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12 July 1983
Policy Unit

PRIME MINISTER

MEETING WITH ALAN GREENGROSS, 13 JULY 1983

Alan Greengross, the new leader of the Conservatives on the GLC, is worried about the arrangements for London after the break up of the GLC. He does not defend the GLC in its existing form, but he believes that London cannot be the only city in the world without a voice.

This weakness in our proposals is liable to become more exposed as Ken Livingstone rouses the opposition. In the metropolitan counties, the proposals may well become more popular as the citizens of Birmingham and Newcastle etc look forward to reclaiming their old civic pride and responsibility. But in London the best prospect at the moment seems to be an enhanced role for the London Boroughs Association, which is at present a rather second-rate institution to which most local authorities send unimpressive representatives. Of course this might change with the disappearance of the GLC, but I suspect that the Department of the Environment is unlikely to produce an imaginative answer.

Mr Greengross' own solution - a mixed "London Forum" of elected members with representatives of the CBI, Chambers of Commerce, City, Arts etc - may not be the right answer.

But we do suggest that the DoE be encouraged to consult widely - eg the GLC Tories, the Arts lobby - before coming to a final conclusion on the "voice of London" question.

FERDINAND MOUNT

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PERSONAL AND IN CONFIDENCE



PRIME MINISTER

I enclose some briefing for Wednesday's meeting with Alan Greengross the Conservative Leader on the GLC.

He is facing some difficulty in holding his group together. Some of them want to retain the GLC more or less as it is. Others are entirely content with our Manifesto commitment. Alan is going about saying that the group fully supports the Conservative Manifesto but is anxious to see that this time we get it right. What he really wants is a continuing directly-elected body to run the fire and some other services and to be a "voice for London" - in fact a mini GLC.

I have been making it abundantly clear to him and to any of his colleagues whom I meet, that this is not our policy. It would be extremely helpful if you could make this abundantly clear to him.

At present he is really facing both ways. While trying to give us the appearance of enthusiastic support, he continues to offer comfort to the retentionists. (You ought perhaps to know that my own GLC councillor, Robert Mitchell, is a vocal opponent of abolition!)

11 July 1983

A handwritten signature in black ink, appearing to be 'P.J.' with a flourish underneath.

PJ

(dictated by the Secretary of State and signed in his absence)

Local Govt: Relations Paris

DEPARTMENT OF THE ARMY
OFFICE OF THE ADJUTANT GENERAL
WASHINGTON, D. C.



1840

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NOTE FOR THE PRIME MINISTER'S MEETING WITH COUNCILLOR GREENGROSS

Councillor Greengross was concerned before the Election about the Government's possible commitment to abolition of the GLC. Since the Election he has supported abolition but argued for the retention of a democratically elected voice for London.

Councillor Greengross has met Mr Jenkin and Lord Bellwin separately since the Election to explain his views and to hear of the Government's intentions.

Attached are:

- A. Councillor Greengross' proposals and some counter arguments;
- B. Notes on the general case for abolition and the plans for implementation;
- C. Notes of meetings with Councillor Greengross.

PROPOSALS BY GLC CONSERVATIVE GROUP

1. The Conservative Group on the GLC has produced a paper, with an introduction by Councillor Greengross, on "Restructuring London's Government" (copy attached). This sets out proposals on how the manifesto commitment might best be implemented. The paper accepts that the changes are necessary, particularly the devolution to the boroughs of all GLC functions which can reasonably be carried out at that level. This would leave, however, some major functions which would have to be dealt with at a higher level. The paper concludes that the Government's proposed joint boards could result in more ILEA-type overspenders, and favours instead some form of democratically elected upper tier body to follow the GLC.

THE GOVERNMENT'S VIEW

2. The Government has decided that there is no need to retain a democratically-elected body for London as a whole. The aim must be to have authorities capable of running economical and effective services, and in London this means the boroughs. Where services need to be administered over a wider area, joint boards of borough representatives will be established. Present plans envisage only fire, throughout London, and the replacement for ILEA being dealt with in this way. Making such functions the responsibility of a single successor body would risk exactly the same problems of waste and remoteness which have bedevilled the GLC.

