

Reaction to the Localism Bill

Right up to the last, the content of the localism Bill arrived before the Bill was actually published...we had a written ministerial statement, an oral statement, an essential guide and a media briefing note in advance of the Bill finally being published. And the second part of the bill – all 247 pages of it - was only published today. There were therefore unsurprisingly few surprises in it.

Community Rights

The introduction of new Community Rights – to buy, to build and to challenge – are to be welcomed. Urban Forum, our members and our partners have advocated for many years for communities to be placed in the driving seat for control their area's future. It's worth noting however that there is all of these things can and do already happen within the current legislative framework, where there is sufficient commitment and energy from local government and communities to do so. And yet, these things tend to happen despite, not because of, the current system.

It is our hope that enshrining these rights in law creates a more conducive climate for them to happen. If the Bill achieves its aims, and our vision, then examples of communities taking control of assets, services and local development will become the norm not the exception.

From the mouths of ministers to the realities on the frontline

There are two major risks to a significant extension community control (or decentralisation to give it the government's preferred title). The first is that the provisions become watered down from the laudable ambitions set out by government, as things filter down to the frontline. Urban Forum is supporting the Real Power for Communities campaign to ensure that the Bill's ambition is not diluted in practice - www.RP4C.org.uk. But the risk remains a real one that we must guard against, as history suggests how easily ambitions can be thwarted in practice.

Much will still depend on the interpretation of the Bill and the local commitment of councillors and officers to support communities rights to take control. It's worth noting too that the Secretary of State will retain the power to amend the definition of how these rights will work (and who they will apply to) in the future. For example, the Bill currently says the right to challenge can be triggered by; not for profit groups, parish councils or two local authority workers who are employed to deliver a public service. There is no mention of private sector companies, individuals or other public sector bodies at present. However, the Secretary of State, retains the power to extend the right to all these (and others) or to take the right away from some groups at his or her discretion. Clearly this is something we should watch closely during the passage of the Bill and its enactment.

Opportunity for all, or for the few?

The other major risk, already well articulated in relation to the Big Society vision, is that creating opportunities does not necessarily mean that those without power will benefit. If the community

rights are taken up by the already powerful and affluent, then inequality will be extended, not reduced. And the complete lack of reference to inequality and power inequalities suggests this is not a priority for the government, which is a huge concern.

That said, there is an acknowledgement that powerful people don't generally give power up freely. The irony of having to introduce a centralised programme of decentralisation is not lost on the government and at least they got the joke in before anyone else!

Standing up for bureaucracy

Lifting the burden of bureaucracy continues to be a favourite theme of government and few people would actively advocate for more bureaucracy! So, ever the underdog...let me speak up for good bureaucracy.

Bureaucracy is what protects children from being exploited labour practice and protects consumers from being ripped off by rogue traders. Not all bureaucracy and regulation is bad. Some is a pain, but quite necessary. Some is a pain and unnecessary...but a mantra of 'all bureaucracy is bad' is unhelpful and untrue.

Control over public finance

Giving citizens more of a say over how money is raised and spent is something we welcome. No one would argue with that (not me at least), but it's worth remembering that as a nation we appear to be want the best of both worlds. We want (high) Scandinavian levels of public service but (low) US levels of tax. However, generally speaking, more control over public finances has to be a good thing.

But control over public finance needs to extend beyond transparency to ensure we achieve greater accountability. The recent publishing of 156,000 items of central government expenditure does not help people to understand or contribute to decisions on how money should be spent, as it does not provide any context.

We can't tell (in a real life example given to me just the other day from the manager of a government funded programme) whether £500 spent on pizza was just lunch expenses for someone and all their friends, or part of a successful youth engagement exercise.

To have control of public finances, we have to have more than just raw data.

Moving control over spending to the mainstream

Recent exercises to give the public a greater say over public spending, notably through the use of Participatory Budgeting, have been positive. But with only a handful of exceptions, they've been allocating additional 'funny money' rather than mainstream spending. Let's hope we can kick on, to achieve the ambition of citizen's having a real say over the bulk of public spending. With so little dedicated funding programmes and fewer ringfences, this will be increasingly essential.

More choice and better standards of public services – another laudable ambition...but one that raises questions. Will government intervene if choice is diminished or standards fall? Diversity of suppliers is good, but is there not a risk that small contracts become amalgamated to achieve economy of scale and we end up with fewer (large) suppliers?

Post services were deregulated some time ago in the name of increased competition and consumer choice to drive up standards. But how many consumers feel they have choice or that services have improved as a result? For most people sending Christmas cards to loved-ones with DHL or TNT isn't on their radar....it's the Royal Mail or nothing.

Open up government to public scrutiny – making government information (data) publicly available is an important step forward, but we need tools and expertise (see blog and above) to make this meaningful. The government is quite right in asserting that the purpose of making data publicly available is 'so that people can know how their money is spent, how it is used and to what effect'. However steps taken so far do not go beyond 'how it is spent'.

Strengthen accountability to local people – giving citizens the power to change services through 'participation, choice or the ballot box' – show me the detail.....

Not just about cuts

Decentralisation is not just about cuts and the amount of spending but who controls it. But presumably the level of spending is part of the equation? The level of spending, remember, is currently being boosted by massive interest debt payments as a result of around £1 trillion spent bailing out the banks.

The government state very clearly that central government is wasteful and inefficient and so it would be inappropriate for them to lecture others on efficiency and competence. Does that mean we can lecture them on incompetence and efficiency then? Presumably so. And I fully expect them to listen when we articulate concerns over things like cutting Educational Maintenance Allowance that will affect the poorest students.

The only way forward, according to the government, is a planning system led by local communities – however still unclear whether their neighbourhood plans will be truly community led. Rural areas (and increasing numbers of urban areas) are adopting community led planning as a process to give local people control over the vision for their neighbourhoods. How will the government combine the complexity and technicality of planning with something accessible and driven by citizens?

An absence of economic reform

The example is given...'there can be no local innovation without local control of resources'. So where has the government's appetite for economic reform gone? Where are the proposals (to accompany political and social reform) to transform the architecture of our economy? Local income taxes,

regional stock exchanges and giving citizens and councils control over their local economy? Sadly these ideas have not made it from the Lib Dem election manifesto into the Coalition agreement.

‘Ministers must resist the temptation to tinker’ – never a truer word was spoken.

Open government?

Open Gov – ‘our approach is to focus on outcome, not process, and to release such knowledge into the public domain as raw data- so that anyone can analyse and visualise the information’.

Excuse me? *Anyone* can analyse the data? Yes, if they have a doctorate in statistics. For the rest of us mere mortals, we’re utterly reliant on professionals who are paid to interrogate these vast datasets to find the needle in the haystack that will lead to accountability.

What’s good for the goose....

Given the strong expectation from central government that local government receives new powers and control only in return for that power being devolved down to local people, one wonders whether what’s good for the goose is also good for the gander. Will central government be opening themselves up to the same level of accountability and citizen control?

And will government department spending be opened up to scrutiny and a greater say for citizens over how they raise and spend public money? One hopes so. If so, can we expect cuts to the numbers of Ministers? (surely if there’s less power residing in Whitehall, there’s less need for Ministers and some savings to be made?).