

THE LOCAL GOVERNMENT (INTERIM PROVISIONS)  
BILL

- SECOND READING -

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## 1. WHY THE BILL IS NEEDED NOW

### Introduction

The Conservative Manifesto in 1983 promised to abolish the Metropolitan county councils (MCCs) and the Greater London Council (GLC) "which have been shown to be a wasteful and unnecessary tier of government".

In October 1983 the Government published a White Paper "Streamlining the Cities" which set out the proposals in more detail and invited comments. A summary of the replies received will shortly be published. Many comments were received from Labour-controlled local authorities and Labour supporters which, whilst impressive in their length, had little constructive to say about the future of local government in the areas concerned. In determining the precise arrangements that will exist after the abolition of these councils in April 1986 the Government will take account of points raised by business, voluntary and other organisations. Because of the need to consider these representations it is not possible to introduce legislation in the present session to abolish these councils.

If no action were taken elections for the GLC and MCCs would take place in May 1985. There is no point in electing members to serve on these bodies for less than 12 months so it is necessary to pass legislation now to enable those elections to be suspended in reasonable time.

The Bill also establishes a Staff Commission to supervise the transfer of staff employed by the councils and safeguard their interests; it is desirable that this should start work at an early date.

### This will not prejudice the main debate

It is right that Parliament should not make a decision on Abolition until it considers the main bill in the next session. Accordingly, Mr Patrick Jenkin, the Secretary of State for the Environment, has promised that the order to implement the suspension of elections will not be introduced until the House of Commons has given the main bill a Second Reading.

### Borough Nominees

The proposal to abolish the GLC and MCCs in April 1986 means that the Government must:

- either Allow the 1985 elections to take place with councillors serving less than a year
- or Extend the term of the present councillors
- or Provide for transitional councils comprised of members of the borough councils

Never before has a whole council to be elected for a term of less than a year. If elections were held in 1985 they would amount to little more than a referendum on the Government's proposals. Such a test of opinion would be unprecedented and cannot be justified. Opinion has already been tested in the General Election and in Britain, unlike Switzerland, we elect governments to carry out a programme not to organise a series of referenda.

There are precedents for cancelling elections and extending the terms of councils prior to reorganisation. This was done in 1963 when London's local government was reorganised. The present situation of dissolving the upper tier of local government and devolving its function to the lower tier is different and the natural way of handling this situation is to form a transitional council from the members of the boroughs which will inherit the MCCs' responsibilities.



At present Labour controls the GLC and all six Metropolitan county councils. It appears that under the Government's proposals the transitional GLC will be under Conservative control. Depending on the results of the elections in the Metropolitan districts on May 3rd, one or more Metropolitan counties could change to Conservative control under the Government's proposals.

It is argued that the "Paving Bill" is undemocratic, unfair and smacks of political chicanery because it replaces Labour with Conservative control without elections being held. This is not so. The reason why control in some cases will change is that at more recent elections support for the Labour Party declined from what it had been in May 1981 when the present MCCs were elected. In Greater London one reason for the swing to the Conservatives between May 1981 and the 1982 borough elections was the unpopularity of Ken Livingstone's regime, a regime that was implementing policies different to those of the "moderate" Labour which had been presented to the electorate in 1981.

The Government's proposals represent the most effective, economical and practical way of managing these councils in their final year.

#### Can Abolition be Achieved in One Year?

The transitional period is similar to that for the reorganisation in 1974 and the London reorganisation in 1965. The scale of the reorganisation is in fact considerably less. Much criticism is made of the quality of management in local government, yet faced with a challenge such as this, managers will rise to the occasion and meet the deadlines set as they have before. In the past reorganisation has been accomplished with the co-operation of the councils concerned. Of course non-cooperation by Labour councillors will add to the cost but will they really want to waste ratepayers' money in this way in the year before they themselves come up for election?

