

The central government continues to believe that it, and not elected local authorities, knows best

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George Jones and John Stewart describe the considerable freedom for action and initiatives by local authorities up to the Second World War. Central controls then began to escalate, culminating in the 1980s when their right to determine their own levels of expenditure when financed by their own taxation was ended. This trend has since continued. The 2011 Localism Act gives central government over one hundred powers to control local authorities, and expresses the underlying belief of central government that it rather than elected local authorities knows best.



Was there a golden age in local government when all was well for local authorities that sought to meet local needs, untrammelled by undue controls and intervention by central government, and able to innovate in both policy and practice? The nearest that local government came to that golden age was in the towns of the latter part of the nineteenth century but with a restricted franchise.

Birmingham in the mayoralty of Joseph Chamberlain is often quoted as local government at its best. The initiative taken by the council in purchasing the gas and water undertakings, and land in the town centre to clear areas of poor housing conditions, and building imposing new streets are examples of municipal enterprise. But it is wrong to think such initiative was limited to Chamberlain. Many were inspired by the civic gospel preached by George Dawson and Robert Dale and other nonconformist ministers. The impact of the civic gospel was described by Dale's son:



"The November ward meetings assumed a new character. The speakers, instead of discussing small questions of administration and of economy, dealt with growing enthusiasm on what a great and prosperous town, like Birmingham might do for its people. They spoke of sweeping away streets in which it was not possible to live a healthy and decent life; of making the town cleaner, sweeter, and brighter; of providing gardens and parks and music; of erecting baths and free libraries, an art gallery and a museum".

Many councillors and aldermen inspired by this civic gospel carried it forward in Birmingham after Chamberlain left the mayoralty on election to Parliament in 1876.

Other towns inspired by similar ideas faced the challenge of the urban condition, seizing opportunities available. Although this period approached a golden age, in some towns there were those who did not see the challenge or realise the opportunities, and outside the municipal authorities there was no effective elected local government until the 1890s. Although elected counties, district and small borough councils were then created, the main initiatives lay with the larger towns and the new London County Council.

Local authorities' relationship with the centre did not lie with the small departments of central government but with parliament. There were few statutory duties imposed on local authorities, but rather optional powers they could adopt without involving central departments. Many of the developments were secured through local private Acts promoted by local authorities rather than by public general Acts introduced by central government. The right of local authorities to make by-laws for good government were not circumscribed by central government, making local authorities effectively local legislatures. In that near-golden age local authorities who sought it had wide scope for

initiative.

So when did it all go wrong? As the twentieth century developed national pressures grew for legislation imposing duties on local authorities, and as this legislation grew so did the departments of central government and their interventions. Local private bills became less important, and along with by-laws, became subject to scrutiny by central departments. Increasingly, authorities' main relationship was with central-government departments which had their own policies. Local authorities gained new powers but under new duties imposed on them, and sometimes sought by them. These changes led to increased expenditure by local authorities, putting strain upon the rates leading to the development of grants from central government. As these grants grew in importance, they were seen to justify more controls by central government.

There remained however up to the Second World War considerable freedom for action and initiatives by local authorities. Legislation normally provided a facilitative, empowering framework, leaving space for different approaches to the new duties and for local initiatives like those by Dr Alfred Salter developing health services in Bermondsey, Henry Morris the Cambridgeshire Director of Education establishing village colleges, and Herbert Morrison over a wide range of LCC activities.

Framework legislation allowed local authorities and central departments to deal with problems through discussion and negotiation, resting upon mutual respect between local and central government. Circulars dominated official communications from government departments to local authorities. They were rarely prescriptive, influencing rather than controlling authorities. Officers could emphasise them to their council committees or virtually ignore them because of local conditions. There was a degree of balance between local authorities and central departments. Perhaps the 1930s was the golden age.

Not all was well. At certain points significant controls limited local initiative. In the period after 1945 new policies weakened local government. Functions were removed from local authorities. Gas and electricity were nationalised, and later water supply was lost and given to appointed boards. Hospitals were taken away from local government, and it was denied any role in the NHS apart from a continuing role in public health, later reduced in the Conservative reorganisations of 1974, although now restored.

However, local authorities were given substantial powers in social services, education and planning, retaining an important and for many councillors a satisfying role. Because of this role the period up to the 1980s remained one in which determined local authorities could develop initiatives and establish a constructive relationship with central government.

There were signs of change in the 1960s and 1970s. The drive to re-organise local government intensified, reflecting a growing central disdain for local government at the centre. Departments increased in size with growing responsibilities and enhanced self-confidence in their ability to resolve national problems without much regard for local government's views. They tended to regard local authorities as no longer deserving the respect traditionally given to at least the counties and the larger county boroughs. Crosland's too easy phrase "the party's over" was typical of emerging attitudes. Elite contempt spread in the departments of central government, hardly aware of their own isolation and ignorance about the delivery of services at the local level.

In the 1980s it all went wrong. For the first time ever central government sought to control the spending and taxing decisions of individual local authorities, ending their right to determine their own levels of expenditure when financed by their own taxation. The Conservative Government sought through a series of ill-thought-out financial arrangements to determine the maximum level of expenditure of individual authorities. At the same time the Government became concerned not just with local-authority duties but with the way local authorities carried them out. Thus legislation was introduced requiring local authorities to undertake compulsory competitive tendering covering an increasing range of services.

Central controls escalated, legislation became ever more prescriptive, regulations increased in number and in detail,

and statutory guidance largely replaced the softer influence of circulars. Hostility to local government or at least certain local authorities intensified. Ministers thought nothing of attacking particular authorities or local government generally in speeches in Parliament and beyond. Enoch Powell talking in a seminar in Oxford in the 1980s contrasted such attacks with his experience as a junior minister in the 1950s when if he had made similar attacks he would have been called in by the Secretary of State the next day and rebuked.

The driving forces that led to these changes – prescription of the internal ways of working of local authorities and direct control over their level of expenditures – continued under the Labour Governments of 1997 to 2010. The Local Government Act 2000 changed the internal political structures of local authorities, not merely setting options for local authorities but prescribing their way of working in excessive detail through legislation, seventeen statutory instruments and nearly two hundred pages of guidance. Prescription grew, targets and specific grants proliferated, and inspectorates expanded in number and in the range of their activities. Local authorities were overwhelmed by central initiatives, limiting time and resources for local authorities to develop their own initiatives for local circumstances. The policies of the Conservative and Labour Governments from 1979 to 2010 reflected the same view that central government should determine not merely the duties and powers of local authorities but their level of expenditure, their way of working and their internal structure, because central government knew best.

So what now? The Localism Act 2011 has been enacted. It contains some useful changes, including the strangely-phrased general power of competence, but little fundamental has changed. Referendums are the new form of capping, with authorities spending just under the level specified for referendums denounced by Eric Pickles as if they had committed a crime rather than carrying out the apparent intentions of the legislation. Targets, inspections and specific grants are creeping back sometimes under new names. The Localism Act itself gave central government over one hundred powers to control local authorities, expenditure control, detailed specification of how authorities should work and the tendency for the centre to attack local authorities still express the underlying belief of central government that it rather than elected local authorities knows best. If all went wrong in the 1980s, it is still wrong today.

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