

Communication between Central and Local Governments in the U.K.

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This article focuses on communication between central and local governments in the U.K., especially on the roles and functions of DCLG, LGA and SOLACE. Its two main features are firstly that networks among politicians are strictly separated from those of administrative officers, and secondly that their informal communication is as important as formal communication such as consultation and periodic meetings. Moreover, policies based on localism and decentralisation of the current coalition government have just started, so it is too early to evaluate them. The aggressive propositions by special local governments and joint bodies like GLA and GMCA might affect the relationship between central and local governments.

Introduction

In the United Kingdom¹, the Localism bill was passed into law on October 31, 2011 (Royal Assent on November 15, 2011). The Act includes a wide variety of provisions including granting of general power of competence which allows local governments any activity unprohibited by law, enhanced authority of local communities, granting of more discretion on regional developments to local governments and communities, and a plan to introduce a mayor election system to metropolitan cities.

Based on the Local Government Act 1972, the relationship between the central government and local governments in the UK (hereinafter called “the relationship between central and local governments”) has featured strong control by the central government in that local governments could undertake only the affairs individually authorised by law. The enactment of the Localism Act 2011, following the Local Government Act 2000, is likely to bring about changes in the long history of the relationship between central and local governments.²

In Japan, on the other hand, the Act on the Forum for Consultation between the National and Local Government was enacted on April 28, 2011, which provides the consultations to be held between the central and local governments on the planning, formulation and implementation of national policies which would

¹ The United Kingdom of Great Britain and Northern Ireland consists of four countries: England, Scotland, Wales and Northern Ireland, but this paper refers to England.

² However, many intellectuals have expressed skepticism on the “Localism” advocated by the Conservative and Liberal Democrats coalition government. For example, Tony Travers, "The localism plans of Compassionate Conservatives, Red Tories and Blue Labour will struggle to succeed so long as Whitehall powers remain in the hands of Ministers", 2011, <http://blogs.lse.ac.uk/politicsandpolicy/2011/06/08/localism-and-whitehall/> (hereinafter, the final access time to the websites described in this paper is January 20, 2012), George Jones, "Budget 2011: Government's 'pothole priority' proves its lack of commitment to localism", 2011, <http://blogs.lse.ac.uk/politicsandpolicy/2011/03/29/budget-2011-potholes-localism/>.

affect local governance. Twelve committee meetings including subcommittees have already been held up to December 2011. Thus, people's interest is increasing in Japan as well for the involvement of local governments in the policy formation of the central government.

Under such circumstances, I was requested by the Japan Center for Cities to join their hearing survey³ of December 2011 and write a paper on the relationship between central and local governments with a particular focus on the Department for Community and Local Government (DCLG), Local Government Association (LGA), and Society of Local Authority Chief Executive and Senior Managers (SOLACE). This paper therefore describes, based on the outcome of the hearing survey, their organisations, system and actual operation, as well as their roles in the relationship between central and local governments.

1. Department for Community and Local Government (DCLG)

DCLG was established at the time of the Cabinet reshuffle of May 2006 under the Blair Labour Party government, and was maintained after the change of government. Its main responsibilities are all affairs related to the fields of regional finance including regional resurrection and economic growth, urban planning, housing and fire and emergencies, under the policy of decentralisation and localism.

(1) Organisation

In the DCLG, there are the team of Ministers and the Board of senior managers to support ministers, under which are three agency groups and one department team along with 14 sections (hereinafter the organisation and posts are as of December 2011 when the hearing survey was conducted).

The team of Ministers is headed by the Rt. Hon. Eric Pickles, MP, Secretary of State, with two Ministers and three Parliamentary Under-Secretaries of State.

The Board to support and advise ministers is chaired by Sir Bob Kerslake, Permanent Secretary, and consists of respective Director Generals of three groups (Localism, Regional, and Finance and Corporate Services) and the Director in charge of the strategy and program team, and three Non-Executive Members. Meetings are to be attended by two members of the team of Ministers.

Unlike the past Permanent Secretaries who have mainly worked for the central ministries government, Permanent Secretary Sir Kerslake has experienced posts of Financial Director and Chief Executive at multiple local governments.⁴ Since January 1, 2012, he has succeeded Sir Gus O'Donnell to assume the post of Head of the Home Civil Service concurrently with DCLG Permanent Secretary.⁵

³ The hearings were conducted at LGA and SOLACE on December 7, 2011, at Southend-on-Sea Borough Council on December 8, at Manchester City Council on December 9, and at DCLG on December 12. I wish to express my appreciation to all the people concerned. I might add, however, that the responsibility for the contents of this paper rests solely with me.

