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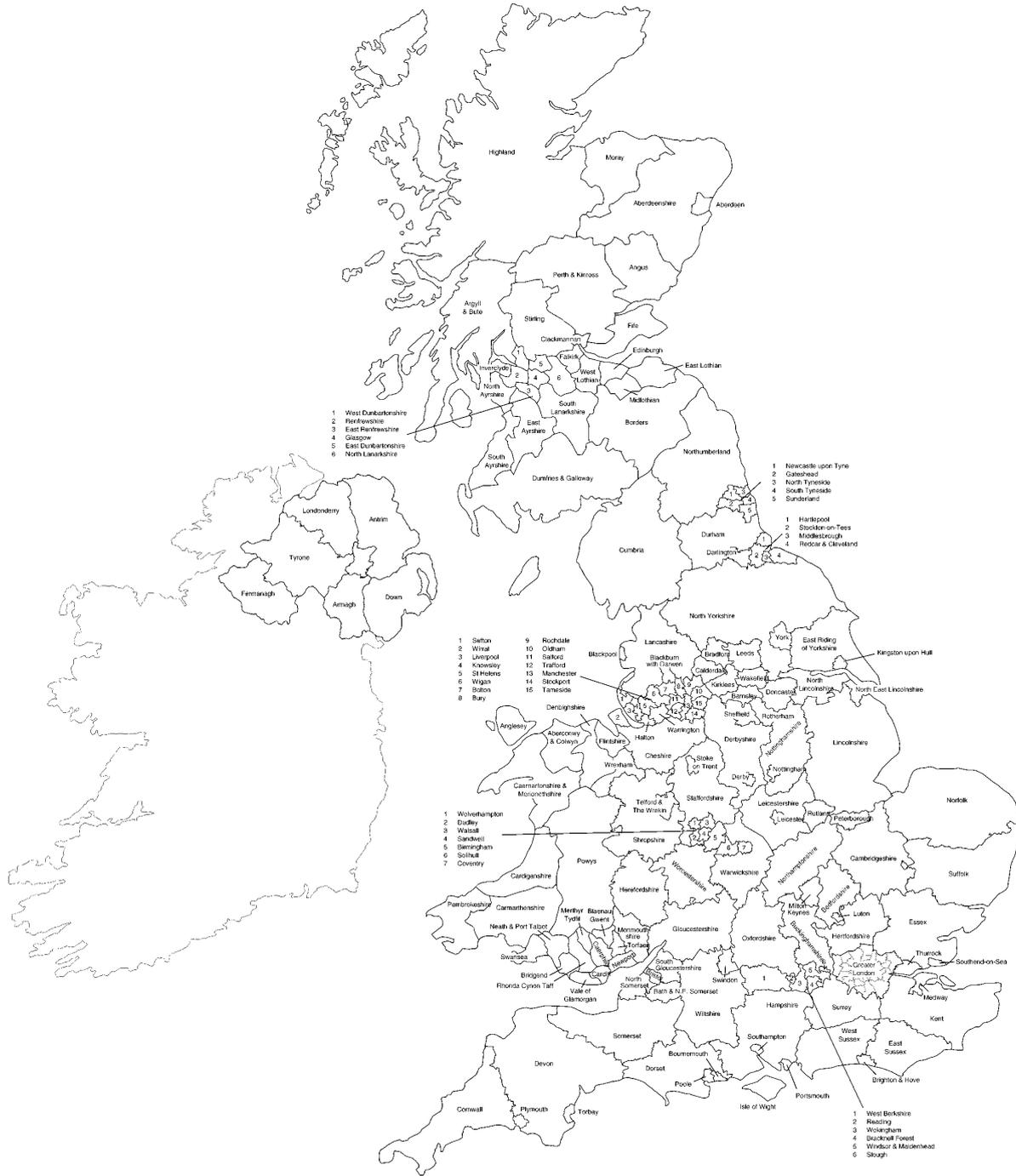


**STRUCTURE AND OPERATION
OF LOCAL AND REGIONAL
DEMOCRACY**

United Kingdom

UNITED KINGDOM
Territorial set-up

United Kingdom: Administrative Areas



- 1 West Dunbartonshire
- 2 Renfrewshire
- 3 East Renfrewshire
- 4 Glasgow
- 5 East Dunbartonshire
- 6 North Lanarkshire

- 1 Newcastle upon Tyne
- 2 Gateshead
- 3 North Tyneside
- 4 South Tyneside
- 5 Sunderland

- 1 Sefton
- 2 Wirral
- 3 Liverpool
- 4 Knowsley
- 5 St Helens
- 6 Wigan
- 7 Bolton
- 8 Bury
- 9 Rochdale
- 10 Oldham
- 11 Salford
- 12 Trafford
- 13 Manchester
- 14 Stockport
- 15 Tameside

