

Committee on Standards in Public Life, 12th Inquiry – Local Leadership and Public Trust: Openness and Accountability in Local and London Government

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1 Introduction

1.1 This submission is framed as a response to a variety of concerns raised in the issues and question paper, but with a particular emphasis on the following issues concerning leadership, openness and accountability in local government:

- the impact of new political arrangements: executive and scrutiny functions
- the role of the local press
- the implications of partnership working for openness and accountability

1.2 This submission also suggests that a broader focus to the Inquiry may be required if the factors impacting upon leadership and accountability in local government are to be fully understood.

1.3 The evidence presented here is primarily drawn from a detailed research project commissioned by the Joseph Rowntree Charitable Trust (JRCT). The research was undertaken by Dr. Stuart Wilks-Heeg and Dr Steve Clayton of the University of Liverpool, and constituted an in-depth analysis of local democracy in two Northern English towns, Burnley and Harrogate, during 2004-2006. The detailed findings of this research are reported in Stuart Wilks-Heeg and Steve Clayton (2006) *Whose Town is it Anyway? The State of Local Democracy in Two Northern Towns*, York: JRCT. An executive summary of the report has been supplied with this submission and copies of the full report are available on request.

2 Local government: impotent leadership amid blurred accountability?

2.1 Local government plays a crucial role in public life in the United Kingdom - this Inquiry, together with previous Inquiries conducted by the Committee on Standards in Public Life, give due recognition to local government's role. This Inquiry, in common with other recent inquiries, commissions and research (All Party Parliamentary Local Government Group, 2007; Councillors Commission, 2007; Stoker et al, 2007), also places a great deal of emphasis on assessing the impact of recent legislation which introduced a clear executive function into local government alongside a strengthened emphasis on scrutiny. While the seven principles of public life bring a fresh perspective to these issues it should be underlined that there is a great deal of existing evidence from which the Committee can draw.

2.2 At the same time, however, it is Democratic Audit's view that the Committee should seek to cast its net wider than the terms of reference currently suggest. The reforms introduced by the Local Government Act, 2000 and the Greater London Authority Act, 1999 are significant, but the mechanisms in place to ensure integrity, openness, honesty and accountability in London and local government go far beyond these relatively recent provisions. At the same time, the impact of longer-run patterns of reform in local government must also be considered. Local governance arrangements have become increasingly fragmented and complex and it is in many ways no longer appropriate to consider the leadership, accountability and openness of local government in isolation from other local public bodies.

2.3 To illustrate the importance of these broader contextual points, it is worth returning to the passage from the 1998 White Paper on 'Modern Local Government', cited on page 4 of the issues and questions paper. This passage reads as follows:

Councils need new structures which create a clear and well known focus for local leadership. Local people should know who takes decisions, who to hold to account, and who to complain to when things go wrong.

2.4 While, at first sight, this appears to be an effective summary of the pre-requisites for democratic accountability in local government, closer consideration suggests such a perspective could be highly problematic for two key reasons:

- Councils are far from the only public bodies making decisions locally. Depending on how we define public bodies, it is possible to identify 30 or more organisations in any locality with responsibility for delivering public services and/or making decisions about local resource allocations. These complex webs of governance have arisen, in part, from the programme of 'hiving off' and 'contracting out' of council services to other bodies, mostly unelected, and from a proliferation of partnership bodies locally. Ironically, these partnerships have often been created in response to the fragmenting effects of transferring service functions from local councils to unelected agencies.
- This dual process of the fragmentation and joining-up of local governance renders questions about who 'who takes decisions, who to hold to account and who to complain to' far more complex than is suggested in the passage from the White Paper cited above. These are matters which have not been tackled by the new political arrangements introduced by the

Local Government Act 2000, despite its provisions for councillors to scrutinise the work of unelected agencies locally.

2.5 In their detailed empirical study of local democracy in Burnley and Harrogate, Wilks-Heeg and Clayton (2006) underline the importance of these wider contextual factors in relation to a series of tendencies which are blurring the relationships between leadership, decision-making and accountability:

- The leaders of the district councils serving Burnley and Harrogate are generally assumed, not unreasonably, to have the key leadership role for their respective districts. However, in each case, the council leader represents a body which accounts for a mere 5 per cent of public spending in the locality. It is difficult to see how leadership is possible in such circumstances, particularly since the situation has arisen from a persistent draining away of functions to a combination of county councils, local public spending bodies, regional bodies, local partnerships, registered social landlords and private companies. It is equally notable that none of these other bodies provides, or is expected to provide, an equivalent leadership function for either district. For example, county councillors elected by residents of Burnley or Harrogate represent constituents in these districts, but they are not recognised as having a 'leadership' role.
- The fragmentation of local governance has created a huge accountability gap in relation to the knowledge which local residents have about who is responsible for what provision. Local councillors report that as much as 50 per cent of contact comes from constituents who need to be re-directed to other agencies. Moreover, despite controlling only 5 per cent of local public spending, district councils have far greater levels of contact with local residents than any other local public agency. For instance, survey results suggested that local residents are three times more likely to have contacted a district councillor than a county councillor and five times more likely to have made a formal complaint to the district council than to the county council.
- The role of elected councillors within these complex webs of governance is unclear and inconsistent. For example, councillors are automatically represented on some bodies, such as the governing boards of local FE colleges, police authorities and stock-transfer housing associations, but not on others, such as NHS Trusts or local probation boards (although local councillors are sometimes appointed to these roles in a personal capacity). In some areas, district councillors frequently 'double-up' as county councillors, while in others this practice

is rare. There is also great variation in the extent to which councillors have made use of the provisions for scrutiny of other public bodies.