⁴ For the biography of Permanent Secretary Sir Kerslake, see

<http://www.communities.gov.uk/corporate/about/who/board/sirbobkerslake/>

According to the hearing survey at SOLACE, there used to be many cases of ex-Chief Executive of local councils assuming senior posts of the central ministries and agencies, but the number of such cases has decreased due to the recent severe competition resulting from the decreased number of posts in the central government.

⁵ Sir O'Donnell concurrently held the post of Cabinet Secretary and Permanent Secretary for the Cabinet

(2) Changes after the change of government

After the change of government in 2010, the following changes can be pointed out in the relation between DCLG and local governments.

a. Abolition of Government Office for the Region, and setting of a new region

Before 1994, respective central ministries and agencies established their own regional offices, and their jurisdictions were also far from being unified. From 1994 onward, Government Office for the Region was established at nine locations in England, to which respective government ministries temporarily transferred their staff in order to carry out government policies at a local level and manage grant-aided projects.⁶ However, in the policy agreement of the Conservative Party and Liberal Democrats coalition government released immediately after the change of government in May 2010 and as one of the measures for promoting decentralisation and democratic participation, it was announced to abolish the Government Office for London as well as to consider the abolition of remaining eight offices,⁷ and the abolition of those eight offices was eventually decided in the government expenditure review in October the same year.

After the decision to abolish the Government Office for the Region, DCLG divided the state into 14 areas, and is trying to collect information on each area by appointing their senior staff as Directors of respective areas. Directors and staff-in-charge visit the assigned area regularly; meet with the Leader and Chief Executive of local government and the business people concerned with the Local Enterprise Partnership (LEPs);⁸ and listen to local opinions and requests; and put them together in a report. A summary of all reports is prepared every month to share information among departmental staff.

b. Changes in the collection and use of information

Some changes have occurred also in the collection and usage of data by the central government after the change of government. During the Labour Party government, the central government demanded a wide variety and huge volume of data from local governments, which was mainly used for evaluating their performance. Particular emphasis was placed on the four fields of education, transportation, healthcare and crime for which goals were established, and the degree of the achievement was discussed according to the data collected.

After the change of government, however, conventional data collection by the central government has

Office in addition to Head of the Home Civil Service, but the current coalition government has decided to distinctively separate this tri-hatted role. Consequently, Sir Jeremy Heywood is to assume the post of Cabinet Secretary and Mr. Ian Watmore the post of Permanent Secretary at the Cabinet Office.

⁶ Mitsutaka Harada, "Kuni no chiho desaki kikan no minaoshi wo meguru giron (Deliberations on the Review of the Local Branches of the central government)", *Reference* November 2011 issue, p.64

⁷ Cabinet Office, *The Coalition: our programme for government*, 2010, p.12.

⁸ Program for the collaboration between local government and enterprises to promote local economic development, introduced by the coalition government to replace the Regional Development Agency (RDA) by the Labour Party government. Council of Local Authority of International Relations, *Eikoku no chiho jichi (The British Local Autonomy) (summary) – 2011 revision –*, 2011, P.85-88.

been limited to the minimum, and decisions such as on the type of data to be collected, its usage and analysis method were entrusted to each local government. Consequently, policy evaluation of the performance of local governments by the central government has hardly been implemented. This also changed the role of DCLG to recommend evaluation by the local government itself, and to provide information for that purpose.

(3) Communication between the central government and local governments

a. Formal communication

When respective ministries and agencies formally propose a large-scale project, policy or legislation, it is required to follow a consultation procedure for inviting opinions of the subject party or interested parties for increased transparency, efficiency and effectiveness to clearly fulfil accountability.⁹ In the case of projects or bills related to the affairs of local government, the comments of councillors and Chief Executives of local governments are invited, and whether to proceed with a proposal is determined by reviewing evidence, data and reactions from the region. The same procedure basically applies to the Green Paper proposed by the government as material for discussion.

b. Informal communication

Besides the formal communication process as mentioned above, informal communication takes place more frequently. Just as DCLG Directors visit their assigned areas, Chief Executives and staff of local governments often visit the DCLG on a specific project and meet with persons in charge. There is a convention in the central government that members of Parliament outside the government shall not contact civil servants.¹⁰ Leaders and councillors of local governments do not normally contact DCLG staff, either, although their contact is not prohibited. Local politicians meet politicians in the central government such as ministers in most cases.

c. Personnel exchanges of staff members

In addition, exchanges between DCLG staff and local government staff are generally made through the implementation process of projects or through the conferences such as ones hosted by the LGA, to be mentioned later. However, while there were hardly any secondments of the central government staff to local governments in the past, there have been some among DCLG staff members who took such a career path recently. For example, Mr. David Prout, Director-General, Localism, was Director of Local Government Policy in the Department for Communities and Local Government from 2004 to 2007, and he served as Executive Director for Planning and Borough Development at the Royal Borough of Kensington

