 billion between 1993-94 and 1997-98

formula changes behind. Standard Spending Assessments are to be pegged for the duration of the CSR. “The government will also ensure that stability and predictability is a prominent consideration in the review of the revenue grant distribution system,” the DETR has promised.

New stability, new freedom?

But stability is not matched by significantly more freedom. The fiscal rectitude that the Labour government has made its badge is based upon unyielding control of not only the financial aggregates but moderation in levying taxes, including council tax.

Labour has also sought to present itself as no less keen than its Conservative predecessors to squeeze the maximum efficiency and effectiveness from local spending, albeit on the basis of greater co-operation with councils. The Local Government (Best Value and Capping) Act 1999 defines Best Value as the pursuit of quality services at minimum cost. The main mechanisms for it are annual published performance plans and

continuous review asking “fundamental questions” about priorities and performance.

Best Value

But who certifies Best Value and ensures it is maximised? Who picks up if the answers to the questions are unsatisfying? Best Value documents are intended, presumably, for local political action, for dissatisfied citizens to protest. In case they do not, the government has called up a new Best Value inspectorate, under the Audit Commission.

This looks as if it will become a vehicle for more central interventions. An analogy can be made with inspection of schools by the Office for Standards in Education (Ofsted) which sought to establish itself by the vim and rigour of its approach to schools and their teachers. Some teachers find it oppressive because its inspectors base their judgements on approved (national) templates. Like the animals in Pavlov’s experiments, subjects of intense inspection acquire the habit of salivating and pecking when they see the “right” behaviour

rewarded: so much for their autonomy.

Who determines Best Value?

Guidance from the DETR says a “community strategy” setting out the broad objectives or vision for an area ought to be the starting point for the first phase of the Best Value sequence. This involves identifying strategic objectives and corporate priorities. In other words, each local authority will determine how appraisal of Best Value performance should be framed.

But the centre (DETR and the Audit Commission) have set their own performance indicators (issued September 1999) and they are mightily detailed. These include both a national set of Best Value Performance Indicators (BVPIs) under the Local Government Act 1999 and Audit Commission Performance Indicators (ACPIs) under the Audit Commission Act 1998.

Altogether councils will be expected to show progress on no fewer than 192 nationally prescribed indicators, including

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those for health and police. The LGA has commented, presumably without irony, that this “may inhibit the ability of authorities to respond to local needs through setting and monitoring local performance indicators”. The 1999 Act similarly gives with one hand the abolition of universal rate capping but with the other takes extensive reserve powers allowing the DETR to step in and regulate council tax levies.

A round up of the Labour administration’s impact on local government cannot of course be restricted to the polite if firm exchanges between the DETR and the LGA. A problem with the Central-Local Partnership arrangement (a forum intended to

sit regularly bringing cabinet ministers together with leading councillors) is how it tends to ignore important changes in the central-local relationship taking place within other departments, notably the Department for Education and Employment and the Department of Health.

The DFEE white paper *Excellence in Schools* (1997) confirmed the trends apparent during the Conservative era. Instead of a service centrally administered, locally delivered education has become a basic partnership between the centre and individual schools, with local authorities moving along behind sweeping up special needs and residual issues.

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the “local problem”

There is a large local “problem”, according to ministers, which revolves around a perceived lack of public confidence in elected local authorities. They are hoping to address this with a number of initiatives to reinvigorate local democracy.

A new compact?

Implicitly, the government is offering local authorities a new compact. If they can re-invent themselves (following a modernisation scheme laid down from the centre, naturally) they will acquire new standing and, perhaps eventually, new autonomy.

This bargain has not yet been formally stated in government documents but is contained in the formula used more than once in statements from the DETR about the balance between “local government” (i.e. autonomous local action) and “local administration” (what local authorities do as agents of the centre). What, logically, would be the point of creating energetic new executive mayors if they had no real freedom of action?

Councils’ low standing

The government’s starting point is the low standing of local authorities in the public’s eye. This is said to be shown by low rates of participation in municipal affairs. In the May 1998 local elections scarcely a third of electors voted in London and elsewhere in England turnout reached all-time lows. In some wards barely one in ten of eligible voters bothered to cast a ballot.

Some of the blame for this, on the government’s analysis, has to lie with ignorance and antipathy towards the local system of politics and administration. It is, in other words, the fault of councils themselves. They must change if progress is to be made. According to the DETR “low and falling turnouts weaken a council’s claim to speak for the local people”. They “damage and ultimately would destroy their ability to give leadership to their communities.”

