

GWE Business West Briefing Note Strengthening Local Democracy: Consultation

Strengthening Local Democracy: Consultation Paper

The Department for Communities and Local Government has recently published a consultation paper, *Strengthening local democracy*. This follows the government paper, *Building Britain's Future*, published in June 2009. The paper develops the discussion on this, setting out a range of questions for consultation, with responses required by 2 October 2009.

This consultation explores whether local government has the powers it needs to meet today's challenges. It sets out a range of proposals to promote democratic renewal and strengthen the power and responsibility of local government. It envisages a powerful new role for local authorities where they:

- play a central role for citizens in delivering their entitlements, and have flexibility and autonomy in meeting local needs
- take on responsibility for responding to emerging local challenges – particularly climate change and housing
- take greater responsibility for scrutinising and oversight of public money spent on local service delivering in an area, in order to drive improvements in services and increase value for money.

KEY MESSAGES

- The government claims that this is the biggest shift in power for a generation but there are a lack of proposals for any new devolution of powers
- The proposal to give greater powers to scrutinise public bodies and public spending is welcomed, but does not replace the need for real decentralisation of control over services and budgets
- The consultation raises the possibility of reducing the number of central government targets imposed on local authorities
- Local councils play a crucial role in making the shift to a low carbon economy, and many of them are already at the forefront of efforts to secure reductions in carbon emissions
- Councils increasingly need to work together to tackle difficult issues and improve outcomes for citizens, various options are proposed for directly electing city region leaders or mayors and creating new sub regional authorities with wider powers and directly elected

LOCAL GOVERNMENT AT THE CENTRE OF DECISION MAKING

Councils are best placed to understand and respond to issues of local concern and to bring all agencies together to tackle cross cutting issues which affect their residents and their community. The proposal is to strengthen their capacity to do this by:

- giving councils more scope to scrutinise the spending and decisions of local service providers;
- exploring whether there are barriers to using existing powers and whether there are other powers which councils should have;
- ensuring councils have the powers and responsibilities they need to tackle climate change;

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- exploring how the powers and responsibilities of sub-regional structures should be matched by clear and accountable leadership; and
- exploring how to articulate, develop and support the relationship between central and local government so that respective functions are clear and transparent to citizens.

Increasing scrutiny, beyond the specific targets in the Local Area Agreement, means councils will become a local point of accountability for citizens to call on to scrutinise public spending decisions. This role would include scrutinising the spending decisions of not only police chiefs and health bosses, but also representatives from Job Centre Plus, the Environment Agency, probation authorities and utility companies.

STRONG LOCAL GOVERNMENT OPERATING IN THE LOCAL INTEREST

Building Britain's Future outlined how the next stage of public service reform would be characterised by moving from a system based primarily on targets and central direction to one where individuals and communities will have enforceable entitlements over the services they receive. The consultation reinforces this message and raises the possibility of reducing the number of central government targets.

The main questions being posed here are:

- do councils have the right powers to address the challenges their areas face today and to deliver improved and more efficient services for citizens?
- is there further scope to reduce the burden of inspection on local authorities?

LOCAL AUTHORITIES TACKLING CLIMATE CHANGE

The paper discusses the role of councils in tackling climate change and recognises the substantial commitment already made in many areas. It questions how the role of local authorities can be extended further to include:

- coordinating funding streams to support low carbon activity in local areas
- supporting innovative financing for energy efficiency and renewable energy, as well as developing local energy markets
- delivering cost effective and publicly supported infrastructure plans
- using powers under the Business Rates Supplements Act to raise funds to support emissions reductions projects
- ensuring minimum energy efficiency standards for housing
- encouraging more community engagement to develop locally owned low carbon energy solutions
- promoting lower carbon transport

SUB REGIONAL WORKING

Joint working at a sub regional level is the right way to drive forward the economies of local areas but as sub regional structures grow in power and influence, it is important that greater power is matched by clear, democratic and accountable leadership.

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The acid test for ensuring the accountability of mechanisms for city and sub regional working:

- are citizens clear about how those arrangements work and what they do?
- Do people know who is making the decisions?
- How can citizens hold them to account through the local democratic process?

Formal sub regional structures are planned to allow formal joint working between authorities on economic development and regeneration – Economic Prosperity Boards (EPBs). This enables councils to bring together economic development and regeneration functions with the transport functions of Integrated Transport Authorities.

The proposals identify a strong case for strengthening existing and planned structures through:

- Requiring the activity of sub regional partnerships to be subject to scrutiny arrangements
- Enabling joint overview and scrutiny committees to require sub regional structures to provide them with a broader range of information
- Applying a duty to respond to petitions to apply to Integrated Transport Authorities and Economic Prosperity Boards

The consultation also raises the question of whether citizens should be more directly involved in electing representatives to structures at this level, with possible options including:

- Establishing city region leaders – an elected figurehead
- Creating new sub regional local authorities with a wider range of powers and direct elections
- Mayors for city and sub regions – executive mayors with powers over strategic issues, directly elected by the population
- A combination of directly elected executive mayor and directly elected sub regional scrutiny body

CLEAR RELATIONSHIP BETWEEN CENTRAL AND LOCAL GOVERNMENT

This section looks at whether or not there are better ways of articulating the relationship between central and local government to support the aims of stronger local democracy and stronger local government. The government are seeking views on whether principles underpinning the role of local government should be formally articulated and what form they should take.

Further detail on how to respond and consultation questions can be found at:

<http://www.communities.gov.uk/publications/localgovernment/localdemocracyconsultation>

Consultation closes 30th October 2009, email responses to:

consultationcoordinator@communities.gsi.gov.uk