

MAYORS AND THE LOCALISM BILL

*An open letter to the Department for
Communities and Local Government*

About the authors

Lord Andrew Adonis

Director of the Institute for Government

Andrew Adonis has led the Institute since 1 September 2010. He served 12 years in government as a minister and special adviser. He was Secretary of State for Transport, Minister for Schools, Head of the No.10 Policy Unit, and a senior No. 10 adviser on education, public services and constitutional reform.

Andrew pioneered key public service reforms including the Academy programme, which established over 200 independent state schools to replace failing secondary schools, Teach First, a scheme for attracting top graduates into state school teaching, the radical university tuition fees and grants reform of 2004, and the plan to develop a high-speed rail line from London to northern England and Scotland.

Before joining government, Andrew was a journalist and academic focusing on public policy and constitutional analysis. He was Public Policy Editor of the Financial Times, and Fellow of Nuffield College, Oxford, where he gained a PhD in modern political history. Andrew is also author of six books and has been a member of the House of Lords since 2005.

Sam Sims

Junior Researcher

Sam joined the Institute in September 2010 after graduating from Brasenose College, Oxford University with a degree in Politics, Philosophy and Economics. Before joining the Institute for Government Sam worked as a researcher on *Brown at 10*, a book co-authored by Dr Anthony Seldon and Guy Lodge chronicling the premiership of Gordon Brown. Sam's research interests include local government, the policy making process and the Opposition.

Acknowledgements

We would like to thank everybody who helped on this project. Many people generously gave their time to talk to us about the issues in this report. A list of contributors is contained in Annex 1. Without their input this report would have been greatly impoverished.

Individual thanks go to David Atkinson, Kate Blatchford, Tom Gash, Hannah Maitland, Patricia Mulcahy, Sam Reeve, Nadine Smith, Emma Thwaites and Sarah Wheller, all of whom played crucial parts in delivering the report.

Summary of recommendations

The Transition

To ensure a smooth transition to the mayoral model and to help inform voter choices in the referenda, we recommend:

1. Government should stage the mayoral referenda over two years, with the first wave of referenda (in Birmingham, Leeds and Bristol) being held in May 2012 and the second a year later
2. For those cities that vote 'yes' in the first wave of referenda, Government should hold mayoral elections earlier than previously planned, on Thursday 20 September 2012

The Mayor's Powers

We welcome the new power for the Secretary of State to transfer powers to mayors. Some powers should, however, be granted in the legislation itself to provide voters with greater clarity on the model they are voting for. In recognition of mayors city-wide mandate and to enable mayors to promote economic growth, we therefore recommend that the Localism Bill should be amended so that:

3. City mayors are granted planning powers comparable to those of the Mayor of London
4. Mayors are given the power to appoint somebody (themselves if they wish) to sit on other local governance boards such as the Integrated Transport Authority and Local Economic Partnership
5. Police and crime commissioners are required to "have regard to" the mayor's policing priorities for his or her area when setting the priorities for the police authority as a whole

Integration with existing governance

In order to ensure that mayors are fully integrated within council governance and appropriately scrutinised, we recommend:

6. The Localism Bill should be amended to ensure that mayoral authorities are obliged to have dedicated scrutiny support officers. This officer should be appointed by the appointments commission of the whole council
7. The Localism Bill should give mayors the power to appoint up to three members of their cabinet from outside of the council
8. The Localism Bill should be amended to stipulate that councillors in mayoral authorities must stand for election once every four years, at the same time as the mayor

9. After the elections take place, a commission should be set up to give fresh consideration to the correct number of councillors in mayoral authorities.

The full rationale for these recommendations, which draws on our consultation with around 80 stakeholders, a roundtable discussion with academics and experienced local government practitioners, and wider Institute for Government Research, is laid out in the remainder of this document.

Introduction

The Institute for Government has consulted widely on the mayoral model proposed in the Localism Bill. We engaged in conversation with stakeholders and experts through:

- Visiting the 11 cities that will be holding a referendum on the mayoral model in 2012. We talked to business leaders, local newspaper editors, voluntary sector representatives, local politicians, MPs, university vice chancellors and local authority chief executives
- Conducting a roundtable discussion which brought together local government practitioners and academic experts on local government and the mayoral model, both in England and internationally.

The Institute has also been conducting research into the effectiveness of the existing mayoral authorities and the relationship between economic growth and local governance structures.