People’s Panel

Councils are not seen as particularly relevant to the lives of

young people, ethnic minorities or even middle England. The evidence for this is strong.

The People’s Panel — a large national sample set up for the Cabinet Office by pollsters MORI — found that only 17 to 22 per cent of local residents “want to be actively involved with the council or similar local body on an ongoing basis”. Those who do tend to be older and white.

A study, by Professor Alice Brown, Amy Jones and Dr Fiona Mackay of Edinburgh University found a majority of councillors to be male as well, and a large proportion do not have other paid employment. There is evidence of a “radical mismatch between what councillors aspire to do and what the pressures of council business require them to do.”

Only half of all councillors are employed or self employed, 35 per cent are retired, and only a quarter are women. The 1997 Local Government Management Board national census of elected members in England and Wales showed that 3 per cent of them are from ethnic minorities and 11

per cent are disabled. Councillors, in other words, are not representative of the society around them.

Too many committees?

The reasons, on the government's account, for the lack of interest in local government owe much to the way councils conduct their business.

Traditionally councils worked through committees, based on party alignments in the full council, advised by professional officers. The DETR says bluntly that this system "does not work today". It is inefficient, opaque, and weakens local accountability. Not much new there. The Maud Committee was critical 30 years ago (Committee on the Management of Local Government, 1967) and the Audit Commission has urged change for years. A great weakness of the system, the DETR goes on, is that despite the time and resources councils devote to it, major decisions are usually taken outside it.

A sample showed councillors spent over 60 hours per month on

preparing for, travelling to and attending *meetings*. But do they decide anything when they meet? According to the DETR: "most of their time is taken up in largely unproductive committee meetings. Most major policy decisions in practice are not taken by the full council, its committees or subcommittees but elsewhere within the ruling group - where there is a majority group - or in consultation with the leadership of other groups where there is a minority administration or coalition. (...) formal authority may rest with the full council, or with the committee, but the real authority rests with individuals."

That was the conclusion of the joint government and local government Working Party in 1993, backed up by Audit Commission studies. The result is a lack of clarity about where decisions are taken and by whom. In short, the traditional committee system, designed to provide an open and public framework for decision taking, has grown into an opaque system with the real action off-stage. People lose confidence in their council's decisions, individual

councillors become disillusioned with their ability to influence local decisions, and people are discouraged from standing for election.

An end to patronage

Part of the problem is that the business transacted has itself also changed. What councils do, what services they provide has altered. Once urban local authorities provided such vital services as mass housing, even higher education — this generated competition for council membership. Arthur Midwinter, Professor of Politics at Strathclyde University, says the representative role of the councillor was always dominated by the housing function and "as the authorities' landlord role declines, then so too does the representative's workload".

Changes in function and status during the Thatcher years are widely credited with making membership of a local authority less attractive. One proposed remedy was to reduce councillors' workload further so that fewer would be needed or (this was

A sample showed councillors spent over 60 hours per month on preparing for, travelling to and attending *meetings*

seriously proposed by Nicholas Ridley, Tory Environment Secretary) they need only meet once or twice a year in order to agree contracts.

The challenge is to make the mixed workload of post-Thatcher councils more attractive. The problem is that the new emphasis on “partnerships” (between the council and a congeries of other local bodies) or inter-agency working require not just large changes in the way councils work but also in who works for them. New levels of articulacy, sympathy, skill and capacity are implied.

Ambiguous roles

The opaqueness of the system is a criticism that can be levelled at council officers, too. People do not know who to praise, who to blame, or who to contact with their problems.

The role of the chief executive has become ambiguous. In some authorities he or she has taken on many of the characteristics of a political leader, expressing community values, networking

across the area; in others he or she remains a functionary, directing administrative traffic.

But the DETR could, if it chose, say as much about itself. Its criticisms of local government are remarkably unself-reflective. The problems associated with the elected members’ role are equally visible in that of the Member of Parliament let alone the government minister. In most Whitehall departments the very lack of transparency, the opacity of relationships between politician and official is a primary characteristic.

