

## The scope for choice and variety in local government

It has been suggested that the scope for choice and variety in decisions by local government has been gravely reduced, both by the imposition of national policy objectives and by financial constraints. Researchers at the Local Government Centre at Warwick University have been examining how far this is the case. They conclude that:

- **An examination of three contrasting policy areas — community care, management of schools and local economic development — suggests that changes in the legislative framework for local government during the 1980s and 1990s have seriously eroded the scope for choice and variety in local government policy-making and implementation. Financial constraints have also been important in restricting choice.**
- **However, greater scope for choice exists in some policy areas, such as local economic development, than in others, such as the local management of schools.**
- **The scope for local authorities to exercise their preferred political choices now depends very significantly on whether these are compatible with the direction of government policy.**
- **The intent of government in modifying the discretionary framework may not always be matched by actual policy outcomes as a result of the failure or unintended consequences of some changes.**
- **Local government has also acquired significant new areas of responsibility and had its role in others confirmed, even if some of these accretions of responsibility are seriously hedged about. Moreover, local authorities have not been slow to maximise the scope for choice still available, either by exploiting the possibilities offered by a specific legal framework or funding regime, or by developing new avenues for choice in more lateral ways.**
- **Local authorities may still exercise choices through their roles as providers, purchasers and contractors for services and through their responsibilities for regulating and monitoring mixed market provision.**
- **Local authorities may also be able to open up new opportunities for locally- and politically-driven choices by developing stronger corporate and strategic perspectives, and by building a civic or community leadership role. This means working in partnership with other agencies and requires a clear agenda on the part of the authority, a capacity for successful consensus-building with other partners and an ability to mobilise community support on behalf of the authority's political choices.**

## The changing scope for local discretion and choice

During the 1980s and 1990s, central-local government relations have changed considerably. Before this, constitutional convention accorded local government considerable discretionary powers. This convention has been described as a 'dual polity', in which local government had discretion in issues classified as 'local', within a framework of central control over issues of national significance. Over the recent period this convention has been threatened, and the traditional multi-functional and corporate status of the local authority has been eroded.

These changes are widely seen to have seriously eroded the scope for choice and variety in local government. But there remains a view that local authorities still retain — or can achieve — significant choice in relation to their strategic roles and policy objectives.

However, greater scope for local discretion exists in some policy areas than in others. Three specific policy areas (community care for older people, local management of schools and local economic development) were researched to assess the degree to which the scope for local choice may vary. These include both activities in which local government has a long tradition of service provision, and also functions where the local government role is more recent.

Tighter constraints on local choice were apparent in the service areas (community care and education). Both services have experienced a fragmentation of the policy environment and pluralisation of provision, influenced by market principles. In community care this has taken the form of social care 'markets'. In schools management, devolved management and school autonomy via grant-maintained status has been encouraged.

The result has been loss of decision-making powers for local authorities as direct providers of services. However, this has not wholly eliminated the scope for choice.

### In community care:

- Local authorities whose perspectives conform with central policy objectives have found choices promoted for them.
- The commissioning/contractual process has become an important mechanism for implementing policy choices.

- Delegated care management arrangements often seem to offer quite substantial scope for local choice.

In **education**, there has been rather wider scope for choice than government intended:

- The number of school opt-outs from LEA control has been less than expected.
- With devolution of direct school management decision-making, some LEAs have been able to refocus on more targeted strategic policy issues, such as quality assurance.
- LEAs have also managed to retain school inspection powers despite the introduction of a tendered regime.
- Highly centralised control over the curriculum has met sustained professional opposition.
- LEAs have also gained powers from recent legislation over delegated budgets and special needs.

The legal discretionary framework for **local economic development** has been loose in comparison with the service areas:

- A period in which government sought to exclude local government and transfer policy leadership to quangos has given way to a more recent willingness to include local government as a leading actor within a centrally-controlled partnership framework.
- The role of local government has been constrained by new agencies such as Training and Enterprise Councils, and some authorities also found controls, such as those on contract compliance policies, significantly restricted local choices.
- In other respects, however, economic development was perceived as a policy area in which local authorities retain substantial discretion, especially through a partnership approach.

### Scope for strategic choice?

Despite the narrowing scope for local discretion, there remains a view that local authorities still retain - or can achieve - significant choice in relation to their strategic roles and policy objectives. A number of case studies explore this issue.

One case study, of the formation of **independent community care trusts** by a Conservative-controlled authority, shows how the legal and financial framework of discretion enabled the ruling group to implement its policy choices but was seen as an obstacle to be worked around by the main opposition group. Both ruling and opposition groups shared a view, however, that future choice was likely to be restricted by financial constraints.

Another case study concerned proposals for **new sixth-form provision** as part of a review of 14-19 education, again in a Conservative authority. It shows how the LEA attempted to implement policy choices by building common ground with other decision-makers and stakeholders. Faced with a potentially divisive situation, the authority was able to present a negotiated proposal offering something to most stakeholders.

A third case study examined how a Labour-controlled county sought to implement its education choices by the development of a **quality assurance role**. The loss of many direct management decisions to schools was welcomed by this authority, and enabled the LEA to focus upon quality assurance as the linchpin of a new strategic role.

A final case study discusses the development of a 'technopole' as a leading element in **local economic strategy** in a Labour metropolitan authority. The technopole initiative involved a partnership between the local authority and other public and private sector partners in the city region. The case study explores the difficult issues faced by the council in achieving a strategic leadership role within the partnership and deploying its elected legitimacy to implement its political choices regarding the social and economic regeneration of the city.

### Enhancing the scope for choice in local government

How might the scope for choice in local government be enhanced? Within the current framework of discretion and constraint, the research shows how individual local authorities may still exercise choices:

- through their roles as providers, purchasers and contractors for services;

- through their responsibilities for regulating and monitoring 'mixed markets' of provision;
- by developing more strategic, civic leadership roles;
- by exploiting their positions within partnerships.

The scope for such exercise of choice will vary between policy areas but will be broader the more the policy preferences of an authority conform to those of government.

If government wishes to encourage greater plurality, choice and diversity in local government decisions, the research suggests this requires a perspective which not only offers local government greater discretion within centrally-determined limits, but goes beyond this to empower local authorities to adopt more autonomous and developmental roles.

Local autonomy would clearly be enhanced by the granting of wider powers of general competence to local government, and there is growing awareness that in other European countries local government has greater scope to pursue policies and take innovative decisions on local matters unless such action is explicitly prohibited.

The ability of local authorities to exercise choice on behalf of their communities is currently constrained not only by the dependent constitutional position of local government in the UK and the tightness of the framework of local discretion, but also by the circumscription of the role of local authorities by non-elected agencies responsible to national government rather than locally. The enhancement of scope for choice by local authorities implies, therefore, both a new and empowering relationship between central and local government and the reconstruction of democratically responsive government at the local level.

### About the study

The research was undertaken by Dr Chris Lamb and Dr Mike Geddes at The Local Government Centre, Warwick Business School. It draws upon in-depth interviews with leading policy-makers (both councillors and officers) in five local authorities, chosen to represent a range of different types of authority and particularly to enable the research to explore the impact of different political objectives on the perceptions and exercise of scope for choice. At the time of the research, one authority was a Conservative-controlled Metropolitan Borough, one a

Conservative-Liberal Democrat Metropolitan Borough, one a Labour County and two were Labour Metropolitan Boroughs. Two of the authorities (the County and one MB) had experienced a long period of Labour control, but in the others control had changed in recent years.

#### Further information

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The full report is published by the Joseph Rowntree Foundation, priced £8.50.

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