- 1 Wolverhampton
- 2 Dudley
- 3 Walsall
- 4 Sandwell
- 5 Birmingham
- 6 Solihull
- 7 Coventry

- 1 West Berkshire
- 2 Reading
- 3 Wokingham
- 4 Bracknell Forest
- 5 Windsor & Maidenhead
- 6 Slough

Greater London Boroughs

- | | | | |
|---------------------|----------------------|----------------------|----------------------|
| Barking & Dagenham | Croydon | Havering | Merton |
| Barnet | Ealing | Hillingdon | Newham |
| Bexley | Enfield | Hounslow | Redbridge |
| Brent | Greenwich | Kingston | Richmond upon Thames |
| Bromley | Hackney | Kingston & Chiswick | Southwark |
| Camden | Hammersmith & Fulham | Kingston upon Thames | Sutton |
| City of London | Haringey | Lambeth | Tower Hamlets |
| City of Westminster | Harrow | Levensham | Waltham Forest |
| | | | Wandsworth |

STRUCTURE AND OPERATION OF LOCAL AND REGIONAL DEMOCRACY

United Kingdom

Situation in 1999

Report adopted by the Steering Committee on Local and Regional Democracy (CDLR) in December 1999

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1. LEGAL BASIS

1.1. Constitutional provisions

The United Kingdom is a unitary state with a constitution comprising statute law, common law and conventions. Local authorities are statutory bodies created by acts of parliament, as are the recently created intermediate bodies in Scotland and Wales with devolved powers from the United Kingdom Parliament. The powers and scope for action of these bodies derive from specific statutory authority.

1.2. Main legislative texts

The main legislative texts establishing the framework of local government in London and elsewhere in England are respectively the London Government Act 1963 and the Local Government Act 1972, both as modified by the Local Government Act 1985 and any orders under the Local Government Act 1992. These statutes provide for areas of local government and for local authorities in relation to those areas.

The 1972 Act also makes provision for the constitution and membership of local authorities (including electoral arrangements), for their conduct of business, and in relation to their functions. Other statutes also make specific provision in relation to local authorities and their functions in particular fields, such as education and finance.

Local government in Wales is also governed by the 1972 Act, and the Local Government (Wales) Act 1994. The main provisions relating to Scotland are contained in the Local Government (Scotland) Acts 1973, 1975 and 1994. The system of local government in Northern Ireland is governed by the Local Government (Northern Ireland) Act 1972.

The Scotland Act 1998 and the Government of Wales Act 1998 respectively govern the constitutional status and operation of the new bodies between central and local government with devolved powers from the United Kingdom Parliament. The Northern Ireland Act 1998 makes new provision in relation to devolved government in Northern Ireland.

2. STRUCTURE OF LOCAL AND REGIONAL AUTHORITIES

2.1. Main subdivisions

The United Kingdom is made up of four countries: England (surface area 130 423 sq. km; population 49 089 000), Wales (surface area 20 766 sq. km; population 2 921 000), Scotland (surface area 77 080 sq. km; population 5 149 000) and Northern Ireland (surface area 13 483 sq. km; population 1 663 000).

There are three main tiers of government in the United Kingdom: central government, local government, and an intermediate tier of devolved government in Scotland and Wales. The Northern Ireland Act 1998 paves the way for devolution in Northern Ireland.

2.2. Statistical data

2.2.1. Number of local authority units in 1999

England

London boroughs ^a	32
Corporation of the City of London ^b	1
District councils	238
Metropolitan district councils ^c	36
Unitary councils	46
County councils	34

a. The London boroughs, the Corporation of the City of London, the metropolitan district councils, and unitary councils are all single tier authorities providing the main local government services at one level in their areas. Elsewhere in England services are provided at two levels by district councils and county councils (see item 6.1.).

b. The Corporation of the City of London is a unique and historic body responsible for the administration of a small area in London representing the ancient City of London.

c. Metropolitan district councils serve the six major conurbations outside London (Greater Manchester, Merseyside, Tyne and Wear, West Yorkshire, South Yorkshire and West Midlands).

Wales

Unitary county councils	11
Unitary county borough councils	11

The twenty-two units of unitary local government in Wales all provide the main local government services at one level.

Scotland

Unitary councils	32
------------------	----

The thirty-two units of unitary local government in Scotland all provide the main local government services at one level. There are twenty-nine such councils on the mainland and three island councils serving Orkney, Shetland and the Western Isles.

Northern Ireland

District councils	26
-------------------	----

The twenty-six units of unitary local government in Northern Ireland directly provide a more limited range of local services than other local authorities in the United Kingdom (see item 2.3.).

In addition to the above main units of local government, there are a number of parish and town councils in England, and community councils in Scotland and Wales, which also provide elected representation. These councils have few statutory functions, but have an important advisory role.