3. The main exception to this general rule is the proposed London Regional Transport Authority, which will take over the GLC's responsibility for public transport in London. However, this change is justified regardless of the future of the GLC; a new body is needed

to replace the GLC's mismanagement of London Transport.

4. It may be argued that London needs an elected voice. If boroughs wish to / come together under the new arrangements to express views they will be free to do so; it is not necessary to set up a new bureaucratic structure for this purpose.

**First thoughts
on the
restructuring
of
LONDON'S
LOCAL
GOVERNMENT**

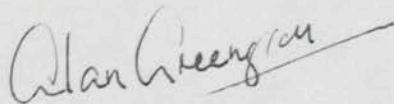
Produced by the Conservative Group on the Greater London Council

INTRODUCTION**RESTRUCTURING LONDON'S GOVERNMENT**

The 1983 Conservative Election Manifesto announced the new Government's intention to abolish the Greater London Council and the Metropolitan Authorities. In London the Manifesto proposes to devolve some of the GLC's functions to the London Boroughs whilst those services which need to be administered over a wider area will be run by Joint Boards.

The Conservative Group on the Greater London Council supports the Manifesto. But two things are essential. Firstly, when London's local government is restructured, a democratically elected body must surely be established to provide an effective and financially disciplined voice and direction for the specific tasks that must be done for London as a whole, and, secondly, when all this is complete we must ensure that Londoners do not end up having to pay even more than they do now. If we are to go through the exercise we must make certain that we get it right.

This paper gives a few first thoughts on the subject and poses various questions that will, in due course, need answers. Further papers, each on a different aspect of the problem, will follow.



ALAN GREENGROSS

Leader of the Opposition
Greater London Council

June 1983

Further copies of this Paper can be obtained by telephoning
01 633 1022

Why bother to try and restructure London's local government ?

It is now generally accepted that the GLC in its present form has outlived its original usefulness and, again in its present form, no longer has a role to justify its existence.

Was the whole idea of a 'top tier' authority a nonsense ?

No. Any city, if it is to prosper and serve its citizens fairly, needs some sort of broad framework. The idea of a 'strategic' authority meant nothing more than that. Unfortunately, because of the way in which it was set up, the GLC never really found the role that was envisaged for it.

What went wrong then ?

Many things went wrong but one of the most glaring was the way in which the GLC started to duplicate the work of the Borough Councils. This not only stopped them doing a proper job of work but was costly and bureaucratic. It is now generally accepted that THE BOROUGHS ARE THE APPROPRIATE 'EXECUTIVE' LEVEL WHEREVER THAT IS REASONABLY POSSIBLE.

How does London achieve this ?

Quite simply by devolving to the Boroughs ALL those functions that exist in the GLC - or indeed within Central Government - that can reasonably be carried out at Borough level.

Is there much to be devolved from the GLC ?

In fact a substantial start has already been made in that direction. Conservatives at the GLC from 1977 - 81 transferred most of the housing stock to Boroughs so that they

became virtually the sole managers and providers of municipal housing. Conservatives also made a substantial start in devolving Planning powers. Those functions that can and should still be devolved should not be overestimated. They probably consist of:

Licensing

Entertainment licensing is still carried out at County Hall. Individual Boroughs could do this if an overall code could be clearly established. A few years ago such a devolution was actually attempted and it was the LBA that turned down the idea.

Some more of what remains of conventional planning

. . . but clearly not all since much planning transcends Borough boundaries. Those aspects clearly could not be carried out by any individual Borough.

Certain Traffic management functions

although in fact many of these are even now in the process of such devolution.

Building Control

. . . might also go if some sort of overall standard could be established. This could then go some way towards the case for actually extending Inner London regulations to the whole of London. ✓

When all that is devolved to the Boroughs will we have taken care of everything ?

Unfortunately no. There are 32 London Boroughs plus the City of London all of which have widely differing social, demographic and economic profiles and often fundamentally different approaches to problems. Many functions now carried out within the GLC either transcend Borough boundaries or cannot reasonably be carried out by individual Boroughs.

What sort of functions are those ?

Public Transport

. . . is probably the most obvious but the Government already has plans to set up some sort of Regional Transport Authority. ✓

Does that not solve the problem ?

Not really. If the new Transport Authority really does cover an area much wider than the present GLC area (as is being suggested) then the Shires will clearly be represented and have their 'voice'. Someone or somebody will have to provide London's voice.

