

## **LOCALISE WEST MIDLANDS**

### **SUBMISSION TO THE INQUIRY BEING CARRIED OUT BY SIR MICHAEL LYONS INTO LOCAL GOVERNMENT**

#### **1. Introduction**

Localise West Midlands (LWM) welcomes the opportunity to respond to the questions Sir Michael Lyons is seeking views to inform his report about Local Government and related matters.

LWM's aims and objectives are summarised in section 2 and its response to the questions is summarised in section 3. LWM's understanding of the challenges which need to be addressed based on its experience in the West Midlands is outlined in section 4 and its proposals detailed in section 5.

For further information see LWM's website at [www.localisewestmidlands.org.uk](http://www.localisewestmidlands.org.uk).

#### **2. Localise West Midlands**

Localise West Midlands is a not-for-profit think-tank and consultancy which exists to promote the environmental, social and economic benefits of:

- Local trading, using local businesses, materials and supply chains
- Linking local needs to local resources
- Development of community and local capacity
- Decentralisation of appropriate democratic and economic power
- Provision of services tailored to meet local needs.

This localisation approach makes economic development and government systems more sensitive to local autonomy, culture, well-being and the responsible use of finite resources, and is growing in popularity with people and organisations all over the world.

Localisation helps build social capital, targets regeneration to meet local needs, maximises local job creation, and reduces transport and CO2 emissions.

To promote this approach across the region LWM works to:

- Bring people together with a common interest in localisation
- Provide and publicise information, ideas and examples of good practice
- Facilitate or undertake demonstration projects
- Provide consultancy and other support to groups who are developing local approaches
- Create supportive networks for localist action
- Challenge the barriers to localisation
- Link with similar projects outside the region and worldwide.

### **3.LWM's response - A Summary**

The following summarises LWM's views on the specific issues on which Sir Michael has invited views.

#### **Place Shaping**

This is important, regionally and locally. At the local level experience shows that if left to the main local authorities as currently constituted their focus will be the local authority area rather than the localities with which communities identify. For place making at the local level to be meaningful it will need to be linked with much smaller main local authorities than currently exist.

#### **The Functions and Funding of Local Government**

The financial independence of the different tiers of Government needs to be maximised.

#### **Long term links between transport, economic productivity, growth, stability and sustainable development**

These are key regional roles working in partnership with main Local Authorities and other regional stakeholders. Sustainable development requires there to be significant reductions in travel of both goods and people. Achieving this will require a much greater emphasis on creating stronger local economies with more local jobs, shopping and services. The growth in self employment, internet shopping and home working provide both the opportunity and the need for strengthening smaller local centres that enable people to walk or take shorter journeys to the local centres that can supply increasing amounts of the services they use. Long commuting journeys not only use fuel, but also are one of the most disliked activities of people, creating stress and unhappiness for the commuters and damaging the environment of the places through which they commute.

#### **Land use planning policy and procedures better deliver economic growth and prosperity alongside other sustainable development goals**

These are key main Local Authority functions working in partnership with neighbourhoods, and other local stakeholders. However economic growth should not be the key main driver for land use planning. Its aim should be to balance competing needs to create quality sustainable lifestyles. There needs to be clarity in terms of which level of Government is responsible for which decisions. A national land use plan should be developed which includes the major infrastructure decisions that should be made at a national level with appropriate opportunities for public debate of its content. This should be the vehicle used to make national planning decisions rather than the national planning body proposed by Barker. Having a national body that calls in decisions from the local level adds to the problem of lack of clarity as to who is responsible for what and will further add to public cynicism about the political process.

## **The policy implications of achieving the optimal skills mix in 2020 to maximise economic growth, productivity and social justice**

These are key Sub Regional roles led by the Region working in partnership with Main Local Authorities and other regional stakeholders. We feel that economic stability or wellbeing would be a better goal than growth.

### **The Governance of Services**

Decisions about policies and funding of public services should be made as close as possible to individuals, their families and relevant interests groups.

The roles of local and regional bodies needs to be much clearer on the lines as we have suggested (See Appendix 1). A flexible approach to sub-regional working is needed; it should not be fixed. Sub-regions should be agreed by the Region and Local authorities in consultation with other interests.

### **Convening**

There needs to be established much more local government entities as the basic building blocks. As far as possible local needs and responsibilities should be linked.