2.2.2. Total number of local authority units in 1950

England

London County Council	1
Metropolitan borough councils (in London)	28
Corporation of the City of London	1
County councils	61
County boroughs	83
Non-county boroughs	309
Urban districts	572
Rural districts	475

Wales

County councils	13
County boroughs	3
Non-county boroughs	32
Urban districts	73
Rural districts	59

Scotland

Counties of cities	4
County councils	33
Large burghs	21
Small burghs	176
District councils	196

2.2.3. Population

In England, the populations of county councils range from 277 416 for Shropshire to 1 318 000 for Kent. The populations of district/unitary councils range from 19 700 for Northampton to 169 883 for New Forest. The populations of London boroughs range from 141 837 for Kingston upon Thames to 333 800 for Croydon.

The populations of unitary authorities in Wales range from 57 300 for Methyr Tydfil to 315 040 for Cardiff. The population of unitary authorities in Scotland range from 19 840 for Orkney to 619 000 for Glasgow. The population of district councils in Northern Ireland ranges from 15 000 for Moyle to 297 300 for Belfast.

2.3. Special structures for particular areas

2.3.1. Scotland

The Scotland Act 1998 makes provision for a new system of devolved governance in Scotland, which took full effect from 1 July 1999, and which includes a separate Scottish Parliament and Scottish Executive. The parliament has 129 members, 73 from constituencies elected on the first past the post system and 56 additional members elected on a proportional basis from political party lists. The Scottish Executive is headed by a First Minister (normally the leader of the party able to command majority support in the parliament).

The Scottish Parliament is able to make primary legislation in relation to a wide range of domestic matters which have been devolved from the United Kingdom Parliament at Westminster. The Secretary of State for Scotland previously had responsibility within United Kingdom central government for these matters. They include health, education, local government, economic development, transport, the environment, rural affairs and law and order.

United Kingdom-wide matters such as foreign policy, defence, pensions, benefits, national taxes and economic and monetary policy remain within the responsibility of the United Kingdom Parliament at Westminster, and the Secretary of State for Scotland and Scottish Members of the Westminster Parliament continue to represent Scottish interests there.

Under the 1998 Act, the Scottish Parliament has general legislative responsibility for matters affecting local government, including the powers, boundaries and functions of local authorities, and matters of local finance and taxation.

2.3.2. Wales

The Government of Wales Act 1998 makes provision for a new system of devolved governance in Wales, which took effect from 1 July 1999, and which includes a separate Welsh Assembly, headed by a cabinet of eight members. The assembly has 60 members, 40 elected from constituencies on a first past the post system, and 20 additional members elected on a proportional basis from party lists. The leader of the assembly and head of the cabinet is the Assembly First Secretary (normally the leader of the largest party).

The assembly has powers to make secondary legislation on a wide range of policy areas without needing the approval of the United Kingdom Parliament. These matters were previously the responsibility of the Secretary of State for Wales in central government and include economic development, health and social services, local government, education and training, housing, transport and tourism.

The Welsh Assembly has secondary legislative responsibility for matters affecting local government, including the powers, boundaries and functions of local authorities, and matters of local finance and taxation. As in Scotland, the Secretary of State for Wales and Welsh MPs represent the interests of Wales in the Westminster Parliament.

2.3.3. Northern Ireland

The Northern Ireland (Elections) Act 1998 provided the legislative basis for the election by proportional representation of 108 members of a Northern Ireland Assembly. The assembly presently meets in "shadow" form. The Northern Ireland Act 1998 makes provision for the assembly in due course to exercise full legislative and executive authority on a cross-community basis in respect of matters which are currently the responsibility of the Northern Ireland departments: agriculture, health and social services, economic development, finance and personnel, education and the environment.

Under the devolution arrangements, executive authority would be discharged on behalf of the assembly by an executive committee composed of a First Minister, a Deputy First Minister and up to ten ministers with departmental responsibilities.

A number of area boards responsible for regional services are currently accountable to the relevant Northern Ireland department. Services provided by these area boards include education and libraries, health and personal social services. Under devolution, these bodies would become accountable to the assembly.

The area boards include elected councillors nominated from the twenty-six unitary authorities in Northern Ireland. These authorities have fewer direct executive responsibilities than local authorities in the rest of the United Kingdom. These responsibilities include: providing street cleaning; refuse collection and disposal; recreational, social and cultural facilities; promotion of economic development; tourist development; burial grounds and crematoria. They also have a number of regulatory functions, such as health inspection, building regulations, and licensing cinemas and dance halls.

2.3.4. London

Legislation currently before parliament (July 1999) makes provision for the establishment of a new city-wide government for London, the Greater London Authority (GLA), consisting of a directly elected mayor of London and a separately elected London Assembly of twenty-five members. Fourteen of the assembly members would represent specific areas elected on a simple majority basis; eleven members would not represent a specific area and would be called London-wide members elected on a proportional basis from political party lists.