#### The Future of ILEA

The Bill provides for ILEA in the transitional year to be composed of the existing nominees of each borough and the members of the transitional GLC nominated by the inner London boroughs. This is to be an interim arrangement and Sir Keith Joseph, the Secretary of State for Education, has announced that education in inner London will become the responsibility of a directly-elected education authority. He said:

"We propose that the successor body to the ILEA should be directly elected. We intend to provide for this in the main legislation abolishing the GLC and the metropolitan county councils, to be introduced in the next Session. It remains our intention that the new education authority for inner London should be made subject to statutory review in the light of experience"

(Hansard, 5th April 1984, Col 1124)

## 2. DETAILS OF THE BILL

- Part I. This provides for commencement and termination and that Part II, the suspension of elections, can only be brought into force by Order which, as explained above, will not be introduced until the main Abolition Bill in the next session has received a Second Reading.
- Part II. Clause 2 suspends elections to the GLC and MCCs and requires the borough councils in those areas to nominate members of their own authorities to serve as councillors of the GLC and MCCs from May 1985.



Each borough shall nominate the number of councillors set out in Schedule I. In London where parliamentary constituency and borough boundaries are coterminous, the number of nominees is the same as the number of parliamentary seats. In the MCCs the number of nominees is proportional to the electorate ranging between 3 and, in the case of Birmingham, 20. The interim Metropolitan county councils will be about half the size of the present councils.

The nominating boroughs will be required to reflect their own political composition in making their nominations. If a council fails to adequately represent minority parties its decision can be challenged in the Courts.

Clauses 4 and 5 allow for the councils to replace their nominees and requires that nominees should cease to be members of the MCC if they cease to be members of their borough council. The provision on political balance must be adhered to when nominating to fill vacancies.

Part III. Clause 6 establishes a Staff Commission. On 30th March 1984, Mr Patrick Jenkin said:

"I am well aware of the anxieties of those employed by the GLC and the Metropolitan counties. The Bill therefore establishes a Staff Commission to look after the interests of staff affected by the proposed abolition. This has been widely supported; such commissions have been very successful in the past, beginning with the 1963 London Government Act. I intend to see that the abolition Commission matches its predecessors - both in standing up for the staff who obviously face unsettling uncertainties over the next year or two; and and in having a real understanding of the problems of new and old employers".

(Department of Environment Press Release)

Clause 7 places a duty on the GLC and MCCs and their officers to supply information to the Secretary of State and to the borough and district councils.

Clause 8 relieves the Secretary of State of the duty to consider amendments to the Greater London Development Plan or a Metropolitan county structure plan and makes other, minor changes.

Clause 9 gives the successor authorities a right to be consulted on the budgets that the Metropolitan counties set for 1985/86. It also gives them the same rights as electors to object at the audit of the accounts of the GLC and the Metropolitan counties and also to take action in the courts if the auditor decides not to do so. These extended rights will apply to the accounts for 1983/84 to 1985/86.



### 3. QUESTION AND ANSWERS ON ABOLITION

#### Are the Proposals Hasty and Ill-Thought Out?

It has been suggested that instead of pressing ahead with abolition the Government should set up a Royal Commission or other enquiry. Such a course of action has been taken in the past by a government that wished to delay action. It is clear to this Government that there is a needless duplication of functions between the two levels of local government which can only be resolved by removal of the upper tier. No further enquiry is needed. In the shire counties where both county and districts have significant, clear and separate functions no reform is needed.

The White Paper, Streamlining the Cities, was published last summer to enable comments to be made and considered before the future arrangements were finalised. It is because these arrangements are still being considered that an interim bill is necessary.

#### Will Abolition Save Money?

A study carried out by staff of some of the boroughs in Greater Manchester for per year will be saved. Savings come from the end of duplication of services in Greater Manchester for their councils shows savings of £11½ million per year from abolition and a similar exercise by staff of councils in the West Midlands showed that over £7 million per year will be saved. Savings come from the end of duplication of services in the fields of planning and highways and eliminating the central administrative services of the county council. The overheads of, say, six boroughs and one county will be greater than those of six boroughs alone. The study by Coopers and Lybrand carried out for the Labour-controlled MCCs says that costs will be higher after abolition. Coopers and Lybrand assumed a high level of co-operation between councils will be necessary in areas such as waste disposal and that such co-operation would not take place. Both assumptions are highly questionable. They did, however, admit that there could be savings in many areas, something their clients conceal.

