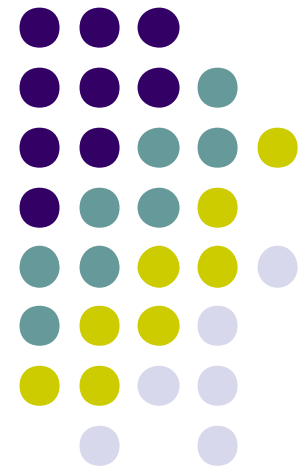


Developments in English Local Government

Gerry Stoker



What local government does in England



- 1. **Need services** – e.g. education, personal social services, housing benefit.
- 2. **Protective services** – e.g. policing and community safety, fire and rescue, emergency planning.
- 3. **Amenity services** – e.g. highways, street cleansing, planning, parks and open spaces, environmental health, refuse disposal, consumer protection, economic development.
- 4. **Facility services** – e.g. housing, libraries, museums and art galleries, recreational centres, refuse collection, cemeteries and crematoria.



Local authority spending, England 2003/04 – current vs. capital

	Current	Capital	TOTAL	
	%	%	GBP billion	%
Education	35	23	37.8	34
Social Services	19	2	18.8	17
Housing (excl. Housing Revenue Account)	10	28	12.9	17
Police and courts	10	5	10.9	10
Local environmental services (LES)*	9	16	9.2	8
Highways and transport	7	21	9.1	8
Culture, sports and recreation	4	4	4.3	4
Fire	2	1	2.0	2
Central and other services	6	1	6.2	6
TOTAL (GBP billion)	98.9	12.3	111.2	

The trouble is its neither local...



- Ave current population size of 121,000 served after successive reorganizations (was 37,000 prior to 1974)
- The average population coverage of local government units in France, for example, is 1,650. The systems of Austria, Spain, Germany and Italy all have a local council population average of less than 10,000 and all the major European systems have an average population per municipality of less than 50,000.

Nor government, argue many



- Raises only a quarter of spending from own revenues
- Reliant on one highly visible tax
- Subject to intensive inspection and oversight
- Lacks constitutional protection
- Elections heavily influenced by non-local factors

But it is more than administration



- Its scale gives it a technical and managerial capacity that is the envy of many in Europe
- Scale reflects urbanized structure of England to a degree
- Parish councils and decentralization schemes can give an added local dimension
- Many councils have shown great leadership of their communities
- Local government provides a key base for political activism
- If a base for local government then certainly as base for local governance

Key Modernisation themes under New Labour



- The search for more effective political leadership
- Better service delivery
- More effective partnership
- I will now examine the impact of each of the reform strategies under the Labour government elected in 1997
- Up date in the light of 2006 white paper

The 2000 Act: New Council Constitutions



- Critique of committee system
- A political compromise
- Three options for a separate executive: mayor and cabinet, leader and cabinet, mayor and council manager
- Matched by overview and scrutiny and other arrangements
- Key comparison between mayors and leader/cabinet model: which performs better?



Views of executive arrangements by non-mayoral and mayoral authorities – combined sample

	Leader-cabinet	Mayors
The new system is a significant improvement	11	24
The new system is to some extent an improvement	29	34
The new system has made little difference	10	3
The new system has some disadvantages	18	12
Introducing the new system was a retrograde step	16	13
No experience of the past system/don't know	17	14
(base)	1,376	146

Kendall's tau b
p. < .001

Detailed assessment of different executive arrangements



<i>Agree/strongly agree that...</i>	Leader-cabinet%	Mayor %	Base	Statistical significance
Decision-making is quicker	45	61	1464	**
The role of leader has become stronger	68	79	1474	***
The leader of the council has a higher public profile	59	82	1478	***
It is easy to find out who has made specific decisions	40	48	1477	**
The public is more involved in decision-making	15	30	1482	***
The council is better at dealing with cross-cutting issues	38	48	1481	**
The council's relations with partners has improved	43	57	1456	***
It is easier to find out about council policy	49	59	1503	*
Backbench members are more engaged	10	12	1509	n/s
Political parties dominate decision-making	47	29	1504	***
It is easier for women to become involved in council business	22	34	1501	***
It is easier for ethnic minorities to become involved in council business	19	34	1495	***
Issues of ethical conduct have a higher profile	40	43	1491	n/s