The area of the new authority would cover all thirty-two London boroughs and the City of London, who would continue to be responsible for their present range of services, and work with the GLA on a range of issues, such as transport and the environment.

The main responsibilities of the mayor would be exercised through a number of functional executive bodies and through the development of London-wide policy strategies. The functional bodies are Transport for London (focused on modes of transport in London and main roads); the London Development Agency (responsible for attracting new investment and for stimulating regeneration in London); a new Metropolitan Police Authority (responsible for crime reduction and policing in London); and a new Fire and Emergency Planning Authority (responsible for London's fire service and for emergency planning).

The strategic policy responsibilities of the mayor would include: working with the boroughs and others to improve London's environment; setting the overall framework for planning in London; the development and promotion of London's tourism, culture and sport; developing and implementing an integrated transport strategy (under which the mayor would be under a specific duty to promote and encourage safe, integrated, efficient and economic transport for people and goods); and the effect on health of the mayor's policies and functions, including a duty to promote the improvement of the health of Londoners.

The assembly would question the mayor on his or her activities. It would agree or suggest changes to the mayor's overall budget and plans, and agree proposals for raising revenue. It would check the performance of the transport and economic development bodies, and the police and fire authorities. It would also look into any other issues that it believes are important to Londoners.

2.4. Regulations governing changes in structures

In England, a statutorily independent Local Government Commission is responsible for conducting reviews of local authority areas and recommending such structural, boundary, or electoral changes as seem desirable. The Secretary of State may direct the commission on certain matters, including requirements to consult with local authorities and affected residents. The statistical data in item 2.2. reflect the position following the last major review of local government structure in England, the implementation of which was completed on 1 April 1998.

A system of unitary local government took effect throughout Scotland and Wales from 1 April 1996 respectively under the Local Government (Scotland) Act 1994 and the Local Government (Wales) Act 1994. The Local Government (Northern Ireland) Act 1972 provides for a unitary system of local government in Northern Ireland.

2.5. General units of state administration at local/regional level

In England, the main central government department concerned with general matters affecting local government, and certain specific matters (such as transport), is the Department of Environment, Transport and the Regions. Other departments have responsibilities which relate to other specific local government functions, such as education (the Department for Education and Employment), personal social services (the Department of Health) and police and fire services (Home Office).

In the English regions a network of nine government offices is responsible for the implementation of several government programmes. These programmes are the responsibility of the Department of the Environment, Transport and the Regions, the Department of Trade and Industry, and the Department for Education and Employment.

As part of the government's commitment to promote the development of the English regions and to devolve decision-making down to regional level, eight Regional Development Agencies (RDAs) were set up in 1999 covering the English regions outside London. There are plans to establish a ninth RDA for London in 2000 (see item 2.3.). The agencies are run by boards appointed by the Secretary of State for the Environment, Transport and the Regions, with representatives drawn from business, local government, education, trades unions, and the rural, environmental and voluntary sectors.

RDAs have five purposes:

- to further economic development and regeneration;
- to promote business efficiency, investment and competitiveness;
- to promote employment;
- to enhance the development and application of skills and training;
- to contribute to the achievement of sustainable development.

