

LOCAL GOVERNMENT ASSOCIATION

Discussion Paper on Local Government and the Regions

Summary

1. This consultation responds to a request from the Local Government Regional Forum to initiate a discussion on local government's role in future regional arrangements. It proposes that local government should take the initiative as part of its community leadership role to shape this agenda over the coming months. It is presented on the basis that duties and responsibilities vested at regional level should be devolved from national government, not further eroded from local government. This paper provides a focus for that debate which will be conducted at a series of regional meetings this autumn.

Background

2. At its meeting on 15th June the Local Government Regional Forum considered the current state of regional governance and representative arrangements following the decision of local people in the North East to reject a directly elected Regional Assembly.

3. It was decided to launch an LGA consultation process over the next few months to stimulate a debate leading up to a residential meeting of the forum in November. This initial paper sets the scene for that debate. The LGA Executive discussed these issues on 21st July and on 6th September. It will consider the policy implications for the Association at a later stage in the debate.

4. At least two linked, but separate, matters must be pursued in parallel: -

a) regional arrangements within the local government family, through the LGA, central bodies and regional groupings. There is not, and should not be a common organisational pattern, but there is a compelling case for greater clarity of mutual responsibilities and common purpose. Arising from the current review of the Employers' Organisation, terms of reference are being drawn up for a wider regional review of existing arrangements and future effectiveness. The outcome is anticipated early in 2006;

b) the role and influence of local government in the regional infrastructure, which forms the main subject of this discussion paper.

Current Regional Issues

5. There can be little doubt that current regional arrangements in the public sector are affected by confusion and uncertainty. This does not only relate to constitutional issues like the status of regional assemblies. There are also issues of place and identity, particularly in the south east and in some provincial areas where particular locations do not fit easily into their designated region. Perhaps more fundamentally there is still debate over the purpose of regional arrangements, their constitutional powers and relationship with local government, collectively and through local councils.

6. All this was bought into stark relief by the Government's decision in 2004 to suspend its planned referendums in the North West and Yorkshire & Humberside and the unexpectedly heavy defeat for a proposal in the North East. It is accepted widely that local councils will be the only democratically elected level of governance in English regions for some time to come.

7. However this does not of course mean that regional arrangements have been abandoned or do not make a vital contribution to the governance of the country. Particularly since the creation of Regional Development Agencies in 1997, there have been an increasing number of key tasks promoted regionally and multiple players on the scene. Significant changes to the planning and housing system are amongst the most recent. However, the interplay between them has been cast into doubt by the failure of the government's constitutional strategy and local government is deeply affected by the uncertainty.

8. Whilst the ODPM is likely to formulate a new strategy in the next few months, there is a considerable opportunity for local government to frame a solution. The summer meeting of the Local Government Regional Forum decided to persuade the LGA to pursue this approach.

Regional Components

9. An initial analysis of the current regional infrastructure provides evidence of confusion, outside Greater London, even when just considering public service bodies. Nine regional boundaries are to some extent defined by the presence of Government Offices for the Regions, themselves under current review. Regional Development Agencies were created eight years ago and are shadowed by partnership arrangements known as Regional Assemblies with local government playing a crucial role. In some cases these bodies also act as a focus for a regional local government voice. In other regions there is an organisational separation between the Assembly and an association of local councils.

10. The LGA and the rest of the local government family have their own network of regional organisations, particularly relating to the IDEA and the EO. The current EO review provides both an opportunity and necessity to review these and determine whether they continue to be fit for purpose. There is a great deal of support for services delivered regionally; the reasons include access, understanding and familiarity. However, there is a case for them being coordinated and presented in a more coherent way to ensure optimum influence in promoting and extending the influence of local government.

11. There are other public service bodies outside local government organised regionally e.g. the Environment Agency and Strategic Health Authorities. The very recent report by HM Inspector of Constabulary, "Closing the Gap" and the initial response from the Home Secretary indicates a move to police forces being organised and administered on a regional basis. Will a similar arrangement soon be suggested for the Fire Service, removing local democratic accountability? In any case their regional dimensions are becoming increasingly important in respect of greater threats e.g. resilience and terrorist threat.

12. And that is just the start of it. Other important functions like higher education have a major regional focus; housing, planning, transport, and other infrastructure strategies are crucial and that is before the contribution of the private sector is considered.

13. Local government will continue to argue for diversity – there is no need for structures and arrangements to be the same in the different regions. However, role and purpose should be clear and local government could take a major initiative to determine that this happens.