This consultation and research has allowed the Institute to build up a rich picture of the state of governance in our major cities, the advantages and risks of mayoral governance, and the shape of the public debate. This briefing note provides the Institute's view on how the Localism Bill could be strengthened: to enable a smooth transition to the mayoral model; to ensure more appropriate powers for mayors, and to enable better integration of mayors within the current local governance landscape.

¹ At the time of writing we are yet to visit Wakefield

Transition

Shadow Mayors and the Referendum Timetable

Almost everyone we spoke to in the cities where referenda will take place was opposed to the shadow mayor arrangements and we welcome the dropping of the shadow mayoral model by the government.

We see virtue in phasing the referenda. This would have the advantage of allowing referenda to take place first in largest cities and those with the weakest governance. It is in these cities that the debate on mayors is already most advanced and where the example of London has made most impact. The debate in the other cities is at present less advanced and will benefit from the experience of the earlier referenda.

For this reason **we recommend staging the referenda over two years**. We propose that the two largest cities by population, Birmingham and Leeds, would go first. Bristol should also be included in this first wave as the existing machinery of government is a source of chronic instability; the city has had seven changes of leadership in the last ten years. This phasing would also mean that, because all the second wave cities have a 'fallow year' in 2012 none would have local elections in that year, which would help give the debate the attention it deserves.

Those we spoke to in the referenda cities were also concerned that the proposed timetable for mayoral referenda and elections risked a period of hiatus in cities that voted 'yes' for mayors. To reduce the period of uncertainty, **we recommend that, for cities that vote 'yes' in the first wave of referenda, mayoral elections should take place on September 20th 2012**. This avoids an August election (where turnout would be low) and is the earliest possible date that will also allow sufficient time for parties to identify candidates and to run a campaign. There is the added benefit that 'second wave' cities (those holding referenda in 2013) would be able to observe the mayoral model in action in any city which had voted 'yes' in 2012.

This would give the following referendum timetable:

Figure 1: Proposed referendum timetable

City	Local authority population	Proposed referendum date	Proposed mayoral election date (for cities voting 'yes')
Birmingham	977,087	May 2012	20 th September 2012
Leeds	715,402		
Bristol	380,615		
Sheffield	547,000	May 2013	Autumn 2013
Bradford	467,665		
Liverpool	434,900		
Manchester	392,819		
Wakefield	315,172		
Coventry	300,848		
Nottingham	300,800		
Newcastle	259,536		

Source: Institute for Government

This timetable would also have the advantage of allowing the new integrated authority arrangements in Manchester to bed down before voters there made their decision on whether or not to adopt mayoral governance. A serious debate needs to begin in Manchester about the possibility of a mayor for the city-conurbation area which could also incorporate the powers of an elected police commissioner. Other Institute for Government research suggests that a city-conurbation mayor would be the most effective way of tackling the growth challenges faced by our cities.²

² Swinney, Smith, Blatchford, 'Big shot or long shot? How elected mayors can help drive economic growth in England's cities', Institute for Government / Centre for Cities, available at: <http://www.instituteforgovernment.org.uk/publications/34/>

Powers

There was near universal consensus among those we spoke to, including those that were less keen on the mayoral model, that the more powers mayors are given the more likely a 'yes' vote would be. The Localism Bill, in its current state, gives the Secretary of State the ability to confer a wide range of powers onto a mayor. Not to announce at least some these powers before the referenda risks leaving voters ill-informed on the precise model they are voting for.

The Mayor of London has the power to determine planning applications of strategic importance. The Mayor of London sets out his strategic plan for the city as a whole and the borough councils then work within this framework. The boroughs have to refer planning applications of strategic importance to the mayor for approval. What constitutes an application of 'potential strategic importance' (PSI) is complex and can be found in The Town and Country Planning (Mayor of London) Order 2008³. The following list gives an idea of the type of projects that fall into the PSI category:

1. Large scale development of more than 150 flats/houses.
2. Large buildings of over a certain square footage or height
3. Mining operations, waste processing or other large projects such as runways
4. Development which involves a 'material change of use' of large buildings.

We recommend that city mayors be given planning powers comparable to those of the Mayor of London to determine the future development of their cities. In the current mayoral authorities the planning committee takes all local authority planning decisions. We propose that the mayor be given the power to determine the *local development plan*. In line with the proposals in part 5, chapter 3 of the Localism Bill, the new neighbourhood plans would then have to be developed within the mayor's local development plan. The planning committee of the authority would fulfil the role that the London boroughs do in Greater London, ruling on non-strategic applications and referring those of strategic importance for decision by the mayor.