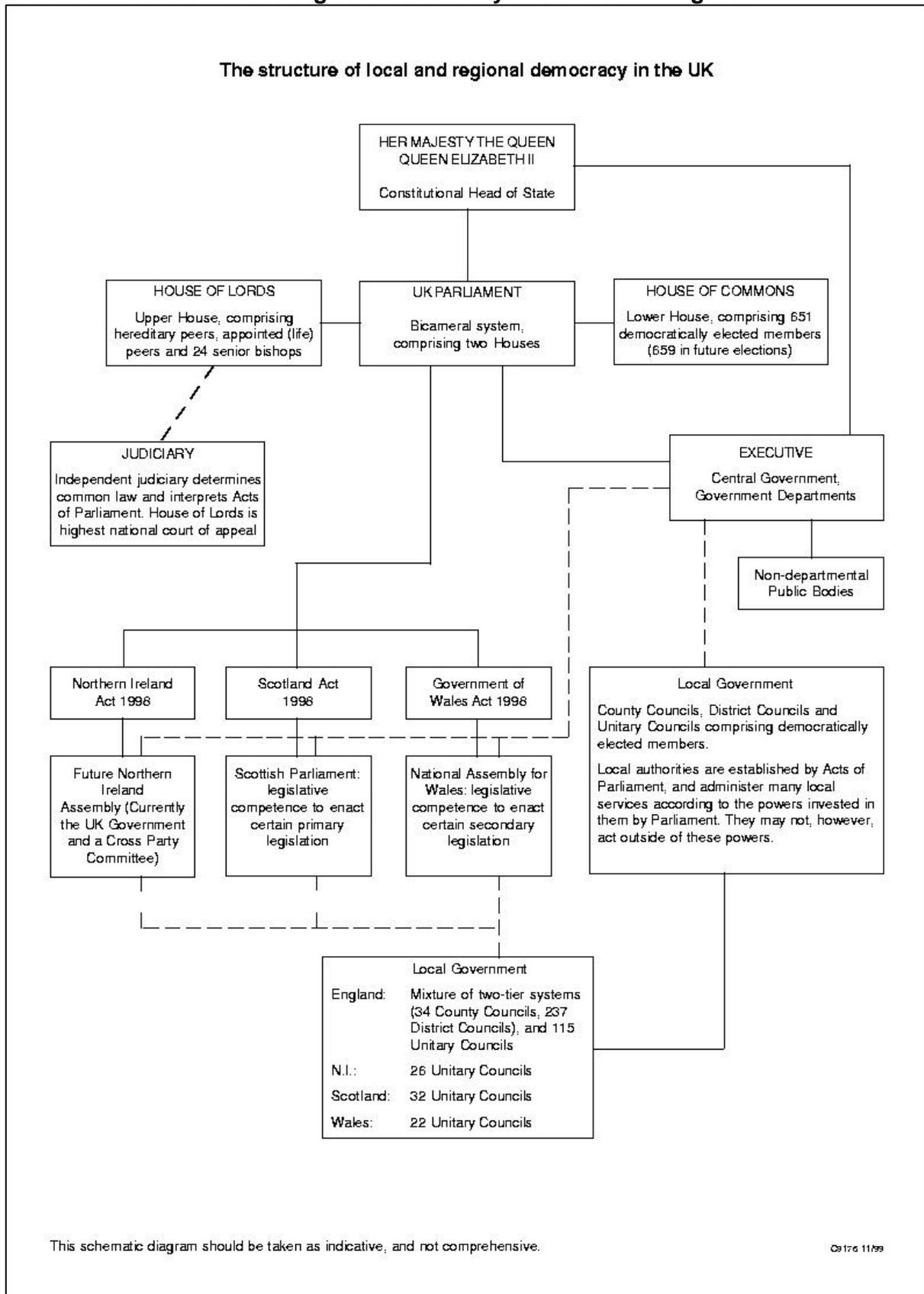
Their core functions are:

- to prepare a regional economic strategy;
- to administer certain regeneration and land reclamation programmes;
- to attract inward and indigenous investment;
- to be a lead partner in the administration of European Union structural funds;
- to advise government on other programmes relevant to their purposes.

To build up the voice of the regions within the current statutory framework, the government has now designated regional chambers in all the English regions (outside London) under the Regional Development Agencies Act 1998. The chambers are voluntary groupings of local councillors and representatives of the various sectors with a stake in the region's economic, social and environmental well-being. These include representatives from business, education and training, the voluntary, cultural, rural and environmental sectors, and the trades unions. Regional chambers have been given a specific role in relation to RDAs. This is to help make the RDAs responsive to regional views and to give an account of themselves to those with an interest in their work. To achieve this, the RDAs are expected to have regard to the views of the chamber in preparing their own economic strategies, and to be open to scrutiny by the chamber.

Government policy is to provide for directly elected regional government in England where there is a demand for it. This would require further primary legislation.

The structure of local and regional democracy in the United Kingdom



3. ORGANS OF EACH CATEGORY OF LOCAL AND REGIONAL AUTHORITY

3.1. Deliberative body

Under current United Kingdom legislation, a local authority is a body corporate comprising councillors elected by universal suffrage through a secret ballot. Its powers as a body corporate are both deliberative and executive and are vested in its councillors acting together as the full council, or through committees made up of certain of its councillors, through sub-committees, or through its officers.

Government policy for England is to move away from the single framework of political management provided by the present committee system and to create a clear distinction between the executive and scrutiny roles within local authorities. When parliamentary time allows, the government intends to introduce legislation which would provide for new models of political management for councils in England. The Scottish Parliament and the Welsh Assembly will similarly be considering whether changes to arrangements for the political management of local authorities are appropriate in Scotland and Wales.

The proposals for England envisage three new broad models of political management: a directly elected mayor with a cabinet, where the mayor would be elected by local people and would appoint a cabinet from among the councillors; an indirectly elected leader with a cabinet, where the leader would be elected by the council, and the cabinet would be made of councillors either appointed by the leader or elected by the council; and a directly elected mayor with a council manager, where the mayor would be elected by local people, with a full-time manager appointed by the council.

Councils wanting a directly elected mayor would need to obtain popular endorsement through a local referendum. In addition, people will be able to petition locally to have a referendum on having a directly elected mayor.

Councils would be under a duty to review their political management arrangements and draw up a plan, with a timetable, to introduce one of the new models. The government would have a reserve power to require councils who are slow in proposing a new model to hold a referendum on one of the new models. If people reject the proposal, the council would be able to continue with its existing arrangements or propose an alternative model.