⁹ For general public consultation, see OECD, Background Document on Public Consultation, <http://www.oecd.org/dataoecd/4/43/36785341.pdf>

¹⁰ Although there is no provision to clearly prohibit this, it can be considered a de facto prohibition. Martin Stanley, *How to be a civil Servant*, Politico's, 2000, p.102, *Seiji Kihara, Eikoku Okura sho kara mita Nihon (Japan as Seen from HM Treasury)*, Bungei Shunju, 2002, p.177.

and Chelsea in London from 2007 to 2009 before assuming his present post.¹¹

Generally speaking, as mentioned above, considering that “DCLG should leave decisions to local governments, and their role is to provide local governments with information and advice for that purpose,” DCLG clearly expresses their commitment to putting emphasis on communication with local governments under the current government policy of promotion of decentralisation and localism. However, staff in charge at DCLG also realise that it is difficult to grasp the situation and needs of local government, small ones in particular, and there still are strong complaints on the part of local governments that “civil servants of the central government don’t know about the region.”¹² It will be a long time before the central government and local governments understand each other.

(2) Local Government Association (LGA)

LGA is an organisation established in April 1997 by integrating multiple individual local government organisations which had been active nationwide, and puts together requests of local governments into proposals to the central government, undertaking proactive lobbying activities.¹³ Participation is on an arbitrary basis, but almost all local governments (counties, districts, metropolitan districts, unitaries, London boroughs, partial-affairs associations) of England and Wales join in it, and its activities are mainly conducted by politicians of local governments such as leaders and councilors of local councils, and elected mayors.

(1) Organisation

It comprises the Executive, the supreme decision-making body of the LGA, and various committees (Boards) underneath, reflecting the share of local council seats by respective parties. There are four party groups, the Conservative group, Labour group, Liberal Democrats group and Independent group, and independent activities are performed by each group.¹⁴ The Executive consists of 9 Conservative Party members, 7 Labour Party members, 5 Liberal Democrat members, 1 Independent member plus 10 Regional representatives, 3 Named substitutes, and 7 Non-voting members, and Sir Merrick Cockell, Leader of the leading Conservative Party group, assumes the post of Executive Chairman, namely the Chairman of LGA.¹⁵ Nine Boards are established under the Executive by category.¹⁶

¹¹ See, <http://www.communities.gov.uk/corporate/about/who/board/davidprout/>.

¹² The same kind of remark was heard in the hearing survey at SOLACE.

¹³ Former organisations are Association of County Councils, Association of District Councils, and Association of Metropolitan Authorities. As Japanese literature on LGA, *Zenkoku Shicho kai* (the National Conference of Mayors), *Kaigai no 'Zenkoku Shicho kai' II* (*Overseas 'National Conference of Mayors' II*), 2004, Susumu Takashima, “Local Governance System in the UK” *Chiho Zaimu*, April 2001.

¹⁴ See, <http://www.local.gov.uk/about-politicalgroups>.

¹⁵ See, http://www.local.gov.uk/web/10161/lga-executive/-/journal_content/56/10161/28693/

[ARTICLE-TEMPLATE](#). Sir Cockell is Leader of the Royal Borough of Kensington and Chelsea.

¹⁶ The nine boards are the Children and Young People Board, Economy and Transport Board, European and International Board, Workforce Board, Community Wellbeing Board, Culture, Tourism and Sport Board, Environment and Housing Board, Improvement Board, and Safer and Stronger Communities Board.

(2) Activities of members

Sir Cockell, Chairman of the LGA, meets with the Rt. Hon. Pickles, Secretary of State for DCLG every Wednesday morning, featuring a meeting between Conservative Party politicians rather than a meeting between the central and local governments. In many cases, the chairman of each political group of the LGA concurrently holds an important position at their party, maintaining a close relationship with the members of Parliament in the same party. On the other hand, for each policy sector or issue, dialogues between competent ministers of the central government and responsible persons of the LGA (such as the chairman of the board concerned) and lobbying for members of Parliament through the LGA Public Affair Team are carried out regularly. In principle, the LGA members as politicians in local governments contact politicians of the central government such as ministers.

Within the LGA, individual matters are discussed at one of the Boards under the Executive, and opinions are formulated. The matter is then sent to the Executive and authorised as an official opinion of the LGA. There are differences of opinion among four political groups for almost all matters, and as mentioned later, the Secretariat staff play important roles in the process of adjusting opinions among groups and formulating an opinion of the LGA.