Role of Local Government

14. The purpose of local government in a regional context is reasonably easily stated. It consists of:

- Community leadership
- Promoting social, economic & environmental well being
- Enabling initiatives to take place
- Stimulating local strategic partnerships to take a wider focus
- Encouraging effective partnership arrangements at all levels
- Supporting the existing regional infrastructure

15. Recent initiatives like local area agreements and public service boards have significant regional implications, which could be aligned or aggregated to have wider impact across individual council boundaries, possibly extended to the notion of Joint Area Agreements on relevant topics e.g. transport.

16. The LGA has consistently argued that regional powers should be based on the principle of subsidiarity – with responsibilities being drawn down from central government rather than up from local government, unless there is a voluntary agreement between local councils or other bodies eg fire authorities.

Challenges for Local Government

17. However, local government faces many difficulties. It must be accepted that its reputation is often low with potential partners and community representatives, despite improved performance measured by the comprehensive performance assessment and external service inspectorates. However, perception is almost everything and local government is certainly not

always the preferred partner of choice. The reputation project launched by the LGA will address this directly.

18. There is confusion and pressure on the various roles local government plays, with no consensus as to how this should be resolved. Some of the reasons for this are political of course, but in the past few years regional bodies have been created which have undermined local government 's strategic role and drawn up some service responsibilities. Perhaps understandably local government has been pulled from pillar to post by developing government policy and different regional structures for local government have been seen as a sign of weakness, not strength, in a highly centralised country. The most recent examples affect planning and housing, where changes in part reflect government frustration with local priorities. These roles must be clarified and emphasised if the tide is to turn.

19. There are also major structural issues which provide a context to all this. The last thing that local councils need is a further period of uncertainty about structures. However the right emphasis on purpose and proven competence can be affected by these challenges. Amongst the most significant are:

- Coterminality of boundaries between agencies, the lack of which is often the greatest impediment to service effectiveness
- Two tier local government which is still predominant in most provincial and rural areas. This requires close local working and clarity of purpose in the regional context.
- The concept of elected Mayors which has never really taken off widely in Britain but keeps getting a kick start through Government pronouncements and initiatives. In London this situation is different where the Mayor provides the focus for regional governance, but the demands and requirements of an international capital city conurbation are unique in this country.
- An increasing emphasis on city regions where there is a movement for a conurbation influencing and realising the potential of its surrounding areas. This notion has been encouraged by David Miliband's early contribution to this debate.
- Tensions between urban, suburban and rural emphases, both in reacting to government policies and determining priorities for local enterprise.

A Potential Solution

20. If local government is serious about grasping the initiative and providing a platform for change, then risks have to be taken and potentially controversial issues made explicit. The fact is that most previous approaches to English regional policy have been based on a top down model in which governance arrangements are defined from Whitehall but powers and duties drawn up from local government. This is the opposite to the principle of subsidiarity emphasised above. However, this conflict, like so much else, is a perception, and some instances break the general rule, but some of the factors are widely recognised.

21. Therefore, perhaps local government should focus on a bottom up approach based on its democratic mandate. The core elements would be: -

- i. A focus on the needs of citizens and communities on an inclusive basis to promote and improve quality of life.
- ii. Emphasising a joined up approach where local government leads the rest of public service, most recently though Local Area Agreements
- iii. Defining the added value which councils can provide regionally to enhance their role and duty to citizens.
- iv. Defining the added value of regional arrangements looking at all aspects – area, purpose and role as well as representative forums.
- v. Defining the most effective interface with national government and agencies.

Regional arrangements within local government

22. It is up to regional groupings of local councils to decide the most appropriate organisational structure to meet their needs. For instance, the regional focus in the south east is likely to differ from the northern regions. However it is important to determine and clarify a clear purpose for them and define the most productive arrangement with the LGA and central bodies, which is the subject of the concurrent review.

Conclusion

23. This paper does not claim to provide a comprehensive statement about current regional issues in the public sector. It is simply intended to start a debate within the LGA, regional stakeholders and with local government partners over the next few months so that local government is seen by all to be central to the regional agenda.

24. It is intended that this revised paper will form the basis of discussion at the autumn regional consultative events and a further report will be made to the next meeting of the Regional Forum on 10th November, pending a further submission to the LGA Executive.

**LOCAL GOVERNMENT ASSOCIATION
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