One of the primary strengths of the mayoral model is that mayors, elected by the entire electorate, are better placed than councillors to make sensible place-wide trade-offs on issues such as planning and resource use.

³ Available at: http://www.legislation.gov.uk/ukxi/2008/580/pdfs/ukxi_20080580_en.pdf

This problem was identified in the award winning Policy Exchange report *Making Housing Affordable*:

“It is likely that the reason that councils oppose new homes more than most people do is that local government elections work to strengthen a small and determined NIMBY minority. Due to council election turnouts of around 30-35% in which local issues are often secondary to national matters, councils have strong incentives to listen to a very small but vocal NIMBY minority rather than the majority who are more relaxed about development, as these NIMBY voters are more likely to turn out and vote against councils that allow new homes.”

Mayors with responsibility for strategic planning decisions would be a powerful way to deliver the “localism which does not strengthen NIMBYs” something for which the report explicitly calls.

A natural power to give the mayor would be setting police and crime priorities. This job, however, is set to be taken on by the new police and crime commissioners. The police and crime commissioners will be serving larger geographic regions than mayors and they will have overlapping constituencies. In order to get these two institutions working constructively together, **we recommend that a clause should be inserted into the legislation requiring the police and crime commissioner to “have regard to” the mayor’s policing priorities for his or her area when setting the priorities for the police authority as a whole. The Mayor would hold the chief constable of the police authority to account for police performance against his priorities in the city.**

Separate Institute for Government research shows that mayors are especially effective at coordinating across governance networks⁴. In light of this, and in order to give mayors real clout in their cities, **we recommend that mayors should also be given the power, currently residing with the council as a whole, to appoint somebody (themselves if they wish) to sit on other local governance boards such as the Integrated Transport Authority and Local Economic Partnership.**

⁴ the *Prospect Magazine* Think Tank of the Year Awards, best publication prize

⁵ Morton (2010), *Making Housing Affordable: a new vision for housing policy*, Policy Exchange, available at: <http://www.policyexchange.org.uk/publications/publication.cgi?id=202>

⁶ Sims, *Making the Most of Mayors*, Institute for Government

Integration

Strengthening Overview and Scrutiny

Many of the people we spoke to on our tour of the cities voiced concerns about the concentration of power involved in the mayoral model and said they would like reassurances that the mayor would be effectively held to account.

Key to the strength of overview and scrutiny in local government is the quality of officer support for the overview and scrutiny process. The Centre for Public Scrutiny uses a three part typology of scrutiny support to categorize local authority's approaches:

1. Committee model – committee officers, who also support other political forums in the council
2. Integrated model – ad hoc support provided from various departments within the secretariat
3. Specialist model – support provided by dedicated officers within a dedicated unit.

A two year research project carried out by Warwick Business School on the role of the professional scrutiny officer concluded:

“It was clear from our findings that where officer support is dedicated wholly to supporting public scrutiny the participants felt more able to develop expertise in the role, foster good relationships with lay scrutineers and importantly, relieve pressure on the officers themselves.”

The Centre for Public Scrutiny also emphasise that scrutiny is more effective (measured by the proxy of proportion of recommendations that are made which are accepted and implemented by the executive) in authorities with dedicated scrutiny officers. Based on this evidence, **we recommend that mayoral authorities are required by statute to have dedicated scrutiny support officers.** Separate Institute for Government research looks at other ways of getting overview and scrutiny working to its full potential.

⁷ See the Centre For Public Scrutiny Annual Surveys of Overview and Scrutiny

⁸ Dacombe, 'Supporting Public Scrutiny: understanding and developing the role of the professional scrutiny officer', Warwick Business School Institute of Governance and Public Management. Available at: <http://www.cfps.org.uk/what-we-do/publications/cfps-general/?id=10>

⁹ Sims, 'Making the Most of Mayors', Institute for Government

Additionally, **we recommend that the appointments committee should be given responsibility for appointing an officer to head up support for the overview and scrutiny committees.** This would give the overview and scrutiny committee some influence over the quality of support they receive and emphasise the importance of the scrutiny function in separate-executive local government. Dacombe (2008) also recommends scrutiny support officers are given some degree of independence from the executive.¹⁰

