

National Association of Local Councils



2016 ANNUAL CONFERENCE

DOUBLE DEVOLUTION

The Good. The Bad. The Mystifying

Lillian Burns



2016 Conference: DOUBLE DEVOLUTION

The Good. The Bad. The Mystifying.

- ✘ The Good: What's not to like?
- ✘ Heartening, right-sounding concept that infers:
- ✘ a changed but more trusting relationship between central and local government
- ✘ the slimming down of central government
- ✘ the devolving of powers to principal authorities
- ✘ their passing powers to Town & Parish Councils who want to take on more responsibilities, grow in stature and deliver locally tailored services



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- ✘ The Bad: Everything is far from what it seems
- ✘ Cynics would say central & local government will always disagree as to who is most fit to govern
- ✘ central government has no plans to slim down
- ✘ power is not going to principal authorities (PAs) but to remote unelected Combined Authorities. (Where there are mayors, they will be elected).
- ✘ the vast majority of Local Councils don't feel fit and ready to take on more responsibilities – and won't be able to if precepts are capped



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- ✘ Mystifying: How can capped Councils do more?
- ✘ LGA & NALC have long lobbied for more powers ... on the assumption that finance would have to follow function for it to happen; it is not doing
- ✘ new money for CAs is confined to transitional one-off grants made after secret negotiations and the new level of governance arrives with no template
- ✘ PAs are losing revenue support grants in favour of 100% business rates but most will be worse off
- ✘ Local Councils are bemused and alarmed



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- ✘ Step back. What set the devolution train running?
- ✘ In 2009 Local Democracy, Economic Development and Construction Act made it possible for LAs to coalesce and to have a directly elected mayor
- ✘ In 2011 the Localism Act introduced the duty to co-operate and the general power of competence
- ✘ After the cessation of more powers to Scotland, following their vote to remain in the UK, the 2016 Cities & Local Government Devolution Act allowed for devolved central government powers in England



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**“The devolution
genie is truly out
of the bottle”**

**(attributed to former
Local Government
Association chair,
Councillor David Sparks)**



**Abridged cartoon
by Shrank
from The Independent**



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- ✘ It is unlikely we will go backwards now that legislation has been enacted to allow mayoral elections in Greater Manchester, West Midlands, Tees Valley, Liverpool and Sheffield City Regions. Although it has to be said, there has been much dithering in Sheffield over triggering the mayoral selection process. Meanwhile the deals for West of England, Cambridgeshire and Peterborough, Norfolk and Suffolk, and Greater Lincolnshire are due to be legislated for soon despite those areas being seriously lukewarm towards mayors.



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- ✘ In other parts of the country:
- ✘ The NE devolution deal has collapsed after four LAs voted against it. The three that voted 'for', Newcastle City, Northumberland C.C. and North Tyneside are trying for a deal just involving them
- ✘ Leicestershire County Council and Leicester City are bidding for a CA (but Rutland is not involved)
- ✘ In Cumbria the six Districts are trying for a CA deal which does not involve Cumbria C.C.
- ✘ The W. Midlands CA is bidding for more powers, as is Gtr London which wants to mirror New York



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- ✘ Elsewhere:
- ✘ In Hampshire where devolution discussions are mixed up with Unitary Authority battles, there is ongoing acrimony, bid and counter-bid
- ✘ In Oxfordshire there is also open warfare because the County Council wants one Unitary Authority and the Districts favour three
- ✘ Meanwhile Lancashire County Council faces total financial collapse and in the West Country West Somerset and Taunton Deane Districts are to merge for financial reasons; there will be more such cases, chief execs are deeply worried



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- ✘ Against this background of massive change and uncertainty, feuding and financial instability, Local Councils are being expected to pick up the slack.**
- ✘ Our devolution revolution is founded in austerity.**
- ✘ Many Local Councils have already taken over new services and responsibilities from PAs, ranging from grass cutting to parks, municipal buildings to leisure facilities, car parks to advice centres. Others are in negotiations. Others are trying to get a handle on what on earth is going on and resist change – at least until the dust settles.**



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- ✘ There are exceptions but, as a generality, Town Councils/larger Parish Councils are seizing the chance to take on more. Smaller Councils are not; an understandable stance when the biggest proportion of Parish Councils have just one officer, a Clerk. And in more cases than not, the Clerk is part time. There is a major capacity issue to be solved. Whether or not clustering is part of the answer to doing more, Local Councils must have the option of raising their precepts in order to raise their game. This is under threat.



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- ✘ We now have the 2017/18 Local Government Finance Settlement technical consultation paper which suggests serious consideration be given to requiring all Parish Councils to carry out and pay for referenda whenever they wish to raise their precept by more than 2%. (The proposal is not to confine this to larger Town Councils). If such a requirement were imposed, it would not only freeze Local Councils at the size they are now, it would disincentivise them from trying to 'grow'. Please respond to this DCLG consultation which closes next Friday (Oct. 28th).



