

Sir Michael Lyons
Lyons Inquiry into Local Government
1 Horse Guards Road
London
SW1A 2HQ

13th March, 2006

Dear

Lyons Inquiry into Local Government

I much enjoyed our brief conversation at the ACCE dinner last week and am very pleased to attach Kent County Council's response for your interim report to Government.

In particular, I would like to take this opportunity to convey what I believe are some of the key challenges faced in reinvigorating local government in England. I hope these ideas will resonate with those emerging in your interim report and will be a positive contribution to the debate about localism and 'double devolution' at this critical time. I also hope they will help strengthen the impact of your work on the forthcoming White Paper.

I believe the key challenges are as follows:

1. Double Devolution

We believe firmly that power should be devolved to the lowest appropriate level of government. Additional powers from Central Government, Government agencies and quangos and Regional Government must be devolved to local government, which in turn we must devolve to the lowest appropriate tier, enabling truly local decision making according to local need.

We are strong proponents of the principle of subsidiarity and believe that local democratic accountability is an important driver to reversing the increasing sense of powerlessness that flows from decision-making concerning many local public services being increasingly in the hands of national agencies and public bodies which do not have a local mandate.

In achieving this, we are calling for the power of "function change" between tiers of government, building on the current legislation for the Greater London Authority.

2. Strategic and Democratic Leadership

In a sensible re-balancing of power between local and centre, a strengthened local democratic mandate would enable local government, in a lead body or "first amongst equals" role, to restore legitimacy and accountability to a wider range of services which people consider as local.

Through the Kent Public Service Board, Kent Partnership and other county-wide groupings, we work in partnership with many organisations – private and voluntary as well as other public bodies – but what sets us apart and above is our democratic accountability and legitimacy and our responsibility for strategic leadership.

When linked to a greater involvement of stakeholders – council tax payers, the business community and community, amenity and voluntary groups – in making local decisions, no-one is better placed than good locally-elected councils to hold other public service bodies to local account. We have amply demonstrated this already in our ‘critical friend’ approach to using our NHS scrutiny powers. This has been achieved without any detriment to the ever-closer integration of social and health care services, which is also exemplified by KCC’s national leadership of the health/social care work-stream of the Innovation Forum.

As we work with district council colleagues in Kent in our shared commitment to improve existing ‘two tier’ arrangements, we are mindful that the improvements we seek must preserve, indeed enhance, public confidence and engagement in democratic processes. We would wish to re-emphasise the importance of ballot box democracy as an absolute fundamental to local government (as opposed to mere local administration) and the position of democratic and strategic leadership which this endows.

3. Freedoms and Flexibilities

The rising tide of prescription and control which continues to emanate from the centre has seriously eroded our ability to think and act locally. This one-size-fits-all prescription is perhaps best exemplified by the ruinously over-complicated – and not always joined-up – performance regime. It stifles creativity and innovation and subordinates local priorities to national targets, measured by a bewildering array – over 1,000 we have estimated - of data items, not all of which are actually relevant or meaningful to the target they purport to measure and many of which are “perverse” to the broader outcomes we seek to achieve. Such micro-management is not helpful or sustainable.

KCC is a very high-performing council – rated amongst the top 5 in the recent ‘harder test’ CPA. Kent has a number of “excellent” and “good” district councils. We were a pilot first-round PSA council and we excelled in our areas of stretched performance. We are a 3 star social services authority – for the fourth year running. We must therefore record how deeply disappointed we have been by the gap between the messages about “lighter touch” monitoring and reductions in regulatory and inspection burdens and the actual outcomes. Failure to address this will be another impediment to improved local efficiency and delivery.

It is much the same with funding, though we appreciate this will be addressed later in your Inquiry. Recent years have seen a further diminution of the local discretion of elected councils to determine their spending priorities and the powers to fund them. We have growing prescription and centrally imposed burdens which means that we have do much more with severely limited funding and flexibility. There is now a compelling need to return much greater discretion to local councils over their budget-setting powers.

4. “Co-terminosity”

A major success factor for our strategic “place shaping” role is the “co-terminosity” of public service boundaries within the county. It is also fundamental in our drive to achieve £60m of back office efficiency savings from across the public sector in Kent and in co-ordinating and targeting our services and spending to achieve the greatest impact for Kent residents.

It is difficult to exaggerate the difficulties, complexities – and, I have to say – inefficiencies that failure to deliver co-terminosity generates. It is encouraging to note that the ODPM seems to recognise this. I hope that in the work of your Inquiry Team, influencing the development of the forthcoming White Paper, this argument will be made persuasively. In this regard, it strikes us as entirely the wrong time for different Government Departments to be pushing ahead on different forms and timetables of restructuring and mergers amongst the wider family of public services.

For example, reconfiguring PCTs now may indeed be a belated remedy for ills that should have been spotted and corrected sooner. However, when this is happening at the same time as the Home Office is looking to create larger regional Police forces and merging some Fire & Rescue functions on a regional basis (albeit on different timetables from each other as well as different from that proposed for NHS changes), this all looks disturbingly uncoordinated. It is also clearly out of kilter with the expectation about improved partnership working.

I hope you will find these comment helpful and am pleased to attach our full response. We look forward to further dialogue with your Inquiry as we work with our district colleagues on a radical blueprint for enhanced two-tier working which we will be very happy to share when it is sufficiently well developed.

Please do not hesitate to contact us should you require any further information.

Yours sincerely

Paul Carter