- Complaint mechanisms in local government are often inadequate. There is enormous variation in how councils record and deal with complaints, with only social services and some aspects of education being subject to statutory arrangements. Most local councils are unable to even provide information on how many complaints they receive. By contrast, local health care trusts and local police forces are required to operate full statutory complaints procedures, meaning that relatively standard, formal procedures are applied nationally. However, what all complaints systems have in common is their complexity. As a result, residents have increasingly directed their complaints to MPs, who report that up to 50 per cent of their case work concerns matters associated with local public bodies. Much of this casework could, and possibly should, be resolved directly by local councillors, local government officials or representatives of local public bodies rather than by MPs.

3 The impact of new political arrangements: executive and scrutiny functions

3.1 A great deal was expected from the new political arrangements in local government introduced by the Local Government Act, 2000. It was anticipated, for instance, that elected mayors would be far more widely embraced by local councils than they have been. In effect, the ‘weakest’ form of executive leadership has been opted for in the vast majority of councils. At the same time, evidence from Burnley and Harrogate suggests that three crucial concerns laid out in the White Paper, as cited on page seven of the issues and questions paper, have not been realised in practice:

- **There should be a reversal of the tendency for decisions to be made behind closed doors in party groups:** in fact, the new arrangements have probably increased the influence of party groups. Councillors in both Burnley and Harrogate indicated that meetings of party groups had tended to become more frequent, and in many ways more significant, under the new arrangements.
- **There should be a reduction in the amount of time which councillors spend in committee meetings:** it is unlikely that backbench members spend less time in meetings under the new arrangements. Analysis carried out by Harrogate Borough Council in 2002 suggested that the scrutiny function had increased the number of meetings by 100 per cent. The majority of councillors interviewed in both towns did not feel they spent less time in meetings, with the exception of those who had chosen not to become involved in scrutiny.

- **Councillors will be able to devote more of their time to bringing the views of community to bear on decisions:** the vast majority of councillors who were interviewed were sceptical of the scope for them to play this role, and were unsure what it meant in practice. Surveys of local residents found that only 24 per cent of Harrogate respondents, and a mere 16 per cent of Burnley respondents, ‘feel able to influence local decisions’.

3.2 If the new political arrangements have failed on all these fronts, then further concerns must be expressed about the operation of scrutiny arrangements, particularly with regard to their scope to hold the executive to account. There is clearly a great deal of variation nationally as to the success of local councillors in adapting to this new role. However, a recent national survey of the impact of overview and scrutiny in local government suggested that ‘the majority of members and officers are unable to agree the system in their authority had been successful’ (Gains *et al.*: 2004: 11). The lack of consensus appears to reflect a view that, while overview and scrutiny committees are finding useful roles to play, these are not generally the roles envisaged in the government legislation that established them. A clear view has emerged in the literature (Gains *et al.* 2004: 12, Stoker *et al.* 2004: 48-50, Wilks-Heeg and Clayton, 2006, p.90) that, while scrutiny powers are considerable, scrutiny has a long way to go if it is to evolve into a stronger and more effective check on the power of the executive, or to hold other agencies to account, because:

- backbench councillors have yet to recognise their strength as scrutiny members or the power they hold to set the scrutiny agenda;
- the main contribution of overview and scrutiny committees has been in the area of policy development (e.g. identifying ‘good practice’ elsewhere), rather than in calling the executive to account;
- overview and scrutiny committees are reluctant to call-in decisions, often because they are controlled by the same party group which controls the executive;
- the emphasis which central government has placed upon multi-agency working at the local level, renders councillors reluctant to make full use of the powers available to scrutinise partnerships or external bodies.

3.3 There is also telling evidence suggests that local journalists see the new arrangements as restricting the access of reporters to key meetings, decision-makers and information, and thereby compromising the ability of local papers to report openly and accurately on decision-making in local affairs. A survey of 110 local newspaper editors, chief reporters and local government communication officers, carried out by Grant Riches Communication Consultants (2003), found that

less than 7 per cent described the introduction of the new political arrangements in local government as ‘good for local democracy’. Moreover:

- Three quarters felt council decision making had become ‘less open and transparent’ under the new arrangements, while more than 80 per cent felt that a growing number of decisions were ‘being made behind closed doors’;
- Around 75 per cent were of the view that the modernization of local government had failed to render the local democratic process more understandable for the general public;
- Under 15 per cent regarded scrutiny as making councils ‘more open and accountable’, while two thirds described scrutiny arrangements as ‘a waste of time’.