The DETR also pulls its punches in identifying the values and structures of the political parties as a reason why councillors are not representative or efficient. It is the parties, not the local authorities, which restrict access or have failed to attract women, people from ethnic minorities and younger people. Unless and until the parties reform themselves, or are replaced by other political formations, it is hard to see how many of the deficiencies blamed on local government are ever to be remedied.

labour's solution

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Labour ministers' response to their own criticism of local government has largely been mechanical and to do with institutional reform. It has – with the exception of publications from the think-tank Demos – avoided wider thinking about the place of politics in modern society and the perhaps inevitable difficulties of securing talent and time for public affairs in the modern age.

Modernisation

Instead the approach has focused on structural refurbishment or “modernisation”. The Labour government has concentrated on a broad programme of changes in procedures for making local decisions (stopping short of criticising the way the Labour Party or the other parties contribute to them).

In successive papers, *Modern Local Government: In Touch with the People* and *Local Leadership, Local Choice* [see references] the DETR has laid out a plan of change along these lines.

Best value will, in theory, encourage a much more “technocratic”, non-doctrinal approach to services. Both councillors and officers will have to lead from the front, despite anxiety about their own changing roles. Local authorities would move far beyond the management of in-house services, taking on a new role of community leadership, requiring them to be outward-looking and open in style. (This of course is not a new role. Writing with W A Robson in the mid 1920s in *The Town Councillor*, Clement Attlee deplored the way councils were becoming mere machines to provide social services. “Nowhere is there to be found anything likely to inspire [them] with anything in the nature of a civic spirit or a wider conception of their mission.” By which he meant an identity that energised and inspired local people. The grail is still being pursued.

Cabinets

“Modernisation” will start with the way councils make decisions and project them to the public.

The DETR suggests councils scrap their committees and instead develop separate political executives comprising either a smallish group of councillors meeting in a “cabinet” or a single elected official with the title of mayor. In turn there would be stronger scrutiny of their decisions, with mechanisms to ensure higher ethical standards were observed and, above all, more public involvement. (It is not yet clear who would conduct the scrutiny. It seems likely that central inspection might once again play a role here.)

Legislation will be necessary to separate the executive from the representative functions of councillors and to permit directly elected mayors — which has been provided for separately in London, where elections for mayor and assembly are due to be held in May 2000.

Reaction has been mixed. Some councils are making their own preparations, regrouping

Some councils have experimented with “tele-democracy” and referenda; others have made innovative use of focus groups and citizen’s juries in council decision making

councillors and altering procedures. So far, however, there has been little enthusiasm for the elected mayor option, perhaps because it would imply the biggest break with current practice and downgrade the role of the backbench elected member the most. Some councils are happy with the world as it is; believing current ways of working through committees are adequate and do not require change or new forms of leadership such as elected mayors.

Reforming attitudes

The government envisages its modernisation scheme will take a decade to put into place. Alongside the changes in machinery within town and county halls there is meant to be a reformation of attitudes, especially towards joint working with bodies outside the local authority.

A key word is partnership. Councils need to work together

with business, the voluntary sector (and central government of course). But they are also “to provide vision and leadership for their local communities”. Are they to do so uniquely or will they share leadership and envisioning?

The DETR prefers uplift to concrete recommendations: “They succeed when there is trust between them and their local community. Within this culture they build and support partnerships to develop a vision for their locality and to contribute to achieving it. They strive for continuous improvement in the delivery of local services.”

Beacons

Perhaps the “Beacon councils” recognised in 1999 will demonstrate what happens next. They are the product of close co-operation between the DETR and the Local Government Association, which was Labour controlled until April 1999. So far, the LGA has put “alliance”

and “partnership” (with the centre) high on its masthead. Its formula accepts the government’s policy priorities, including crime reduction and combating poor health but argues neither can be tackled from Westminster or Brussels: they require effective local government.

The LGA has, however, come to agree with the centre that large scale renewal of local democracy is a precondition of further grants of autonomy. The mechanism it is promoting is called the Democracy Network, a scheme for publicising the ways councils themselves encourage wider public participation.

Some councils have experimented with “tele-democracy” and referenda; others have made innovative use of focus groups and citizen’s juries in council decision making. Some are seeking ways of getting more people to vote, for example by siting ballot boxes where people congregate, say in supermarkets.



towards new autonomy

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In its May 1999 report the bipartisan Commons' Environment, Transport and Regions Committee expressed its pessimism that the formula laid out above was going to regenerate and re-energise local government in England. Decline was long term, it said, and was caused principally by lack of financial autonomy for local authorities. "If a locally accountable system of local government is to be developed, we believe that it is critical that local authorities raise more money locally."

Room for manoeuvre?