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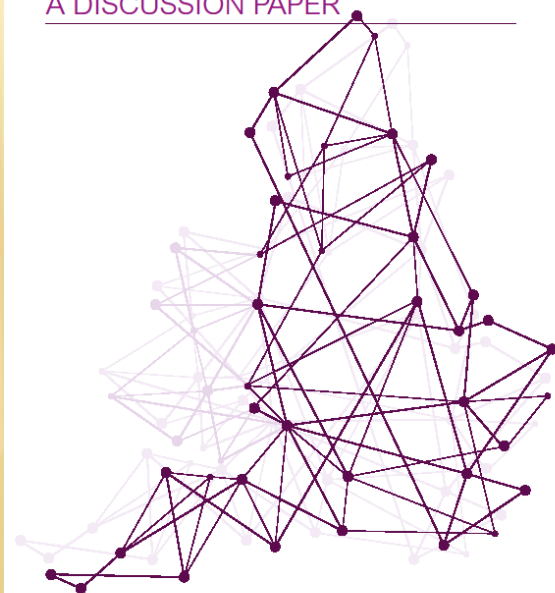
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- ✘ It does feel as though many contrary forces are at work, as is so often the case with change, and currently there are more questions than answers.
- ✘ The LGA launched a Green Paper in July -What Next for Devolution? which posed a raft of questions, including many about business rate proposals, inviting anyone interested to respond to them. Sadly, however, it only mentioned Town and Parish Councils once.

Local
Government
Association

DEVO
NEXT

WHAT NEXT FOR DEVOLUTION?
A DISCUSSION PAPER

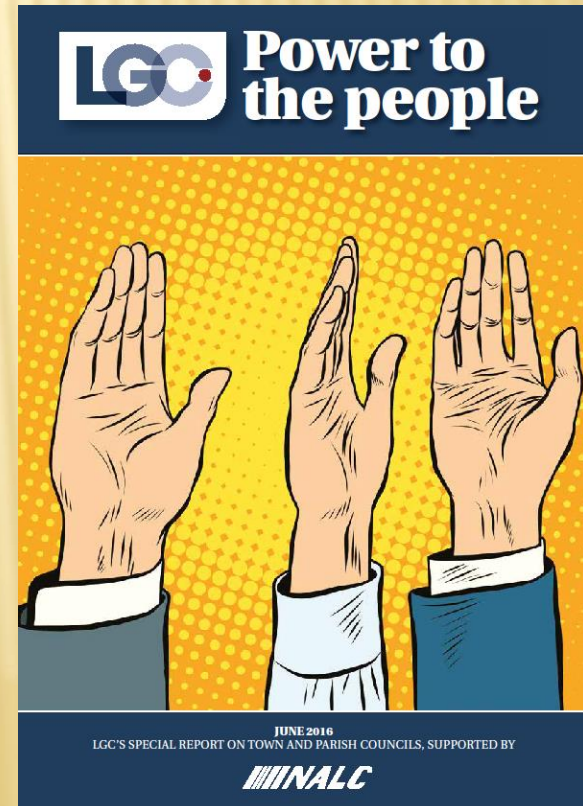




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- ✘ NALC's most recent devolution publication was **Power to the People**, produced in concert with the **Local Government Chronicle**.

It raised many interesting points but the survey it reported was responded to by only 414 Local Councils out of 9,000+. Most of those who did respond were expanding their responsibilities, but it was hardly representative.





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- ✘ The NALC Smaller Councils Committee has been carrying out an on-line survey trying to establish the capacity of small Councils but if few Councils found it or responded to it, it is unclear how much further forward that takes us. NALC itself has capacity issues, which makes it hard to conduct exercises like this in a really robust way. We need solid evidence to provide us with a true steer as to where we should be heading and in order to lobby government in a convincing way.



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- ✘ What can we do? The devolution train is already running and principal authorities are throwing off it services and land and building holdings they are not obliged to provide. If we don't catch them, our communities will be poorer for it. But we need to do a proper assessment of the situation and we need to work out how the smaller Councils in particular can rise to the challenge. One larger Council, Cirencester, is sponsoring their Chief Executive to work one day a week for NALC and he is making a significant contribution. Can any other Councils agree to secondments to NALC to help? Can any of you volunteer your time to help carry out specific tasks such as surveys or writing 'think pieces'?



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- ✘ And, before anyone jumps up to ask what am I doing, I have already written a substantial 'think piece' on devolution – which was jointly aimed at volunteers and staff working for the Campaign to Protect Rural England and at NALC – and I am currently working on developing policies for NALC along with Chris Borg. I'm not asking for praise, I just want you know I am doing my bit. The NALC staff is small for a national body. Ask yourself, do you have skills you could offer?



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- ✘ Finally, there were ruminations after the vote to leave the EU that there may not be the civil service capacity to handle Brexit negotiations and carry on with devo deals but our new P.M. and Chancellor have confirmed their support for devolution. There was also speculation the reformed Cabinet may not be quite so prescriptive about CAs having to have mayors but the new Communities Secretary has said they must. This places doubt over some deals – but the agenda presses on. More will come our way as Local Councils whether we like it or not. We have to get our minds around what are going to do about it!



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- ✘ Are we going to rise to the challenge?





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