4 The role of the local press

4.1 The role of the media in holding local government to account is alluded to in paragraph 2.29 of the issues and questions paper, but is not elaborated upon in any detail. We would urge the Committee to give fuller consideration to the role of the media and, in particular, the local press. Regular MORI surveys find that three-quarters of people cite local newspapers as their principal sources of information about local councils (ODPM, 2002b). However, recent evidence suggests that local newspapers are facing a serious crisis. Circulation levels are falling fast, thousands of local journalists are being made redundant and some titles face being axed altogether. At the same time, the survival of local newspapers has become dependent upon a growing concentration of local press ownership. Between 1992 and 2002, the number of local and regional newspaper companies in the UK fell from over 200 to less than 100, and the proportion of titles owned by the five largest company groups rose from 43 to 73 per cent (Competition Commission, 2002). This increasing concentration carries the risk that business decisions made by a single company can have significant repercussions for local democracy across the country. The current pressures on the local press are likely to see this trend towards concentration continue – to the extent that some in the industry are making the case for monopoly regulations to be relaxed in order to ensure that titles are able to survive.

4.2 These are worrying trends. It is arguably the local press, more than anything else, which makes leadership in local government visible and which holds leadership to account. As cuts begin to bite hard, there will be a loss of local journalistic expertise, closure of local titles, and mounting pressures placed on journalists who manage to retain their jobs. The quality and quantity of reporting on local public services is likely to decline, as will the scope for regional journalists to hold councils

and other bodies to account. In this regard, Democratic Audit welcomes the recent announcement of the Culture, Media and Sport Select Committee to launch a new Inquiry into ‘The future for local and regional media’, which will include consideration of ‘the impact of newspaper closures on independent local journalism and access to local information’. However, we would also encourage the Committee on Standards in Public Life to give this issue greater prominence in this current Inquiry into local government.

5. The implications of partnership working for openness and accountability

5.1 Local authorities working in partnership raises major issues about openness and accountability. For instance, the requirements placed on public bodies to meet in public do not apply to Local Strategic Partnerships (LSPs), which also means that journalists have no automatic right to attend such meetings. As a result, one county councillor interviewed by Wilks-Heeg and Clayton (2006, p.78) offered a particularly trenchant critique of the democratic deficit arising from bodies such as Local Strategic Partnerships in response to the decision made by its members not to allow the press to attend LSP meetings:

This is public money that is being discussed, it should be held in a public area, and they want to keep the doors closed. And in some respects with LSPs, it’s going back almost to the nineteenth century, isn’t it, where the great and the good of the local town would sit and discuss its affairs [...] and this is a similar sort of thing. Local businessmen sitting around discussing the town, and preferably without the press or the public there’.

5.2 Given the attempts to render the local ‘quango state’ more open, transparent and accountable in recent years there is, indeed, something of an irony in the apparent absence of such principles in relation to LSPs and other partnership arrangements in which local authorities are key players. In the main, it has been assumed that provision for community representation on LSPs and other partnership bodies, alongside leadership from elected local authorities, will mitigate such concerns. However, applying principles of accountability and openness to local government participation in partnerships raises a significant paradox. If partnership working is effective in achieving what it is intended, that is, it results in the participating agencies making decisions jointly, pooling budgets and aligning provision, then the accountability of those agencies is fundamentally undermined. In other words, joined-up governance requires joined-up accountability, and this will, in turn, require much more than a bolstering of present scrutiny arrangements.

5.3 Paragraph 2.29 of the issues and questions paper asks ‘what are the key elements of an effective accountability framework for local government, and how well do the current arrangements work in practice?’ We would suggest that an effective accountability framework for local government must embrace multiple forms of accountability but also ensure these different accountability mechanisms are ‘connected-up’, both internally and externally. Wilks-Heeg and Clayton (2006) highlight the significance of a local democratic mix, through which multiple forms of accountability co-exist, ranging from the ‘collective’ voice provided by periodic elections to the ‘individual’ forms of redress represented by complaints mechanisms. The existence of such a mix is entirely justifiable. For example, it is clearly appropriate that an individual service user should be able to make a simple request to a local authority for a service problem to be rectified rather than be forced to seek redress via the collective political process.

5.4 The challenge for local government is to find a way of integrating these different forms of accountability, for instance by cataloguing and analysing complaints data so that local councillors can take account of this information when scrutinising and when making decisions. Likewise, local authorities urgently need to consider ways in which decisions reached in partnership with other agencies can be integrated into an overarching framework of openness and accountability. What is certain, however, is that such arrangements will count for little unless there are robust ‘external’ actors holding local government to account - most notably the local press, local political parties and local pressure groups. In this sense, the Committee should not focus on the role of internal executive and scrutiny arrangements at the expense the wider political and institutional context in which local government operates.

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