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AT  
Questions

Prime Minister

## WIDDICOMBE INQUIRY INTO LOCAL GOVERNMENT PRACTICES AND PROCEDURES

1. I circulated on 31 January a draft of an oral statement which, subject to any changes necessary as a result of consultations with the Opposition parties and the local authority associations, I proposed to make to the House on the establishment of the Widdicombe Inquiry.

2. I have now been able to consult the Opposition parties and the local authority associations. George Younger and Nicholas Edwards have had similar discussions with the associations in Scotland and Wales. The Opposition spokesmen, - including John Cunningham, and most of the associations accept in broad terms our proposals. Only the Association of Municipal Authorities expressed substantive reservations on particular aspects of the Inquiry. However I am satisfied that with the very minor presentational changes which have now incorporated we will have all the local authority bodies on board. We always saw this as highly desirable if it could be achieved.

3. I am therefore circulating a final draft statement which has been revised, as you have suggested, to make more explicit the issue of officers of one Council serving as Councillors of another; and to take into account the comments which have been made in the course of consultations. It is clearly desirable that I should make the announcement while Mr Widdicombe is still in the country. To enable me to do this I would wish to be in a position by midday tomorrow (Wednesday) to make a statement in the House after DOE questions. I should therefore be grateful for your urgent approval that I should put forward our detailed proposals for the Inquiry in the terms of the final draft statement attached.





4. I am copying this to Cabinet colleagues and to Sir Robert Armstrong.

*J. S. [Signature]*

to P.J.

5 February 1985

*Approved by the Security of  
the ad signed in his absence.*





D R A F T    S T A T E M E N T

1. "In the debate on the Address on 7 November I said I intended to set up an inquiry into various practices and procedures in local government. Following discussions with the Opposition parties and the local authority associations, I am now in a position to give further information to the House.

2. The terms of reference for the Inquiry will be as follows:

"To inquire into practices and procedures governing the conduct of local authority business in Great Britain, with particular reference to :

- a. the rights and responsibilities of elected members;
- b. the respective roles of elected members and officers;  
and
- c. the need to clarify the limits and conditions governing discretionary spending by local authorities

and to make any necessary recommendations for strengthening the democratic process."

3. Within those terms of reference I am inviting the Committee to pay particular attention to the following issues:

- ensuring proper accountability for decision-taking to elected members and to the electorate generally; and examining possible ways of strengthening local democracy within the existing structure of local government;
- clarifying the status and role of party groups in decision-taking;





- ensuring the proper participation and accountability of individual elected members in the decision-taking process;
- examining any problems of propriety which may arise from members' conflicts of interest, particularly where officers of one Council serve as Councillors of another;
- considering the merits of the development of full-time Councillors; and the related issues of the use of members' allowances and the remuneration of Councillors generally;
- reviewing the system of co-option of non-elected members;
- studying officers' relationships, particularly in view of their legal and professional obligations, with elected members and political groups;
- clarifying the limits and conditions governing discretionary spending, including the use of sections 137 and 142 of the Local Government Act 1972 (and sections 83 and 88 of the Local Government (Scotland) Act 1973), for political purposes in local government.

Local government franchise, finance and structure will be outside the terms of reference.

4. In view of the growing public concern about the use made by some local authorities of their discretionary powers to engage in overt political campaigning at public expense, I am asking the Committee to submit an early interim report on this question. As far as the report as a whole is concerned, I am asking the Committee to aim to report within a year.





5. It is essential that the Inquiry should be both impartial and effective in dealing with these difficult issues. The best way to achieve this is to establish a small Committee of people of judgement and ability, headed by a Chairman of known integrity. The Secretaries of State for Scotland and Wales and I therefore propose to appoint a Committee of four or five members chosen for the personal contribution which each can make to the wide-ranging subject-matter of the Inquiry.

6. I am glad to inform the House that Mr David Widdicombe, QC, has indicated to me that he would be prepared to accept appointment as Chairman of the Committee of Inquiry. Further appointments to the Committee, of which I shall advise the House, will be made shortly.