The Regional and main local authorities need to have a duty to work together to address shared interests and to establish sub regional working arrangements as necessary to address shared interests which cross institutional and service boundaries within the region. A flexible approach, which can adjust over time to changing needs and circumstances, is required.

### **Funding**

Each tier of Government should, subject to established auditing procedures, be as financially independent as possible.

They should each have access to a variety of funding streams.

A Regional sales tax, regional and local investment bonds and a Regional Income tax need to be added to established sources of funding and offset by reductions in national government funding.

## **4. A West Midlands Perspective**

The experience of the West Midlands illustrates the challenges that urgently need to be addressed facing us.

Local Government in the West Midlands has a long history of joint working. It has had some successes and has led much of the strategic thinking about the long-term development of the region. It has been good on strategy, poor on delivery and is increasingly out of touch with the truly local.

Local Government must take some responsibility for these shortcomings including its dependence on and in many respects subservience to all-powerful, London-based Governments and other powerful interests.

The Regional arms of Government have existed for many years, but more recently have taken on wide-ranging responsibilities for the delivery of Government Policies. This Regional Government is of course run by hundreds of anonymous Government appointees, but notionally responsible for an increasing array of functions and ultimately to Government Ministers and Civil servants in London.

Local Government has gone along with this administrative rationalisation and its regional arms are equally as anonymous and distant from the local as central government's agents.

For the public and most insiders the present situation is one of ambiguity and confusion and inordinate complexity. Local responsibility and democratic accountability for decisions are distant from where the power to make those decisions lies. Nationwide Policy too often dominates. There is a lack of visibility of the elected and non-elected leaders. Ordinary citizens feel their voice counts for little. There is a widespread feeling that nothing can be done to make a change. As a result there is little public confidence in Government, the Party Political System and Politicians.

There are long delays in getting investment in public transport, local authorities compete rather than collaborate. The elected representatives, especially the leaders appear to be far too much concerned with party politics and what happens in the Council House than the local.

There is no real effort to reduce the need to travel, to promote a *local to local* rather than a *global* approach to economic activity. We have no authoritative information, means of considering and acting locally. There is no real will or means getting central, regional or local government as they are currently constituted to let go; to devolve real power and democratic representation. The centre continues to push for larger local and other authorities even more distant from the local. Local Government resists any demands to shift real power to the local.

There is a great variation in the size, and capabilities of local authorities and the democratic density within the West Midlands which reflects years of tinkering with the local government in the West Midlands driven by the bigger is better mantra and central Government's desire to get control.

Birmingham City Council has a population of 1 million people and a hundred or so elected members. The Warwickshire County Council area with 500,000 people has nearly 5 times the number of elected members shared by, but with some overlapping membership between County, District and Parish Councils.

There appears to be no authoritative information on how large and small local authorities and the quangos, comparatively, engage with the public, in order to find out what works best, or on whether or not current arrangements aid or detract from regional or local working.

## **5. An agenda for change.**

The present arrangements are not good enough and not sustainable. Attempts to reform what is essentially a very top down, confusing and irresponsible system will only paper over cracks while creating new and different fault lines. Any approach, which relies on the existing institutions and the powerful forces they control changing fundamentally, is we believe deeply flawed. Radical and bold change is needed.

The following outlines the LWM approach

- ***Localisation needs to be the driving force for constitutional change***
- ***Decisions need to be made at the lowest practical level***
- ***Responsibility, public accountability and authority have to be held at the same level***
- ***Local choice and therefore diversity must be recognised as a positive.***
- ***The system must be simple enough for those engaged in or with it to be able to identify who is responsible for what decision.***
- ***Democratic accountability and responsibility needs to be maximised.***
- ***The structures need to be strong enough to resist the return to the slow and hideous growth of centralisation.***
- ***The Roles of National, Regional, Local and Community Government need to be clear.***
- ***The Financial independence of the different tiers of Government needs to be maximised.***

Democratically accountable representatives in each of the English Regions should be allowed to work out a settlement of these issues, which could then be voted on by the electorate. There should not be one single approach for all parts of England.

The directly elected regional members of a reformed House of Lords could provide an independent democratically accountable Forum that could work out a settlement for each region.

