



Localism 2.0

What are we trying to fix

How it is

Funding, designing and commissioning local services through top-down national silos is wasteful and no longer affordable

Distrust in national politics

Differing extents of devolution to Scotland/Wales/Northern Ireland and places in England – now untenable

Some positive new community rights, but early Big Society drive has faded

How it needs to be

Locally designed and led governance and delivery arrangements

Fiscal autonomy

Citizen power – to be informed, to challenge, and to take control of making places better if they want

Clear, consistent, principled settlement, embedded in legislation

Proposal One

Empower local political leadership

Why?

- Decisions on funding and service design closer to the coal face
- Need stronger local leadership in England to match devolved countries
- Public have greater confidence in local leaders
- National government has to focus on what it only can do – not where there are yellow lines or when the bins get emptied

How?

- Sunset all national regulation and guidance – unless Parliament votes to retain
- Let local areas design their own models of governance and delivery across geographic and service boundaries

Proposal Two

Local fiscal autonomy and responsibility

Why?

- Elected local government controls just 12% of local spending – outlier among larger developed countries
- Incentivise best use of public money, across places and thinking long term
- Incentives for growth

How?

- Stable medium term path for local funding
- Extend self-funding as far as possible: national redistribution only where absolutely necessary to ensure fairness
- Let councils take more decisions on council tax, business rates and local fees and charges

Proposal Three

Reform public service
commissioning

Why?

- Good commissioning relies on understanding customers and suppliers
- Can't achieve that for local services through big national contracts
- Break oligopoly of big private sector outsourcing firms
- Open up to SMEs and voluntary sector

How?

- All people-focused public services to be devolved to elected local leaders
- Or if that is really not possible, joint commissioning eg councils and NHS
- Strengthen legal mechanisms to encourage commissioning to promote social value

Proposal Four

Citizen Power

Why?

- No point in just handing power from one lot of politicians to another
- Stronger local leadership needs to be open to:
 - Informed citizens
 - Challenging citizens
 - Citizens taking action for themselves

How?

- Open data, open decisions
- General right of initiative for community organisations
- New duty on public bodies to let citizens shape services and to maximise social value
- Super-complaint mechanisms where local voluntary initiative being locked out

Proposal Five

English Decentralisation Bill

- Sunsetting regulations and guidance
- Legislating for locally designed governance and “civic enterprises”
- Local accountability – public audit committees
- Devolving decisions on council tax and business rates to councils
- Presumption for local commissioning
- Stronger requirements for social value
- Access to data and open decision-making
- Right of local and citizen initiative