Kendall's tau b

n/s= non significant difference, *=p. < .05, **=p.<.01, ***=p. <. 001

Structural differences: powers and capacities of leaders



	Mayoral	‘Leader-Cabinet’
Budget and associated policy framework	Council can only reject mayors proposals with a 2/3 majority. A majority of 50% plus 1 is required to adopt the budget and policy framework.	Council can reject with simple majority, and adopt an alternative with simple majority
Operational decisions	Mayor is given individual power to make decisions	Council members’ choice as expressed in the constitution about whether decisions are made by individuals in executive or whether they have to be collective
Selection of cabinet and portfolios	Mayor	Cabinet may be voted in by full council, or leader may have power to choose cabinet and portfolios

Structural differences: relationship with followers



	Directly-Elected Mayor	Leader (in Leader-Cabinet)
Principals	Electorate	<i>Councillors</i>
Principals' link between goals and preferences	Relatively flexible	<i>Relatively fixed</i>
Principals' monitoring effort	Loose	<i>Potentially Tight</i>
<i>Period before punishment/reward</i>	4 years	<i>Yearly</i>

So where are we on leadership?



- Both leader-cabinet and mayoral models have enhanced leadership
- A leadership better suited to governance?
- The former less than the latter
- White paper-setting out future policy in Autumn of 2006- continues to promote leadership, although not necessarily push the mayoral model
- Four year terms for all leaders, directly elected collective executives, more mayors

Improving Service delivery



- Beyond compulsory competitive tendering
- Best Value Principles
- Inspection and oversight
- Promotion of Best Practice

Best Value compared to CCT



- Applies to all local authority functions, whereas CCT applied to only a limited range of functions.
- The requirement to undertake a rolling performance review of all services rather than market testing of some services.
- A matter of local choice
- Consultation is at the heart of Best Value.



Inspection and more

- Under-written by a new inspection service and extension of established bodies
- Powers of intervention for central government in the case of service failure
- Later introduction of Comprehensive Performance Assessment



And has it worked?

- The evidence is that the drive to service improvement has led to a better quality of service management and delivery in England.
- Local government can demonstrate efficiency savings in the production and delivery of a range of services.
- Greater use of private and non-profit sectors
- However there has been a significant cost in the process of challenge and change. The direct costs for running the inspection systems was estimated to be GBP600 million by 2001
- Does external inspection deliver the improvements in service performance that would justify the costs involved?
- There is evidence of service improvement, although it unclear how far citizens would share that judgement.
- Proved very difficult to model what factors have been particularly important in driving service improvement.



What next?

- Local authorities have got the message about the need to strive for improvement and the cultural change in attitudes to delivery
- We are far less sure how much progress has been made and what is driving the progress that has been achieved.
- Mixed economy of providers established
- The White Paper to be published this autumn proposes a considerable reduction in the burden of inspection and the number of service targets that local authorities have to meet.
- National government has won the battle to get these issues addressed effectively in local government and now intends to ease off the pressure to a considerable degree.



Partnership

- An initial surge of new schemes
- An attempt through Local Strategic Partnerships to construct effective horizontal coordination
- Using Local Area Agreements to put together vertical integration



Progress?

- Evidence is mixed
- What is clear is that partnership requires a new way of working across the public sector , less internally focused on one organisation and more commitment to working cross boundaries
- White paper pushes this further: streamline arrangements for LSPs and LAAs seen as the future of local governance

Finance-the issue not resolved



- More a problem of current rather than capital funding
- The Lyons Inquiry
- Options: new taxes, partial return of the business rate, new system of allocation
- Political difficulties and uncertainties remain great
- Something will be done!



new range of management skills

- Activation skills
- Capacity to orchestrate
- Modulation Skills
- Aligning goals
- Avoiding communication breakdowns
- Tackling capacity shortages
- Not managing an individual organisations but managing systems

New vision in autumn 2006 White Paper



- A strategy of devolution is essential to cope with complexity and enable local solutions to be created
- A concept of community leadership defines the role of local government:
- Strategic partnerships - creating vision and strategic direction for a local area or sub-region, strengthening the ability of authorities and their partners to deliver innovation and change
- Community engagement – getting effective participation and developing community cohesion
- Responsive services by challenging and scrutinizing providers of public services, in partnership with communities to create more responsive services
- Challenging citizens by taking proactive measures to change negative citizen attitudes and behaviours