Cabinet Appointments

Mayoral government does not usually involve a cabinet. Boris Johnson made a manifesto pledge to introduce a cabinet to the Greater London Authority but subsequently backed down from this on the grounds that “The reality is that the mayoralty is not, and was never designed to be, a cabinet system of government. This is what distinguishes it from other forms of local and regional government and ultimately makes it more effective.”¹¹ There are however, twelve mayoral local authorities in England currently operating with cabinets drawn from amongst the councillors. Cabinets act as a valuable institutional bridge between the councillors and the mayor. The majority view at our roundtable event was that to get the best of both worlds the mayor should be allowed to appoint up to 3 cabinet members (a third of a full cabinet) from outside the ranks of the councillors. There were thought to be several benefits to this approach:

1. Greater competition for councilors thus keeping them on their toes and fulfilling their full potential
2. Councillors in a local authority are often not representative of the place as whole. Many of the mayors the Institute for Government has interviewed were anxious to increase the diversity of their cabinet. They told us that this would be an especially valuable power in respect of cabinet members to promote regeneration and economic development, vital priorities for local government where few councillors have relevant skills or experience. Allowing appointment from outside the cabinet could help achieve this
3. Mayors would be able to draw on a wider pool of talent to fill cabinet positions
4. Allowing mayoral appointments would be more in line with the nature of the mayoral model

For these reasons, we recommend that mayors be given the power to appoint up to three members of their cabinet from outside of the council.

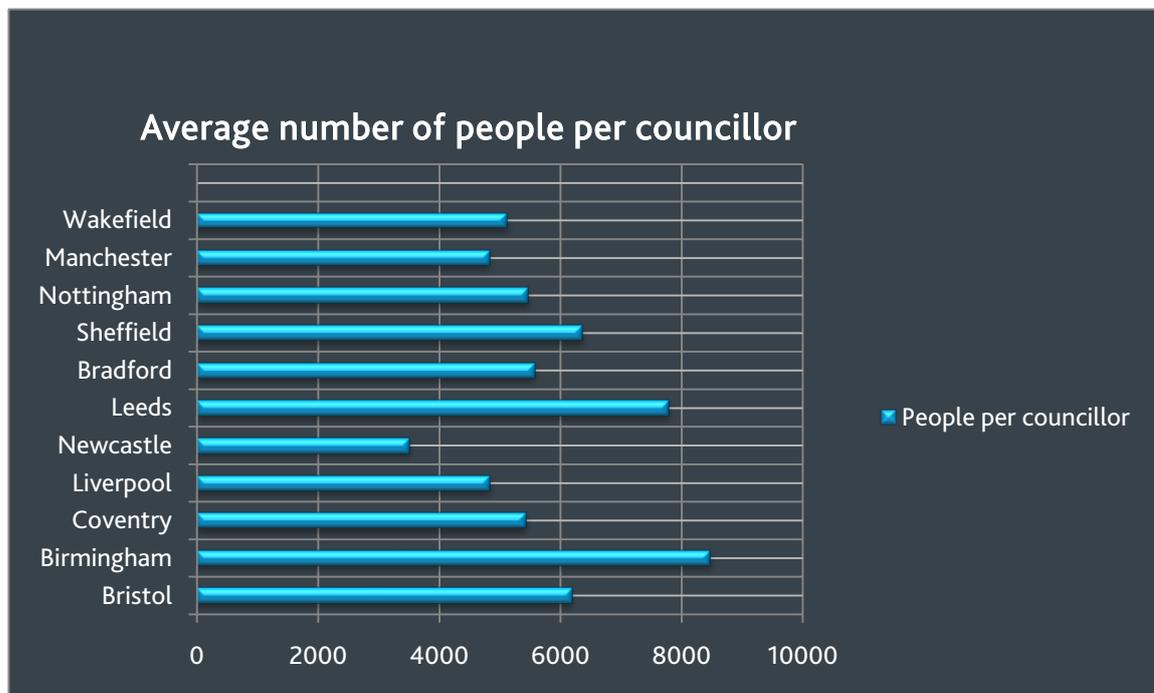
¹⁰ Dacombe, 'Supporting Public Scrutiny: understanding and developing the role of the professional scrutiny officer', Warwick Business School Institute of Governance and Public Management.