But there are a number of other functions that cannot reasonably be devolved to individual Boroughs.

What about a planning framework?

If the Boroughs are to carry out more of the day to day planning, it is essential that a proper framework for London is provided and continuously up-dated. This not only prevents or solves conflict between various Boroughs but also enables them to carry out their functions properly. This is not a case of duplicating or impeding the Boroughs' work but of enabling them to do the job allocated to them.

What other functions present problems

Because they too cannot reasonably be devolved to the Boroughs the following will also need to be considered:

Roads and mobility on a London-wide scale

. . . and clearly other similar areas.

Flood Prevention

. . . is another vitally important function for London as a whole. It goes much wider than the Barrier and covers

a host of matters connected with both tidal and non-tidal waterways.

Research and Intelligence

. . . has been provided by the GLC for all the Boroughs. Individually they would not have the resources to carry out such work. This clearly is a London-wide function.

Emergency Planning

. . . including Civil Defence, in their broader London-wide aspects.

Refuse Disposal

The Fire Service

Judicial Services (which could go to the Lord Chancellor)

Regional Parks

. . . also need administration. Theoretically they could go to the individual Boroughs within which they stand but one would then be asking an individual Borough to pay for in effect is a London-wide facility.

Housing Mobility and Special Housing Problems

. . . are of increasing concern yet mobility clearly cannot be administered by an individual Borough whilst special problems such as homelessness can throw very special problems onto a small number of Boroughs.

Green Belt Land

. . . is one of London's most jealously guarded amenities. A uniform and scrupulously monitored policy is required if this precious facility is to both survive and be enhanced.

Historic Buildings

. . . devolution of these to the Boroughs would present problems, not only because of the facilities required but also because the funding necessary for their protection would be a burden beyond the resources of most of the Boroughs concerned.

But surely other bodies can carry out ALL these functions?

Certainly. The only point is that some sort of body or bodies WILL BE NEEDED. Individual Boroughs alone, with all the support and goodwill in the world, cannot do it.

The Manifesto talks of Joint Boards—why not

There is no doubt that some of the above functions could be carried out by Joint Boards of Borough nominees but considerable care will need to be exercised.

THE ESTABLISHMENT OF A WHOLE SERIES OF ILEA-TYPE BODIES WITH POWERS TO PRECEPT ON THE BOROUGHs, AS DOES THE ILEA ITSELF, COULD LEAD TO EVEN HIGHER RATE LEVELS IN LONDON THAN THOSE UNDER WHICH THE CAPITAL PRESENTLY SUFFERS.

What about other solutions

There are indeed other solutions. Quangos offer one type of approach - but one of the major achievements of the last Government was the elimination of many of these. It would seem to be retrograde to go back on this now.

Certain other functions might theoretically be 'centralised' within the Government at Westminster, but again this is contrary to basic Conservative philosophy.

Are you then trying to say that the real question is not 'Should the GLC be abolished?' but rather 'WHEN the GLC is abolished how do we carry out those functions that cannot reasonably be executed at Borough level?'

Exactly! If we have at last got to the stage of restructuring London's local government then let us make as certain as we possibly can that we get the new structure right - for everyone.

What then should we do

Firstly, if we are serious in our desire to 'get it right this time', then we will need all the information we can get with regard to the present situation and the implications of any possible courses of action. We will need considerable discussion and consultation at ALL the levels that will, or might, be affected.

Secondly, we must make absolutely certain that whatever replaces the present situation does not make life MORE difficult for the Boroughs to do a proper job, nor must it cost Londoners even MORE than the existing set-up.

In the end, though, isn't this all just 'special pleading' by the members of the GLC

No. As long ago as 1977 Sir Horace Cutler, on gaining control of the GLC, set up the Marshall Enquiry to look at the future of that whole tier of London's local government. The Conservative Group on the GLC is united in its opinion that the GLC, as it now stands, must go. That is why we supported the Conservative Election Manifesto.

But it is essential that when London's local government is restructured, a democratically elected body is established to provide an effective and financially disciplined voice and direction for the specific tasks that must be done for London as a whole.

