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# What next for councils of despair?

## Local government reform has spawned a system that makes abuse of authority more likely

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SOMETHING IS ROTTEN in the state of local government. Just two and a half years after the reforms of the Local Government Act 2000 completely transformed the way town halls operate, furious voices are being raised.

An independent organisation, LGO-Watch, called on Sunday for the setting up of an independent local government complaints commission to bring order into a system it described as "morally corrupt". A strong warning light should be flashing in Whitehall, because the 2000 Act was supposed to herald a regime of quality, efficiency and leadership. In fact it has meant the introduction of the payroll vote and pork-barrel politics into English local government, along with the acceleration of an arrogant, managerial style of operation.

One fact, glaring and inescapable, is that the total council tax bill in England has risen by more than 40 per cent in the years that the Local Government Act has been in operation, from £14 billion in 2000-01 to £20 billion in 2004-05 (all councils had to

have a new constitution in place by December 2002, though some had changed before that).

In the old system local decisions were made in — admittedly sometimes interminable — committee meetings by councillors informed by council officers. Council officers were paid experts with very limited decision-making powers. Councillors were elected representatives who were paid nothing but expenses and small sums, never enough to make a real difference to someone's personal wealth.

The Local Government Act 2000 changed all that. Now councillors are paid and officers make decisions. The Act was lobbied for by those who would gain most: senior officers who would get enhanced power and prestige to justify salary increases; senior councillors who would get generous salaries and pension rights in place of their meagre attendance allowances; and private industry supplying local councils who would gain from an accelerated privatisation policy.

They worked together in organisations such as the New Local Government Network of "senior local government figures" working with the private sector ("corporate partners") and seeking to "transform local services".

Councils were now going to be run by a mayor in consultation with a "Cabinet" of senior councillors and a rump of ordinary members who were supposed to be operating a "scrutiny" function over the mayor and Cabinet. The voters were, of course, consulted: they were asked whether they wanted the Cabinet system with a directly

elected mayor or the system with a mayor appointed by the council. They were not asked if they wanted to retain the committee system that had maintained probity and gradual social development since 1835. It was the sort of consultation we were going to get used to under New Local Government.

The word "leadership" recurs in promotion of the supposed benefits of the new system, but how many people were ever looking to local councillors for "leadership"? (Though perhaps it is more than were looking to local government officers for the same quality.)

Slow deliberation in committees and public meetings on hot issues is now replaced by a series of "consultations" on policy, though genuine consultation is utterly alien to the managerial mind. What in fact happens is the glossy presentation of decisions that a few senior councillors have already taken. It is rule by the sort of people who think that the solution to life's problems is to introduce a management consultant.

Why is it all costing so much more? One reason is the lack of financial brakes before decisions are taken. "Scrutiny committees" supposedly examine council actions, but scrutiny after the act is no scrutiny at all, particularly as the majority party will almost never condemn the actions of its own cabinet members — or they may end up out of office or out of pocket.

Even the possibility of suffering personal loss through misconduct has now been removed from local government. Councillors used to have to

make up financial losses caused through their personal misconduct. These "surcharge" provisions were repealed and replaced by an obligation on councillors to sign a code of conduct. The proposals were promised to "combat local sleaze", but introducing large sums of money into the system seems a bizarre way to achieve that.

The money that councillors receive varies vastly according to no obvious principle. Thus the leader of Manchester City Council gets £48,765, while the mayor of my local council in South London (only one of thirty two London boroughs, after all) gets £71,543. Ordinary councillors in Basingstoke, with no special responsibilities, get £5,556; in Lewisham they get £9,025.

The Office of the Deputy Prime Minister knows that this issue of the salaries that councillors pay themselves, for work which was done voluntarily a few years ago, is the hottest of hot potatoes. Asked if there are figures kept for payments to councillors nationally, or even guidance on a national scale of remuneration, they distanced themselves: "It is for the authority to decide... the level of allowances paid to members," it says. "The ODPM has no role in providing guideline figures."

National government has created a system of local administration in which the arrogant abuse of authority is more probable. The call this week for a complaints commission was a straw in the wind but still a sign of engagement by non-partisan citizens. More power to them.