¹¹ Dave Hill, 'Boris Johnson: no cabinet for London, *Guardian* (11th August 2009) <http://www.guardian.co.uk/uk/davehillblog/2009/aug/11/boris-johnson-cabinet-for-london-mike-tuffrey>

Councillor Numbers and Elections

There seems to be little or no reasoning behind the number of councillors in local government. In 2008 there were 19,617 councillors in office in England¹², a number that has been steady since 1997. There is a wide and at least somewhat arbitrary variation in the number of councillors across the referendum cities, ranging from 55 in Nottingham to 120 in Birmingham. The number of councillors also seems to be unrelated to the number of people in each city. The graph below shows the average number of people represented by each councillor in the referendum cities.

Figure 2: Average number of people represented per councillor in the 11 cities



Source: Institute for Government

The Electoral Commission's guidelines on boundary reviews admits that "The current number of councillors in each authority is mainly a result of historical trends which, in most areas, have evolved very little since local government reorganisation in 1974."¹³

¹² National Census of Local Authority Councillors 2010, available at <http://www.lga.gov.uk/lga/core/page.do?pagelid=15003600>

¹³ Local Government Boundary Commission, 'Electoral Reviews: technical guidance', page 10 (2010), available at: http://www.lgbce.org.uk/_documents/lgbce-documents/guidance/electoral-review-technical-guidance-v4-2010-03-30.pdf

The Local Government Boundary Commission for England comments that “Following the Local Government Act 2000 (the 2000 Act), most local authorities changed the way they make decisions and operate internally... The political management structures that have come into place in most local authorities since the 2000 Act have changed the roles of all councillors... In addition, various central government and local authority initiatives have often affected the roles of local councillors, and the impacts of these may affect the optimum number of councillors needed to politically manage the authority.”

It is likely then that the number of councillors in each authority has become somewhat inappropriate over time. Of the 12 existing mayoral authorities four have already, or are in the process of, reducing the number of councillors they have.¹⁴ The average reduction is 12 councillors. Given annual allowances of £10,000 per councillor this has saved these authorities around £120,000, far more than any likely additional costs of the mayoral model.

During our roundtable discussion one participant noted how in US cities there often as few as twelve councillors, meaning that they are known by name across the city. IPSOS-MORI research from 2002 found that only 36% of people claim to know the name of any single one of their local councillors. In a separate study IPSOS found that 26% of people claimed to know “nothing at all about the work of their local councillors.”

Given that visibility is a pre-requisite for accountability, fewer and better known councillors, rather than masses of regular elected and anonymous politicians, is the way to achieving greater accountability.

We recommend that after the elections take place a commission is set up to give fresh consideration to the optimal number of councillors.

¹⁴ Institute for Government research

A common complaint amongst the stakeholders we spoke to in the cities was that the system of election by thirds is very wasteful. This system is used by the vast majority of metropolitan district councils and works like this:¹⁵

Figure 3: Election by thirds

Year	Elections
2010	First of the three councillors in each ward up for election
2011	Second of the three councillors in each ward up for election
2012	Third of the three councillors in each ward up for election
2013	“Fallow year” in which no councillors elected

Source: Institute for Government

The system of election by thirds was designed to bolster accountability by increasing the frequency of elections. In reality, its main effect has been to tie up valuable resources and maintain inflated council sizes¹⁶. One chief executive noted how this system ensured that in three out of every four years the whole council went into electioneering mode for two months before the election and then collapsed in political exhaustion for a good period after the election.

In a 2004 report commissioned by the Deputy Prime Minister the Electoral Commission concluded that “a pattern of whole council elections for all local authorities in England would provide a clear, equitable and easy to understand electoral process that would best serve the interest of local government electors. The Commission recommends that each local authority in England should hold whole council elections, with all councillors elected simultaneously, once every four years.

We recommend that all councillors in mayoral authorities should be elected once every four years, in the same year as the mayoral election.

¹⁵ <http://www.communities.gov.uk/localgovernment/local/governanceelections/electoralarrangements/>

¹⁶ The Boundary Commission also states that there is a general presumption that councils which elect by thirds should have three councillors per ward. Since the numbers of wards are rarely, if ever changed, this has kept the number of councillors high.