The deliberative bodies in relation to devolution in Scotland, Wales and Northern Ireland, are respectively the Scottish Parliament, the Welsh Assembly and the Northern Ireland Assembly (see item 2.3.). Under the proposals for city-wide government for London, deliberative functions would centre on the Greater London Assembly (item 2.3).

3.2. Executive body

As well be clear from item 3.1., local authorities currently have no separately constituted executive body.

The executive bodies in relation to devolution in Scotland and Wales are respectively the Scottish Executive and the Welsh Cabinet of the National Assembly for Wales. An Executive Committee for Northern Ireland is proposed under the devolution arrangements summarised in item 2.3. Under the proposals for city-wide government for London, executive functions would centre on the mayor of London.

3.3. Political head of the local/regional authority

The political head of a local council is the leader. Where councillors are divided into political groups, he or she is the leader of the majority party group on the council (being elected by its members) and has overall responsibility for the direction of council policy. The leader remains a full member of the council and of the committees to which he or she is appointed.

Under the proposals for reform summarised in item 3.1. the constitutions of local councils would be revised to give a firmer basis for the political leadership of a council, either in the form of a directly elected mayor, or through one of the other models for separating executive functions from other functions.

In Scotland and Wales, the political head of the devolved governments in those countries is the First Minister in Scotland and the First Secretary in Wales. In Northern Ireland, the devolved government would be headed by the First Minister and the Deputy First Minister acting jointly. The political head of the city-wide London government would be the mayor of London (see item 2.3.).

3.4. Head of administration

A local authority is required to appoint a “head of paid service” (effectively a chief executive) responsible for matters concerning the management, staffing needs and organisation of the authority. It must also appoint a suitably qualified person responsible for the financial administration of the authority’s affairs, as well as a “monitoring officer” responsible for reporting to the authority any proposal, decision or omission which would contravene the law or amount to maladministration. Similar arrangements would apply in relation to the senior officers of the new Greater London Authority (see item 2.3.).

Although local authorities are otherwise generally responsible themselves for determining the size, composition and deployment of their workforce, certain other appointments (besides those listed in the previous paragraph) may be required in order to fulfil a particular statutory purpose. Examples of such appointments include the appointment of a chief education officer or a director of education, or a director of social services or of social work.

The staff of the Scottish Executive and the National Assembly of Wales are, or will be, headed by officials who are part of a unified Home Civil Service. The staff of the Northern Ireland Executive Committee would be officials who are a part of the Northern Ireland Civil Service.

3.5. Division of powers and the responsibilities between different organs of the local/regional authority

Under current local authority legislation, council functions may be delegated to committees and sub-committees, or to individual officers, for the various service areas in which local authorities have powers to act. Where functions are delegated, they are nevertheless exercised on behalf of the council as a whole.

Under the proposals for reform summarised in item 3.1. a clear distinction between the executive and other roles within a local authority would be created. There would be: a local authority executive (such as a directly elected mayor and cabinet); separate overview and scrutiny committees responsible for scrutiny of the discharge of executive functions; and a chair of the council elected by the full council. Members of the executive could not also be members of overview and scrutiny committees, and *vice versa*. The council chair could not be a member of either the executive or an overview and scrutiny committee.

As made clear in item 3.1. the arrangements for the new devolved bodies make provision for a clear separation between the executive and scrutiny roles. In Wales, for example, the First Secretary appoints assembly secretaries who together form the assembly's cabinet. Each assembly secretary is also a member of a multi-party subject committee, whose other members are appointed by the assembly and are responsible for holding the executive to account. In Scotland, the members of the Scottish Executive are the First Minister, the Lord Advocate, the Solicitor General for Scotland (also known as the law officers) together with other ministers appointed by the First Minister in relation to specific policy areas.

3.6. Legal provisions concerning the internal structure of local/regional authorities

Currently, the delegation of council functions to committees, sub-committees and officers is governed by legislation. Councils are also required to appoint certain committees, such as for education and social services. Otherwise they are free to decide on how many committees and sub-committees to appoint, on their size, and on their terms of reference. Councils also have powers to make standing orders regulating the conduct of business in the council and its committees and sub-committees.

Where the members of a council are divided into political groups, the council is required to ensure that the representation of the political groups on the committees and sub-committees reflects the size of these groups on the council. This is not a statutory requirement in Scotland, but most councils adhere to the same principle. Only by unanimous agreement of the members can councils adopt alternative arrangements for the composition of their committees and sub-committees.

Under the proposals for reform summarised in item 3.1. the discharge of executive functions could be delegated in prescribed circumstances (for example, to a committee of the executive or to an officer of the authority). Certain functions, such as taking planning decisions, would not be matters for which the executive would be responsible. Responsibility for such matters could be delegated by the full council to a committee or sub-committee as currently. Rules about the political balance of committees would also continue to apply.

