



Policy Briefing: Strengthening Local Democracy consultation July 2009

Overview

The Consultation was announced in the Building Britain's Future paper and was published on 21st July 2009. It sets out a range of questions across five areas and with a deadline for responses of 2nd October. While some aspects could be implemented relatively quickly the document is seen as being part of a long-term debate over the next 5 – 10 years.

Government say they want to see a new role for local authorities where they

- play a central role for citizens in delivering entitlements but with flexibility to address local needs
- take on responsibility for responding to local challenges such as climate change and housing
- take on greater responsibility for scrutinising and oversight of public money spent on local service delivery.

The consultation considers

- how councillors and councils can be placed at the centre of decision-making by local service providers, principally through strengthening overview and scrutiny
- the scope for local government to operate within the scheme of social entitlements described in the policy paper *Building Britain's Future*
- the opportunities available for councils to lead on climate change measures locally
- how the powers of city and sub regions could be further strengthened, and these new bodies made more accountable
- the nature of the relationship between central and local government.

The consultation has been published before the Local Democracy, Economic Development and Construction (LDEDC) Bill has completed its route through Parliament and some of the issues are subject to passing of the Bill.

Key issues

Local Government at the centre of decision making

The chapter sets out proposals for changes to scrutiny, to extend these to cover a wider range of public services, not just those related to LAA targets. The proposal for local authorities to scrutinise all spending in an area is linked to the 'Total Place' work ongoing under Bichard.

The consultation paper envisages local government being at the centre of decision-making on public services in the area through increasing the power and range of scrutiny. Councils would have an overview of the total spending by public service providers in their locality and scrutiny powers to monitor spending by other bodies.

The consultation suggests extending the scope of scrutiny so that

- scrutiny committees will be able to cover all the issues that matter to the local community, and not be limited to issues that fall within the LAA priorities.
- a wider range of bodies will be included, beyond the range of organisations responsible for contributing to the LAA targets.
- committees will be able to require officers and board members from external organisations to appear before them.
- organisations will be required to have regard to and to formally respond to the reports and recommendations of scrutiny committees.

The Government believes that scrutiny of health and of crime and disorder issues has not yet had sufficient impact. There will be new statutory guidance on improvements in health scrutiny and a White Paper on policing during the autumn. The consultation proposals would mean that in future scrutiny would include organisations responsible for police strategies, fire and rescue, probation, public transport and transport infrastructure, job centre plus and employment related services, and utilities.

There are also proposals for strengthening scrutiny within councils. These include

- measures to ensure leadership support
- a possible duty on chief executives to ensure that scrutiny committees have adequate resources
- chairs of scrutiny to be treated on a par with Cabinet posts, and to receive comparable special responsibility allowances.

The LDEDC Bill enables councils to scrutinise other public bodies on LAA targets and for residents appeal to scrutiny if not satisfied with response to public petition. It also places a duty on local authorities to promote democracy. There is a recognition that the role of scrutiny needs to be easier to understand.

Strong local government operating in the local interest

The chapter outlines how local government might operate in an environment that moves away from centralised inspection towards an emphasis on the social entitlements with less reliance on inspection

The power of well being is discussed in light of the recent decision on mutual insurance scheme. Government plans to create a specific power to set up a mutual assurance scheme. However this proposal only addresses well being in this one aspect. The consultation asks if additional specific powers are needed, and more generally to consider whether further action should be taken to strengthen councils' formal powers. It also seeks views on what might be done to lessen the inspection regime and possible reduction in LAA targets.

Local authorities tackling climate change

The consultation asks whether councils have the right powers and responsibilities to help address climate change, and invites views on proposals to give local authorities a greater role in tackling climate change through local carbon budgets or other mechanisms

The intention is that new freedoms and responsibilities will be delegated to councils putting in place plans that add value to national climate change policy, and demonstrate local support. Specific questions focus on the value of current national indicators and how local authorities can add value to national climate change aims. It is noted that the majority of local authorities have already included a climate change indicator in their LAA.

Sub-regional working

It will be possible, when the LDEDC Bill is passed, for local authorities to put sub regional partnerships on a more formal basis through Economic Prosperity Boards (EPBs). At regional level, Leaders' Boards will be responsible for devising a regional strategy, in cooperation with the RDA. Guidance on Leaders Boards is due to come out in autumn.

There are possible options related to accountability of sub regional arrangements and options for sub-regional democracy but no one model has been promoted as the preferred option.

A number of measures are planned that will introduce an element of accountability into sub regional arrangements. These include

- public access to meetings and documents.
- the "duty to involve" to apply to statutory authorities and boards
- a duty on councils to promote understanding of sub-regional arrangements

- joint overview and scrutiny arrangements that would be able to examine sub regional partnerships.

Future options include strengthening requirements on sub regional partnerships to participate in scrutiny arrangements, and applying a duty to respond to petitions to Integrated Transport Authorities, EPBs and combined authorities.

The consultation raises the question of whether sub regional structures are sufficiently visible and accountable to citizens. It is difficult for the citizen to know where responsibility lies and the consultation recognises this. Suggestions include

- elected representation at sub regional level
- establishing "city region leaders"-an individual elected from among member authorities to act as a figurehead for the partnership
- new sub regional local authorities
- mayors for city and sub regions, directly elected by the population
- a combination of a directly elected executive mayor and directly elected sub regional scrutiny body, similar to the model in London.

Clear relationships with local government

The consultation provides a set of principles for the role of local government and for central-local relations, and asks whether this should be put on a formal basis.