(3) The Secretariat staff

The Secretariat staff members of the LGA support activities of the members, provide information to local governments, and host training and events among other things. The Secretariat staff members are those who mainly communicate with the staff of local governments and civil servants of the central government. There are about 270 staff members in the Secretariat with the Chief Executive at the top. Including incumbent Chief Executive, Ms. Carolyn Downs, many of successive Chief Executives were ex-Chief Executive of local governments.¹⁷ Among the staff, there are four members each for the Conservative group, Labour group, and Liberal Democrats group, and two members for the Independent group, who are in charge of support of the political activities of each political party group. Furthermore, about five staff members in charge of public affairs in the Communication Division¹⁸ provide policy information and analysis, give advice on political negotiations, and prepare drafts of statements and

See, <http://www.local.gov.uk/web/guest/boards>.

¹⁷ Ms. Downs who became Chief Executive in December 2011, started her career as an assistant librarian in the London Borough of Haringey, and after serving in several boroughs, became Director of Environment and Community Services of Shropshire County Council in 1999, and became Chief Executive of the Council in 2003. She was Deputy Permanent Secretary and Director General of Corporate Performance at the Ministry of Justice from 2009, and Chief Executive of the Legal Services Commission from March 2010 before assuming the post of Chief Executive of the LGA.

See

http://www.local.gov.uk/web/10161/media-releases/-/journal_content/56/10161/2847593/NEWS-TEMPLATE. According to the hearing survey, the former Chief Executive also worked for local governments for about 40 years.

¹⁸ There are 50 to 60 staff members in the Communication Division with about 7 cadres for media response, those in charge of communication such as Internet, twitter, online, etc., and those in charge of hosting events such as conventions.

speeches. They play an important role for consensus-building among four political groups, and no political neutrality is required for them. On the other hand, for the staff members who are engaged in policy analysis and policy creation, expertise in each policy area as well as neutrality and balance from each political party are required. Reflecting the stable and long-standing status of councillors of local governments, there are many members with long-term activities. This may be the reason why their relationship with the Secretariat staff is said to be much closer than the relationship between ministers of the central government and civil servants.

Of about 270 staff members, those on secondment from local governments and the central government are only one each, because every organisation is cutting down on the number of staff for financial reasons, leaving not much room for personnel exchanges. However, many of the LGA staff members have work experience in local governments or the central government, and the knowledge obtained from such experience can be put to good use in the organisation, complementing the personnel exchanges with the central or local governments by temporary transfer.

(4) Sources of revenue and ingenuity of securing independence

The central government grants account for 40 to 45% of the source of revenue of the LGA, and the balance is covered by membership fees from local governments and service charges, etc. In recent years, grants from the central government have been reduced, resulting in the reduced fiscal scale of the LGA, but measures have been taken by cutting down on the number of staff, review of operation, etc., and attempts have been made to reduce the membership fee burden of local governments as well. Grants from the central government are being used only for limited purposes which contribute to the enhancement of local government services, including training and capacity development of councilors and staff of local governments, while trying to ensure independence from the central government. On the other hand, membership fees collected from members are said to be appropriated for more political activities.

3. Society of Local Authority Chief Executive and Senior Managers (SOLACE)

SOLACE is the representative body for Chief Executive and senior managers to promote public sector management excellence. It consists of about 320 Chief Executives of local governments (accounting for over 90% of all local governments), about 40 Chief Executives of relevant public organisations, and over 800 senior managers.¹⁹

(1) Organisation

SOLACE members elect the Executives, namely a President, two Vice Presidents, a Past President, a

¹⁹ The number of SOLACE members has been on the decrease recently. The reasons could be: (i) the number of local governments is on the decrease by conversion into Unitary; (ii) senior managers are also on the decrease because of financial difficulty (there are cases of small-scale local governments sharing a senior management team with another local government to cut down on the number); and (iii) for the same financial reasons, there are increasing numbers of local governments where the Chief Executive membership fee is borne individually instead of the account of the local government.

Chairman of the Board, a Society Solicitor and a Society Head of Finance Portfolio in the annual general meeting. The SOLACE Management Board consisted of these executives plus a Management Director, two Non-Executive Directors and three Advisors is a main decision-making organ in which the Chairman plays a central role. Incumbent President Mr. Terry Huggins is Chief Executive of Breckland B.C. & South Holland D.C., and Chairman of the Board Mr. Derek Myers is Chief Executive of RB Kensington & Chelsea.²⁰ On the other hand, the SOLACE Secretariat has only 8 staff members, so the management of the organisation is said to depend largely on the activities of members as mentioned later.