With some exceptions, the devolved bodies have a large degree of discretion in relation to the organisation of their internal structures. In Scotland, for example, as well as being the Senior Law Officer to the Scottish Executive, the Lord Advocate is the independent head of the systems of criminal prosecution and investigation of deaths in Scotland. This function is not exercisable by any other Scottish minister. Apart from such specific exceptions, other functions of Scottish ministers are capable of being exercised by any of them, and the First Minister is able to allocate particular functions to particular ministers as he or she sees fit. In Wales the First Secretary is also able to allocate particular functions to assembly secretaries.

4. DIRECT CITIZEN PARTICIPATION IN DECISION-MAKING

4.1. Local/regional referendums

There are presently no general mandatory requirements for the holding of referendums as part of the decision-making process at local government level, although some local authorities have organised such consultation on a voluntary basis.

Under the proposals for reform of local government summarised in item 3.1. it is proposed that specific powers should be taken to enable local authorities to hold referenda in prescribed circumstances. For example, people would be able to petition their council for a referendum on whether a new form of local governance involving a directly elected mayor should be adopted. If 5 per cent or more of voters so petition, the council would be under a duty to draw up a formal detailed proposal on that basis, and to hold a referendum within a defined period.

Decisions to proceed with devolution arrangements in Scotland, Wales and Northern Ireland and with the setting up of a Greater London Authority were all preceded by referenda, provision for which was made in legislation by the United Kingdom Parliament.

4.2. Other forms of direct participation

Local people can exert influence on issues of concern to them through membership of bodies such as parish councils in England or community councils in Scotland and Wales. They can also make representations through various voluntary organisations, many of them organised on a national basis, such as the Civic Trust (which is concerned with local amenities).

Members of the public are given the opportunity to express their views on land-use planning issues during the formative stages of plan preparation. Local authorities are required to ensure publicity for the proposed content of plans and to receive representations. There are also provisions for objecting to plans and for hearing and resolving such objections. Objectors in some circumstances have a right to make their case before an independent inspector at a public enquiry.

Many authorities take action to bring issues to the attention of the public through media such as news sheets, mobile exhibitions, talks by members of their staff, and displays in local libraries.

Government policy is to develop new duties of consultation by councils with local people. For example, under recent legislation, in deciding how to fulfil its duty to secure value for money in its provision of local services, a local authority is under a duty to consult community representatives (including representatives of council tax and business rate payers).

Under the proposals for city-wide London government (see item 2.3.), the mayor of London would be required to hold a "State of London debate" once a year as well as twice-yearly "People's question time". Both these meetings would be open to all members of the public.

5. STATUS OF LOCAL ELECTED REPRESENTATIVES

5.1. Eligibility and term of office

A candidate for election to a local authority must be 21 or over and be a British citizen, or a citizen of another Commonwealth country, or a citizen of the Irish Republic, or a citizen of another member state of the European Union. In addition, a candidate must either be on the electoral register of the local authority for which he or she wishes to stand; or, during the previous twelve months, have owned or rented land or other premises concerned in the areas of the authority; or had his or her main place of work there; or lived there.

Each councillor is elected by adult universal suffrage through a secret ballot for an electoral district. Such districts are called a "division" for county councils and a "ward" for all other principal councils. The number of councillors elected for each electoral district varies according to the type of authority: for county councils, there is one councillor for each division; for metropolitan district councils there are three councillors per ward; for other authorities there are one, two or three councillors per ward depending on the size of the ward's electorate. In Scotland, there is one councillor per ward.

Councillors are elected for four years with the time of elections varying according to the type of authority. County council and London borough elections are held every four years, with all councillors standing for election simultaneously. Metropolitan district council elections are held in three years out of four, with one third of each council's councillors standing for election in each election year. Councils in non-metropolitan district areas may either have whole council elections or election by thirds.

Government policy is to move to more frequent local elections so as to strengthen direct accountability to local people by ensuring that voters in every area have a greater opportunity to pass judgement on their local representatives.

There is nothing in British electoral law to prevent someone from holding more than one local elective office at the same time. A councillor may resign at any time by written notice to the proper officer at the council. Resignation takes effect from receipt of this notice. There are no restrictions on the activities of an ex-councillor, and no aid is provided for councillors who are not re-elected. Individuals who choose to stand as councillors do so voluntarily and often hold other paid employment.

5.2. Duties and responsibilities of local elected representatives

All elected representatives must declare any financial interests they hold in a subject under consideration by the council; in such a case they must withdraw from the sitting unless they have a dispensation to speak and, in some cases, to vote. The law requires elected representatives to declare in a special register their financial interests, including their property and company shares in so far as these have local relevance. Local elected representatives are also recommended to declare any non-pecuniary interest in a subject under discussion, although this is not statutory.

