**THE BETTER GOVERNMENT INITIATIVE**

**Executive Committee Meeting**

**10:15 - 12:00, Tuesday 2nd May 2017**

**Fabian Society, 61 Petty France**

**MINUTES**

**Present:**

Paul Britton

Robin Butler

Symone Clark-McGuire

Roger Dawe

Alun Evans

Christopher Foster

Leigh Lewis

Richard Mottram

David Normington

Peter Owen

Phillip Ward

**Apologies:**

Ursula Brennan, Tom Legg, Peter Makeham, Adam Sharples, Martin Stanley.

1. **Minutes of the meeting on 28th March 2017.**

The minutes were agreed.

1. **Matters arising.**

Richard Mottram will contact Jeremy Heywood; Peter Owen and Phillip Ward will contact the Local Government Association.

1. **Updates**

Geoffrey Chipperfield was now an Associate Member.

In discussion of the forthcoming general election it was noted that we had previously offered extensive advice to “The Next Government”. However the unexpected announcement of an early election rendered this impracticable. We might however post a short piece on the website on issues for the incoming government. It was agreed that Leigh Lewis would draft a 600-800 word blog.

With the calling of the election the PAC inquiry on civil service capability had ceased its work. Nothing further could be done until the PAC’s successor committee was appointed. Peter Owen would seek permission to publish our previously submitted evidence.

It was agreed that the secretariat would seek a date for Richard Mottram and Paul Britton to meet David Norgrove, the new Chair of the UK Statistics Authority, to follow up his recent comments in Civil Service World on the importance of evidence-based policy. The discussion might also cover the progress the Authority had made in the last eight years and offer our support.

In discussion of PACAC’s report dealing with amendment of the Civil Service Code and revised guidance for civil servants on the handling of referendums it was noted that the current version of the Code covered much of the necessary ground. However the civil service was often caught up in the debate and criticised for lack of impartiality. Civil service support ought not to be controversial if the referendum dealt with an announced government policy, but the publication of private advice by officials to ministers to support the Government’s case had proved controversial. There was no agreement on whether BGI should be involved in the debate on this issue.

Robin Butler said that he was now on the board of a cross-party Red Tape Initiative set up by Oliver Letwin. It would undertake wide consultations on what might ultimately replace EU regulations following Brexit. The review would be well resourced and the board membership was balanced and credible.

It was noted that the plans to increase probate fees discussed at the previous meeting had been shelved.

In discussion of the PACAC report recommending strengthening the rules on “revolving door” appointments it was noted that the position of the present Advisory Committee on Business Appointments was problematic since it had far less power than its name suggested. In further discussion the following main points were made:

* It was important that any strengthening of the arrangements should not prevent experts from returning to work in their areas of expertise.
* The most serious cases arose where former civil servants, including special advisers, had inside knowledge that would give their new employers a competitive advantage – for example contractors in a field for which the civil servant had previously had responsibility.
* The demands of Brexit for specialist skills would need to be taken into account in any new arrangements.

It was agreed that with the general election looming any comment by us on this issue would be lost. The topic would almost certainly be pursued post-election by PACAC’s successor.

The PACAC report on government accounts made no mention of cost-benefit analysis. The lack of clarity in the current situation where saving through cuts was trumpeted but expenditure was often hidden in less public channels was problematic. It was agreed that this could be one of the topics included in the list of issues for the incoming government.

1. **Better (Local) Government**

Phillip Ward said that there were several additional points that he would like to include in a revised version of the paper. For example there seemed to be an unplanned reorganisation of local government in progress with many local authorities considering mergers for purely financial reasons. The emphasis on local authorities acting as entrepreneurs had led to large investments in companies with little central oversight of value for money. He would welcome further comment from the group.

In discussion the following main points were made:

* Local authorities could not go bankrupt since they had taxation powers. The lack of accountability for borrowings from the Public Works Loans Board was nevertheless a matter of concern, particularly since local authorities were taking advantage of the Government’s ability to raise money cheaply.
* With the increased restraints on local authority freedom to determine their expenditure the continued use of regression analysis to infer underlying need from spending patterns was no longer viable. There was some talk of a “fair funding formula” but it was not clear what that implied.
* Council Tax was taking too much of the strain in decisions on local spending.
* The present system of local government finance might be able to stagger on for a while with constant *ad hoc* adjustments, but it was in need of a fundamental re-think.
* The pressures of social care would soon be squeezing out other important local services.
* In London the policy on homeless people in many boroughs seemed to be to drive them “beyond the parish boundary”.

* The policy of allowing authorities to retain their own business rates would be advantageous for some but catastrophic in areas such as the North East of England.
* “Tariffs” and “top-ups” would provide some residual element of equalisation, but the rules for these were not set out in the Local Government Finance Bill.
* We should check whether the intention to mop up surplus local government income by allocating responsibility for additional services was public knowledge.
* We should also check whether the statement that local government had been squeezed harder than central government was true.
* If local government was squeezed to the point where it could only fulfil statutory requirements it was arguable that we no longer had local government but only a process for local delivery of centrally determined services.
* The main emphasis of the paper, given the BGI’s remit, should not be on the damage to local government, serious though this might be, but on the lack of proper process to evaluate and communicate the consequences of the changes.
* The paper might stress the renewed opportunity for a re-think now that the Local Government Finance Bill had fallen with the announcement of the election.
* An alternative title might be “Strong and Stable Local Government.”

It was agreed that the paper should be revised in the light of the discussion and published before the election. At the time of publication we should offer it to the Local Government Chronicle in order to raise its profile in local government circles.

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1. **Any other business.**

The IfG had produced an excellent report, “All Change”[[1]](#footnote-1), dealing with regional government, industrial strategy and further education.

Robin Butler had been invited to speak at Patrick Jenkin’s memorial service later this year. He would welcome anecdotes from those who had worked with him personally.

The next meeting will be on 13th June.

3rd May 2017

1. <https://www.instituteforgovernment.org.uk/sites/default/files/publications/IfG_All_change_report_FINAL.pdf> [↑](#footnote-ref-1)