Abolition of the GLC will save £200 million per year according to a study by four Conservative boroughs. This study, unlike those for Manchester and West Midlands assumes changes in policy insomuch as the extravagances of the Labour GLC would cease after abolition. That is why the exercise yields a much greater saving.

#### JOINT BOARDS

##### How Many Joint Boards Proposed?

Three in each of the six Metropolitan counties (fire, police and public transport), two in London (fire and ILEA), 20 in all. Some districts might take on public transport themselves.

##### Aren't Joint Boards Quangos?

No. A quango is a body appointed by Ministers. The joint boards will be local bodies composed of elected members of the borough and district councils, appointed by those councils.



#### Do Joint Boards Work?

The boroughs and districts will be the channel of communication to joint boards and the responsibility of joint boards will rest on their councillors. With a more intelligible system there will be greater real accountability.

Seven police authorities are already joint boards and these arrangements have worked well.

The Passenger Transport Authorities in the provincial conurbations were originally constituted as joint boards by legislation introduced by a Labour government. These bodies proved capable of making and implementing strategic decisions such as the planning and initial stages of the Tyne and Wear Metro. The Government's plans will restore this situation though, with greater emphasis on competition and contracting out, efficiency will improve.

#### Does Effective Planning Needs a County-Wide Authority?

In a Socialist Britain Metropolitan county councils and the GLC would be needed to exercise control over development and commercial activity. Conservative policy is that effective regulation can be left to the boroughs, the degree of coordination needed between boroughs does not justify a county council.

#### There Will Be No Voice For London

The boroughs and London MPs will be a very effective voice for London. It is an illusion that the GLC ever could be an effective voice for London and implement strategic decisions. The Labour GLC's propaganda, foreign policy and grants to weird groups sometimes distracts attention from a fact of central importance - that the GLC has no effective strategic role.

#### How Will Staff Be Transferred?

This will be decided in the light of consultations. In 1972 many staff were transferred in groups. It might be feasible to do this for readily identifiable staff engaged on services going to joint boards. But most services will be divided amongst boroughs and districts; they will recruit directly the staff they need.

#### Will Staff Be Protected?

The Government expect the successor authorities to set up effective co-operation arrangements for the use of specialist staff and equipment, where this is the most economical thing to do. Voluntary redundancy could achieve substantial reductions, but some compulsory redundancies cannot be ruled out. The level of redundancies will be reduced if the authorities take a responsible attitude to recruitment in the interim.

#### What Will Happen To Roads?

In London most metropolitan roads will become the responsibility of the boroughs who already maintain them under agency arrangements. A small number of key routes in inner London will become trunk roads.

The GLC has proved to be incapable of improving London's roads. After careful study, the Government will propose improvements to relieve bottlenecks in some places.



This does not mean the destruction of communities that the GLC alleges. As Transport Minister, Mrs Lynda Chalker, said:

"Whatever is done must be conceived with sensitivity and care for the environment" (The Standard, 3rd April 1984).

The metropolitan district councils will become the highway and traffic authorities for all roads in their areas which are not trunk roads. For those district councils which already have agency arrangements the transfer of responsibility will be a fairly straightforward matter. For those which do not have such arrangements, the transfer will involve setting up such departments with the recruitment of staff from the MCCs. But every effort must be made to limit the manpower requirements and to make maximum use of private sector consultations and contractors.

Unlike the situation in Greater London, there is no need for a significant extension of the trunk road and motorway network in metropolitan areas on the abolition of the the county councils. Metropolitan district councils are well capable of taking over MCC roads, and many of the local road networks have as their focus the district centre. It is entirely appropriate for the district councils, in co-operation with neighbouring authorities, to manage and develop their roads in accordance with their perception of local needs.

There are however a few instances where trunking a section of road may be justified so that the trunk road network in the area can more adequately play its part in the national system of routes for through traffic. Conversely there may be instances where a road whose national function has declined or been superseded would more appropriately form part of the local road network. There may also be a case for considering whether it would be appropriate for the Department of Transport to take over the preparation of certain major new highway routes in metropolitan areas. Any such roads would need to pay their part in the national system as well as offering economic and environmental advantage to the localities they transverse and there must be a realistic prospect of their being built.