A publication by
The Conservative Group
on the Greater London Council
June 1983

JUSTIFICATION FOR ABOLITION

1. The Manifesto described the GLC (and the metropolitan County Councils) as "a wasteful and unnecessary tier of government" and made the commitment to "abolish them and return most of their functions to the boroughs and districts".
2. Ministers have justified abolition of the GLC on several grounds:
 - Declining role. The GLC has lost a number of its functions since its formation in 1965. Most important has been the transfer of most of its housing to the boroughs, but it has also lost responsibility for the London ambulance service to the Regional Health Authority, and for sewerage and sewage disposal to the Thames Water Authority.
 - Waste and profligacy. Despite this declining role, the GLC is the worst overspender of all local authorities. Many of its more extreme expenditure proposals have attracted widespread criticism.
 - Confused accountability. Some GLC functions - eg roads and housing - overlap with borough functions causing confusion for the public.
 - value for money. The conclusion the Government draws from all these factors is that by abolishing the GLC and passing its functions to the boroughs, local government in London would become more economical and more effective.
3. Abolition of the GLC is expected to yield significant savings, particularly through reduced staff costs. During the election campaign

staff savings of 9,000 (for GLC and the six MCCs taken together) were quoted, although these were tentative estimates based on incomplete information, and it would be preferable not to quote precise figures until more reliable estimates can be provided.

IMPLEMENTATION

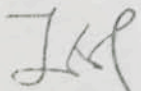
4. The main points in the timetable announced by the Secretary of State in the Debate on the Address are:

- White Paper this autumn containing detailed proposals.
- Followed by wide consultations with all concerned.
- Legislation during 1984/85.
- Abolition to be completed by 1 April 1986.

Mr Heiser

MEETING WITH GLC OPPOSITION MEMBERS

1. You were present at the meeting the Secretary of State and the Hon William Waldegrave had with Mr Greengross and Mr Lemkin on 17 June. In the course of the discussion the Secretary of State outlined how the Government hoped to proceed with the Bill to cap rates and the Bill to abolish the GLC.
2. Mr Greengross and Mr Lemkin expressed their concern that the reallocation of GLC functions to other bodies should take account of the value of London as a whole having an elected voice. The new structure should be accountable but also efficient. They had a number of ideas which they would like to discuss. It was agreed that Mr Waldegrave would act as an intermediary in drawing up an agenda for possible future discussion with the Secretary of State.
3. Mr Greengross asked whether any GLC by-election would have to be fought on existing boundaries or whether use could be made of new boundaries based on the new Parliamentary constituencies. You undertook to pursue with the Home Office.
4. The Secretary of State said that there was no intention to amend the existing boundaries of the outer London boroughs.



J F BALLARD
PS/SECRETARY OF STATE

17 JUNE 1983

cc
PS/Mr Waldegrave
TSF-JB.

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Mr Heiser

ABOLITION OF THE GLC

Lord Bellwin and Mr Waldegrave had a meeting this afternoon with Alan Greengross, leader of the Conservative group on the GLC.

Mr Greengross stressed the group's agreement with the manifesto pledge but was very concerned that Government should not adopt a "top down" approach to the problem of restructuring London's local administration. The first step should be to identify precisely the problems which were prevalent in the GLC and then to find an alternative which presented reasonable solutions. He feared that too many people were seizing on solutions without any analysis of the problem.

Mr Greengross was happy to see as much as possible going to the boroughs but wondered whether this was cost effective. As an example he estimated that allowing for staff savings a pro-rata distribution of GLC staff to the boroughs would leave Westminster with an additional 4000 bodies, requiring $\frac{1}{2}$ m sq ft of office space, putting greater demands on the estates section etc.

For services that could not devolve there was concern that the successor precepting bodies might not be truly democratic because not directly elected. He also suggested (contrarily?) that while they should have elected borough representatives there might also be a role for nominees of directly affected, non-enfranchised organisations such as the CBI.

Finally, Mr Greengross handed over his paper on restructuring (copy attached). This is the first of what is to be a series dealing with specific aspects of replacing the GLC.

Gareth Davies

GARETH DAVIES
APS/Lord Bellwin

7 June
21 July 1983

cc PS/Mr Waldegrave
Mr Rowcliffe
Mr Evans - minute only
Mr Medcalfe - " "