The proposal is for

- an ombudsman arrangement which would enable citizens to raise their concerns with an independent arbiter if unhappy with compliance with the principles by either local or central government
- a joint Parliamentary select committee to scrutinise broad adherence to the principles and make strategic recommendations for future policy.

Policy Direction

The consultation is set in context of all the main political parties highlighting their commitment to greater devolution to local authorities and sub-regional groupings. The consultation says this is a 'radical dispersal' of power and that citizens rights will be exercised through a strong council. It highlights the move towards duties and entitlements but there is less about devolved funds and more about governance roles. It is not clear how local authorities will exert any pressure on other organisations to do more, work together or address citizens concerns.

On scrutiny there is a need to make a clear distinction between the role of the individual councillor in their ward, and in their role as a member of a council's overview and scrutiny committee. While local authorities might welcome the opportunity to cover a greater range of issues by scrutiny, capacity in other organisations is mentioned but local authorities will also have to consider whether they have the resources and capacity to manage a significant extension of scrutiny. The consultation says the local authority will be local point of accountability but it is not clear how it could make service providers explain policies and address local need.

While the consultation only mentions one change to well being powers several organisation have been calling for a general power of competence.

In terms of sub-regional working it is clear that there needs to be a greater understanding of who makes decisions and what organisations are responsible for, this also applies in relation to central government. The consultation seems to focus more on governance than on what powers and funds they might be devolved to different levels. Housing and planning, economy and skills, transport don't really seem to be mentioned

The Central –Local Concordat and European Charter on Local-Self Government seem to have had little impact on making the central-local relationship clear but the proposals for an ombudsman might be governance heavy.

Implications for CYC

CYC will need to consider if the proposals would mean implementing changes to scrutiny and sub –regional working in particular. Broadening the scope of scrutiny for example would be likely to require more resourcing.

Several organisations such as LYGH, Leeds City Region and North York’s sub region are likely to respond and CYC could either contribute to one of these and/or submit a separate response. Even if a decision is taken not to respond CYC should still consider the possible changes and impact the proposals might have on future work, particularly in relation to scrutiny and sub-regional working.

Further info

The consultation is available at [Strengthening local democracy: Consultation - Local government - Communities and Local Government](#)

A full list of the Consultation Questions is shown below

Consultation Questions

Local Government at the centre of decision making

1. Do you agree that we should extend scrutiny powers in relation to LAA partners to cover the range of their activities in an area, not just those limited to specific LAA targets?
2. Do we need to make scrutiny powers more explicit in relation to local councils’ role in scrutinising expenditure on delivery of the local public services in an area? If so what is the best way of achieving this?
3. Do you agree that we should bring all or some of the local public services as set out in this cheaper fully under local authority scrutiny regime / Are there other bodies who would benefit from scrutiny by Local Government
4. How far do you agree that we should extend scrutiny powers to enable committees to require attendance by officers or board members of external organisations to give evidence at scrutiny hearings, similar to the powers already in existence for health and police?
5. What more could be done to ensure that councils adequately resource and support the local government scrutiny function to carry out its role to full effect?
6. How can council leaders ensure that scrutiny is a core function of how these organisations do business and have a full and proper role in scrutinising the full range of local public services?
7. What more could be done to better connect and promote the important role of local government scrutiny to local communities, for example citizens as expert advisers to committees?

Strong local Government operating in the local interest

8. How best should any reduction in numbers of LAA targets ensure that services are responsive to the most important local needs and priorities as well as national entitlements?
9. Should councils have a power to engage in mutual insurance arrangements

10. Are there other powers needed to cover engagement in further complex arrangements of a possibly speculative nature outside of existing powers?
11. Do you agree that greater powers should be premised on demonstration of local confidence? How should this be demonstrated / How can councils best reverse the decline in confidence?
12. Are there core issues that should have greater council control which councils believe they are currently prevented from undertaking? If so what are they and what is the case for councils to take on these roles?
13. Do you agree that there should be a review of the structure of local partnerships with a view to identifying unhelpful overlap and duplication? Are there particular issues on which such a review should focus?

Local Authorities tackling climate change

14. How is the current national indicator system working to incentivise local authorities to take action on climate change? Should Government take new steps to enable local authorities to play a greater role in this agenda?
15. Where can local authorities add most value in meeting climate change aims, and what should Government do to help them do so, giving consideration to the proposals set out in this chapter?
16. How do we ensure that national policies reinforce local efforts for example, around transport, renewable energy, and energy efficiency?

Sub – regional Working

17. Should the activity of sub-regional partnerships be required to be subject to scrutiny arrangements?
18. Should councils' joint overview and scrutiny committees be able to require sub-regional bodies to provide them with information on the full range of their activities and to consider their recommendations on sub-regional matters?
19. Should the duty to respond to petitions be extended to sub-regional bodies?
20. Do current and planned models for joint working give people a clear enough voice in decisions that are made sub-regionally?
21. How could we go further to make existing and planned city and sub-regional structures more accountable, in addition to the suggestions in this document?
22. Should we give more powers and responsibilities to city and sub-regions? If so what powers or responsibilities should be made available?
23. Is there a need for direct democratic accountability at the sub-regional level? What would be the best means of achieving this, giving consideration to the options set out above?

Clear relationships with local Government

24. Should central and local government's roles be more formally established?
25. What are your views on the draft principles set out above as a way of achieving this ambition?
26. Do you agree that an ombudsman style arrangement and a joint select committee of both Houses of Parliament are the correct approaches to oversee and enforce these principles, if adopted?