

LYONS INQUIRY

into Local Government

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21 March 2007

Dear Sir/Madam

Place-shaping: a shared ambition for the future of local government

As a stakeholder who has contributed their views to my Inquiry, I am writing to let you know that I have today published my final report on the future role, function and funding of local government and have pleasure in sending you a copy of the executive summary, which is attached to this email. The full report – including various annexes - is downloadable at www.lyonsinquiry.org.uk.

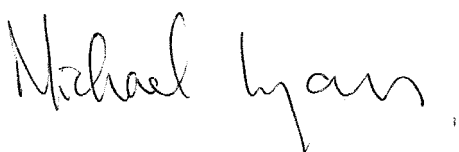
This report follows extensive engagement with local government representatives, members of the public and key stakeholders from business and the third sector carried out over the past two and a half years. It sets out a vision for a new, stronger, relationship between central and local government, one that is founded on a shared interest in the prosperity and well-being of this country. I have sought to explore how we can build a strong, national framework of local government, with an emphasis on local choice and the need to strengthen public understanding and confidence.

To strengthen the connections between the individual and government, and contribute to our wider national objectives, the relationship between centre and locality needs to be rebalanced. I do not underestimate the sustained effort that will be required by both central government and local government to achieve a real shift in that balance of influence. This report seeks to develop my arguments and includes my recommendations on how the future role, function and funding of local government could contribute to this rebalancing. However, I am clear that neither funding, nor powers, nor structures are, by themselves, the key to the revitalisation of local government and the improved self-confidence of local communities. I am keen to stress instead the importance of changed behaviours in all tiers of government, of local flexibility and the pressing need to inspire a sense of powerfulness in local government.

However, just as our present position is the product of many years, so we must approach this task with the intention of setting the right direction for the future, building the constructive relationships that will enable better decisions. My proposals for the future funding for local government and the taxation to support it are therefore explicitly developmental. I lay out recommendations for early changes and others that can follow in due course. These should properly be seen as a mosaic of related changes, rather than a menu of separate choices. Together they aim to improve the fairness and flexibility of current arrangements, introduce greater incentives for local effort and provide wider choices to future governments.

I would like to thank you for your input over the course of this Inquiry and hope that you find the enclosed summary of interest.

Yours sincerely,



*From Sir Michael Lyons
The Lyons Inquiry into Local Government*