It is a radical proposition. If the MPs are right, local government is going to remain unaccountable despite Labour's modernisation programme.

The Labour government has built tight central control of spending into the very fabric of its being and it shows no signs of wanting to relax its grip. High council spending is seen, at the centre,

not just as fiscal irresponsibility but a vote loser. So, recognising that room for manoeuvre on council tax is limited, the MPs concluded that business rates (National Non-Domestic Rate) should return to local control. This would once again allow councils with a prosperous base of commercial property to gain large sums – which would necessitate the recreation of a scheme for equalising resources.

In its response to the Commons' Committee the government was unimpressed. Again, the Labour government has staked its reputation on its friendliness towards private business and has listened attentively to objections to changing the NNDR from the Confederation of British Industry and other groups. The proposal "ignored the wishes and interests of those who have to bear the cost of local government expenditure through national and local taxes," they claimed. Its second objection was even more

fundamental: unless and until the modernisation of local authorities has succeeded in winning hearts and minds and establishing local authorities as legitimate instruments of collective will locally, how can they make another claim on taxation?

Congestion charges

But not all fiscal changes are anathema. One possibility, announced by John Prescott in the Queen's Speech in November 1999 is transport-specific taxation or charging. Councils are to be given the option, subject to central approval of their transport plans, to levy road tolls on certain highways or at certain times (congestion charging) or fines or taxes on certain kinds of parking provision (for example employer-provided car parks).

Another potential initiative is the Business Improvement District (BIDs). This is an idea borrowed from North America in which

If the MPs are right, local government is going to remain unaccountable despite Labour's modernisation programme

companies located within a given area can vote for a fixed-term addition to the rates they already pay, which would be used for additional local services or improvements. Such taxation might cohere with the plans for urban regeneration set out in the report by Lord Rogers of Riverside, which was presented to the DETR in summer 1997, but so far the ministry has been unenthusiastic about BIDs.

The government's formula for the future is pithy. "Local authorities need to respond to local requirements, to promote the joined-up delivery of services and to work with other agencies. If a local authority has clear political leadership, a strong mandate from voters and sound mechanisms for establishing the needs of local communities, then it is in a powerful position to set the local agenda for its area. What is therefore required from local authorities in England is both local administration and local government."

9

the future

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While heated debate goes on about the future structure of local authorities and their democratic legitimacy, it is worth noting how “taken for granted” they remain in British public management.

It is not just that councils remain the providers of basic street services or vital sources of authority in ordering child care or special needs schooling. They are one of the state’s most pliable tools in emergencies. The Labour government has shown itself little different from its predecessors in assuming without question that local authorities will step into the breach; like its predecessors, it rarely deems it necessary to embrace local government as an equal partner.

While ministers talk of “joining up” departments, policies and initiatives, its own treatment of local government is dislocated. While the DETR thinks long and hard about the deficiencies of local government as part of the democratic culture, other departments continue to define councils as vital providers of public services. There is no clear link between the two.

Asylum seekers

A case in point is immigration and asylum. The LGA pronounced the current ad hoc system of dealing with asylum seekers “intolerable” for the local authorities which have been left to provide housing, social care, schooling and welfare for often large flows of needy people.

Part of the problem is the procedure for handling asylum seekers, which new immigration and asylum legislation is intended to reform. But it has also to do with where councils fit into national arrangements for asylum seekers: who pays and who ensures uniformity of treatment?

Under New Labour ministers are undoubtedly more willing to talk to council leaders. Home Secretary Jack Straw and the chair of the LGA Sir Jeremy Beecham had jointly asked councils to set up an interim scheme of accommodation and support for destitute asylum seekers to hold the fort until a new statutory scheme starts in April 2000. Till then, councils are

to gather regional consortia to co-ordinate support for asylum seekers away from current concentrations in areas such as Kent and London.

If not local authorities, who?

Merely to pose the question “if not local authorities, who?” is to answer it. Local provision is a basic but because it is local, it necessarily shows variety. Some places are more generous, more energetic, more welcoming. The British way is to tolerate an amount of such diversity – it is generally cheaper for the centre – but only so much.

Although the DETR has set itself a ten-year timetable for reform of local democracy, there is unlikely to be any kind of permanent resolution of the tension between the two branches of government. Mayors may be installed in town halls; local authorities may acquire a degree of fiscal autonomy; but the centre will continue to cook England’s special municipal mixture of local administration and local government.

references

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