The requirements of such settlements should not be prescribed centrally apart from reviewing and making proposals for:

- ***Downsizing and devolving Central Government Powers to the regional or local government.***
- ***The establishment of a system of elected neighborhood, main local authorities and regional government***

Attached (Appendix 1) is our proposed allocation of functions and powers appropriate to the national, region and main local authorities. As far as possible the localisation of functions and powers should be driven as local as possible. Within the existing West Midlands Region main local authorities with 100,000 populations on average should be large enough to be able to look after their areas' interests and to promote the local. At the Regional level a directly elected body should be established to take on all

regional functions. Election to the Regional and Local Authorities should be based on a fairer proportional voting system.

***George Morran***  
***Localise West Midlands***  
***19<sup>th</sup> January 2007***

Localise West Midlands  
The Warehouse  
54-57 Allison Street, Digbeth  
Birmingham B5 5 TH  
0121 685 1155  
[info@localisewestmidlands.org.uk](mailto:info@localisewestmidlands.org.uk)  
[www.localisewestmidlands.org.uk](http://www.localisewestmidlands.org.uk)

## Appendix 1

### **Proposed Allocation of Functions to Different Levels of Government**

#### **Central Government**

- Setting national frameworks only for those issues that have a clear national imperative; e.g. defence, international trade, immigration, national and international transport, overall housing provision, energy policy and climate change, benefits, pensions and certain health issues. This will free up central government to concentrate on the key issues that have to be addressed nationally
- Coordination of activities that have a national dimension that cannot be regionally co-ordinated. This would be to ensure the appropriate provision of services and facilities where there is a NIMBY reaction against provision and the cumulative regional plans show a clear under provision e.g. travellers' sites, affordable housing provision, waste sites. This would also include facilities where there is need for a very limited number nationally and there is unresolved regional competition e.g. a national football stadium. This would include the provision of infrastructure and major developments such as major development growth areas.
- To equalise resources between regions through the distribution of tax income collected nationally and through reviewing the location of its own expenditure.
- To act as a point of appeal for issues that have a national dimension.
- To provide advice where there is clear national argument for specialist expertise to be nationally based.
- To support and enable effective action by regional government by listening to and removing barriers to their action that are created by central government or which can only be addressed nationally.
- By facilitating peer review between regions and with international comparators.

#### **Regional Government**

- Setting regional frameworks for issues that have a clear regional dimension. E.g. regional transport infrastructure and public transport; regional scale developments and housing targets.
- Coordination of Local Development Frameworks to remove inconsistencies.
- Co-ordination of activities that have a regional dimension and which are not being effectively provided or coordinated at the local level. This is likely to be facilities for which there is either excessive competition or a NIMBY reaction to.
- Funding and delivery of regional infrastructure projects.
- Funding and provision of health facilities such as teaching hospitals that require a regional distribution.
- Funding and provision of specialist education facilities such as universities.
- To equalise resources in relation to need within the region.
- To act as a point of appeal for issues that have a clear regional dimension.

- To provide specialist advice where there is a clear regional case for it to be nationally based.
- By facilitating peer review for lower tiers of government and removing barriers for which it is responsible.
- Reviewing and agreeing appropriate boundaries for local government within the region.

There should be one democratically elected regional body which covers the role of Regional Development Agencies, Housing Board, Housing Corporation, Health Authorities, PCTEs, and LSC, Fire and Police so far as these are not appropriately dealt with by another tier of Government.

### **The Main Tier of Local Government**

There needs to be an appropriate balance of scale between economies of scale and operating to cover an appropriately large district and being close enough to the local community to be accessible and understand needs. This would tend to suggest the options of units of about 100,000 created by abolishing County Councils and giving some of their functions such as minerals and waste disposal to the regions and dividing up the larger Unitary Authorities and combining smaller shire Districts.

These should be responsible for all the current local and central government functions that are not appropriate for a higher level of authority. This would include aspects of health such as environmental health, and most primary and preventive health care.

### **Neighbourhood Government**

If these are to be effective and engage citizens they need to be small enough to take account of the economies of small scale. They have to be able to be flexible and responsive. They must not be drowned in directions, audit and monitoring requirements or management, review and policy making systems that require large organisations to service them.

Typically a neighbourhood should be less than 3000 dwellings. They should be responsible for community development, maintenance of public spaces, neighbourhood scale leisure facilities and activities, small scale development control issues, neighbour disputes and 50% of lettings for social housing in their area, small grants to community and voluntary groups. Higher tiers of Government must not be able to enforce their views on them. It should be clear what they are responsible for.