

Independent Local Government

Purpose of report

For discussion and decision.

Summary

The LGA has been conducting a debate within the sector about how to respond to the House of Commons Political and Constitutional Reform Select Committee's proposal for a Code entrenching local government independence. The Leadership Board agreed that it would seek to bring that debate to a conclusion and frame a response to the select Committee.

Recommendation

That following discussions with the Chairman of the Select Committee, the LGA set out a formal position at annual conference along the lines suggested in the private paper circulated alongside this one.

Action

A cross-party group of members, convened by Councillor Robert Light as the Leadership Board sponsor of this work, to engage with the Select Committee.

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Background

1. The LGA has been conducting a debate within the sector about how to respond to the House of Commons Political and Constitutional Reform Select Committee's proposal for a Code entrenching local government independence. This is an extremely unusual and welcome collaboration between the LGA and a Select Committee. We have held events and discussions across the country involving national politicians and academics as well as councils. These have tested the draft Code published by the Committee.
2. The tentative conclusions emerging from those events are as follows:
 - 2.1 the principle of a Code is possibly of less significance than its substance and effectiveness;
 - 2.2 in particular, a declarative Code could not remove legal barriers identified by councils as limiting their autonomy and councils would look for measures with legal effect;
 - 2.3 of the substantive ideas reflected in the Select Committee's draft Code, councils were attracted by the idea of genuine financial self-sufficiency, subject to retaining mechanisms for fairness and redistribution;
 - 2.4 councils were attracted by removing many of central Government's unnecessary supervisory powers;
 - 2.5 councils were attracted by the prospect of removing central Government's power to intervene in councils' boundaries, structures and governance models;
 - 2.6 councils were attracted by making it a default position that local government should have the power to provide any local public service not explicitly reserved to another body;
 - 2.7 councils were attracted by the possibility of entrenching local government's position in a way that made it harder for future Parliaments to re-regulate local government.
3. A number of other proposals in the Select Committee's draft Code, however, did not command consensus among councils.

4. A copy of the Select Committee's draft Code is **attached** to this paper.
5. Following the Executive's discussion, which Graham Allen MP, the Select Committee's Chairman is available to attend, the Executive may wish to mandate a cross-party group of members, including Cllr Robert Light who is the Leadership Board's sponsor for this piece of work, to seek to agree a formal response to the Select Committee which the Committee might be minded to accept and which we might then jointly at the LGA annual conference commend to central government as a way of pursuing a policy of localism. The private paper circulated to Leadership Board members in parallel with this one suggests the outline of an LGA position.