Annex 1

Visits

Helen Holland, Labour group leader Bristol Council
Jan Ormondroyd, Chief Executive Bristol Council
Geoff Gollop, Conservative group leader, Bristol Council
Robin Markwell, BBC West
Ian Onions, Bristol Evening Post
John Savage, Head of Bristol Chamber of Commerce
Professor Eric Thomas, Vice Chancellor of Bristol University
Professor Steve West, Vice Chancellor of UWE
Sir Albert bore, Labour group leader Birmingham Council
Cllr Paul Tilsley, Deputy Leader Birmingham Council
Jacqui Francis, Birmingham Council of Voluntary Services
Jerry Blackett, Birmingham Chamber of Commerce
Prof Julia King, Vice Chancellor Aston University
Prof Simon Green, Aston University
Cllr George Duggins, Leader Coventry Council
Cllr Ken Taylor, Conservative group leader Coventry Council
Martin Reeves, Chief Executive Coventry Council
Roger Lewis, Coventry Partnership
Louise Bennett, Chief Executive Coventry and Warwickshire Chamber of Commerce
Prof Madeline Atkins, Vice Chancellor Coventry University
Prof Nigel Thrift, Vice Chancellor Warwick University
Cllr Warren Bradley, Liverpool Lib Dem group leader
Ged Fitzgerald, Chief Executive Liverpool Council
Liam Fogarty and Mike Lyons, *A Mayor for Liverpool*
Warren Bradley, Chief Executive Liverpool Council of Voluntary Services
Prof Howard Newby, Vice Chancellor University of Liverpool
Prof Jon Tonge, Liverpool University
Arif Ansari, BBC North West political editor
Jack Spoforth, Chief Executive Liverpool Chamber of Commerce
Cllr David Faulkner, Newcastle Council
Cllr Nick Forbes, Newcastle Labour group leader
Prof Andy Pike, Newcastle University
Andrew Lewis, Director of Policy and Strategy Newcastle Council
Nick Brown MP
Sally Young, Newcastle NCVS
Andy Sugden, North East Chamber of Commerce
Prof Andrew Wathey, Vice Chancellor Northumbria University
Gary Williamson, Leeds Chamber of Commerce
Cllr Andrew Carter, Conservative group leader Leeds Council
Cllr Keith Wakefield, Leader Leeds Council
Sandy Needham, Bradford Chamber of Commerce
Rachel Reeves MP
Cllr Stewart Golton, Lib Dem group leader Leeds Council

Prof Duncan McCargo, Leeds University
Prof Mark Cleary, Vice Chancellor Bradford University
Tony Reeves, Chief Executive Bradford Council
Cllr Ian Greenwood, Bradford Council Leader
Anthony Clipsom, Leeds Council of Voluntary Services
Cllr Anne Hawkesworth, Conservative group leader, Bradford Council
Tom Riordan, Chief Executive Leeds Council
Tony Lloyd MP
Prof Rod Coombes, Pro-Vice Chancellor Manchester University
Prof Alan Harding, Manchester University
Sir Richard Leese, Leader Manchester Council
Sir Howard Bernstein, Chief Executive Manchester Council
Alex Whinnom, GMCVO
Clive Memmott, Chief Executive Manchester Chamber of Commerce
Cllr Simon Ashley, Liberal Democrat group leader Manchester Council
Mel Jeffs, Nottingham Council of Voluntary Services
Prof Karen Cox, Pro-Vice Chancellor Nottingham University
Cllr Jon Collins, Leader Nottingham Council
Cllr Andrew Price, Conservative group leader Nottingham Council
Jane Todd, Chief Executive Nottingham Council
Chris Leslie MP
George Cowcher, Nottingham Chamber of Commerce
John Taylor, Ex-councillor Nottingham

Roundtable

Christina Dykes, Leadership Consultant
Barry Quirk, Chief Executive Lewisham Council
Prof Gerry Stoker, Southampton University
Dermot Finch, Fishburn Hedges/Centre for Cities
Simon Parker, Director New local Government Network
Prof Tony Travers, London School of Economics and Political Science
Prof Howard Elcock, Northumbria University
Jessica Crowe, Director Centre for Public Scrutiny
Christiana Gurgick, Centre for Cities
Andrew Carter, Director of Policy and Research, Centre for Cities
Michael Bichard, Ex-Local Authority Chief exec, Ex-Permanent Secretary, Institute for Government
Adrian Brown, Fellow Institute for Government

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2 Carlton Gardens
London
SW1Y 5AA

Tel: +44 (0) 20 7747 0400

Fax: +44 (0) 20 7766 0700

Email: enquiries@instituteforgovernment.org.uk

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