(2) Suggestions on policies from a practical perspective

The main function of SOLACE in policy formation by the central government is to provide a professional viewpoint for better achievement of policy objectives. Unlike LGA, SOLACE is not an organisation intended for political activities, and they are not involved in direct lobbying activities or making a counterproposal.

When the government policy proposal is introduced, SOLACE expresses its opinion from a practical perspective via both an official route and unofficial route, and tries to have it reflected in the policy. The official methods include, firstly, answering consultation on individual policy proposals indicated by the government as already mentioned in the section on the DCLG, and the expression of opinion to the Green Paper. There are policy groups specialised in each field in SOLACE, and opinions are exchanged informally among members of each group. Hard-core members of each group, placing importance on evidence, try to establish a consensus out of the opinions thus gathered, and organise an opinion of SOLACE as a whole.

The second official method is regular meetings. The meeting held every half year between the Permanent Secretaries and the representatives of SOLACE and LGA staff is particularly important. About 10 SOLACE representatives (Chief Executive of local government members) are elected in consideration of the size and type of local government to ensure representation of the whole of SOLACE, but the political party composition of local governments is not considered. The LGA Chief Executive Agenda Group holds a quarterly meeting inviting SOLACE members, and discusses hot issues and scheduled activities. In principle, SOLACE cooperates with the LGA for the portion agreed upon politically.

On the other hand, unofficial methods include exchange of opinions between SOLACE members and senior civil servants of the central government and managers of the LGA, by way of a network. Such a network does not include politicians, and is a network connecting staff members of central and local governments.

In conclusion

I have so far discussed the activities of the DCLG, LGA and SOLACE with a focus on the present status of communication between central and local governments. Lastly, I would like to close this paper by

²⁰ See http://www.solace.org.uk/about_society_officers.asp and http://www.solace.org.uk/about_management_board.asp.

summarising the characteristics of the relationship between central and local governments in the UK, as well as adding what I could not go into in detail in this paper.

What can be pointed out first of all as characteristics of the relationship between central and local governments in the UK is a clear separation between bureaucrats and politicians. The relationships among politicians and those among government staff members are established independently, and their networks are clearly separate. The same applies to the organisations concerned with local governments. While the LGA which is positioned as the core for a politicians' network places emphasis on political lobbying, SOLACE, connecting networks of administrative staff, has the objective of contributing to the enhancement of policy details and management technique from a politically neutral standpoint.

Secondly, the main methods of official communication are to reply to consultations and exchange of opinions at various meetings, but unofficial exchange of opinions often takes place, and its effects cannot be ignored. Even in those cases, politicians' networks are basically separated from administrative staff's ones.

Moreover, the current government has clearly laid out localism and decentralisation as basic local government policies, and developed measures accordingly. Consequently, Sir Bob Kerslake who had worked for local governments for a long time assumed the post of Permanent Secretary at the DCLG, and cases of secondments of civil servants to local government are also seen, indicating the government emphasis on dialogue with local governments. However, these policies have just started and they are yet to be evaluated. The effectiveness of localism and decentralisation will depend not only on the attitude of respective central ministries and agencies on the transfer of power to the region, but also on the competence of local governments themselves.

Lastly, I would like to add something about the trends of metropolitan cities in an exceptional position in the relationship between central and local governments in the UK, which I could not go into in detail in this paper. First, with regard to the Greater London Authority (GLA),²¹ the proposal titled "Further devolution to London" was submitted to the DCLG by the Mayor of London in June 2010 after the abolition of the London Regional Office, and some of the items were to be realised by the Localism Act. Also, 10 local governments centering on the City of Manchester, which had formed the Association of Greater Manchester Authorities (AGMA), successfully established the Greater Manchester Combined Authority (GMCA) with legal standing in April 2011, which is to undertake mainly large-scale economic development, area redevelopment, adjustment of transport measures.²² GLA, AGMA and GMCA proactively propose to the central government their regional strategies, as well as devolution and legal measures necessary for their realisation. They are administrative organs which have unique positions in the UK, but their proactive policy proposal to the central government and partnership on an equal basis will

²¹ Established in 2000 and as a local government covering the greater London area extensively under the directly elected Mayor, implementing planning, adjustment and formulation of strategies on public transport, regional planning and housing policy, economic development and urban planning, environmental conservation, police, fire and emergency planning, culture, sightseeing, media and sports, health and sanitation, etc., op. cit. Council of Local Authorities for International Relations, p.20-25.

²² AGMA and GMCA, op. cit. Council of Local Authorities for International Relations, p.26-27.

also give substantial influence to the future relationship between central and local governments.