Elected representatives have a general responsibility to serve the interests of the authority. Failure to declare financial interests is a punishable offence. If an elected representative votes in favour of unlawful expenditure by a local authority, he or she is personally and jointly responsible for recovering the expenditure incurred. Proceedings may be initiated in such a case by the district auditor. If the amount certified exceeds £2 000, the elected representative is disqualified and may not stand for elective office for a period of five years. Furthermore, auditors may apply to the courts for such unlawful expenditure to be recovered through surcharge arrangements.

Failure by a councillor to attend a meeting of the authority throughout a consecutive period of six months would result in his or her ceasing to be a member, unless the failure was due to some reason approved by the authority.

Government policy is to develop a new legislative framework to deliver high standards of conduct throughout local government. When parliamentary time allows, the government intends to introduce legislation which will provide for a new ethical framework for councils in England and Wales. The Scottish Parliament intends to introduce similar legislation in Scotland.

The proposals for reform include the introduction of consistent national standards endorsed by parliament, through statutory Codes of Conduct. The codes will set out rules addressing councillors' discharge of their representative function, councillors' conduct in relation to financial and other interests, the relationship between councillors and officers and rules governing the claiming of expenses, allowances and the use of council facilities.

Councils would have lead responsibility for their own standards of conduct. They would be required to establish their own standards committees to uphold standards within the council. Standards committees would have a key role in overseeing ethical issues and in providing advice and guidance to councillors on their code of conduct. All councillors will be under a duty to comply with their council's codes.

There would be a new independent body, the Standards Board, which would investigate all written allegations of a councillor failing to observe their council's code, apart from those involving a criminal act or loss of public money, where investigation would be carried out by the police or the district auditor as appropriate. Separate case panels, would be set up, able to impose penalties ranging from public censure to suspension from committees or from the full council, or disqualification from the council for up to five years. High standards of proof would be required. There would be a right of appeal to the High Court against the decision of a panel.

5.3. Funding of election campaigns

No public funding is provided to candidates or their parties to assist with election costs, and the amount of money which a candidate can spend during the election is strictly controlled. The amount is made up of a fixed sum and an additional sum for each elector in that electoral area. Limits are set in legislation which is reviewed frequently and increased in line with inflation when necessary.

No one other than the candidate or his agent (or a person authorised by his agent) may incur any expenses to promote a candidate's election.

5.4. Working conditions

Every representative body is required to hold at least one annual meeting. Meetings are equally divided between daytime and evening. In addition to attending full council and committee meetings, councillors may also hold surgeries within their ward or division. The workload of an elected representative will depend to a large extent on the size and type of the authority in which office is held, and whether the member chooses to be more or less actively involved in council business.

Only committee chairmen and party leaders have offices. Secretarial services are provided for committee chairmen and, if the council so decides, may also be provided for other elected representatives. A members' room in which they can work may be provided for members at the council offices, although it is also recognised that some work will be undertaken in the councillor's own home.

5.5. Remuneration

Councillors are regarded as performing voluntary public service, but may be paid various allowances for most of their official duties. Each local authority determines its own levels of allowances. A basic allowance is payable to each councillor. A council may also pay attendance allowances and special responsibility allowances to particular councillors. Expenses for travel and subsistence are also payable, within maximum limits specified at national level.

Employers are legally obliged to give employees leave of absence to carry out their duties as councillors. They are not obliged to grant paid leave, although many do.

Under the proposals for reform summarised in item 3.1. the government intends to make possible the payment of pensionable salaries in cases where it is clear that executive mayors, and some others in political executive positions or the scrutiny function in councils, may spend much if not all of their time on council business with possible subsequent loss of earnings and pension rights.

6. DISTRIBUTION OF POWERS BETWEEN LOCAL AND REGIONAL AUTHORITIES

6.1. Principles governing the distribution of powers

Subject to the legislative powers of the devolved bodies specified in item 2.3, changes to the structure, scope and powers of both local and intermediate tiers of government in the United Kingdom are determined by the United Kingdom Parliament.

Parliament confers statutory powers and duties on local authorities and the devolved bodies in the form of acts of parliament, including legislation promoted by individual local authorities for the purposes of their area. As specified in item 2.3., the devolved bodies have certain legislative powers of their own which may be exercised without the approval of the United Kingdom Parliament.

The main functional responsibilities of the devolved bodies are summarised in section 2.

The distribution of responsibilities, powers and duties in relation to functions and services of local authorities varies according to the local government area, the type of local authority and the nature of the function or service itself. In areas where there are two tiers of local government, county councils have sole responsibility for the following services:

- education;
- personal social services;
- police;
- fire;
- smallholdings;
- the registration of births, marriages and deaths;
- consumer protection;
- libraries;
- county and district employees' pensions.

District councils in two-tier areas have sole responsibility for:

- electoral registration;
- collection of council tax and the uniform business rate;
- housing and allotments;
- cemeteries and crematoria.

In two-tier areas, county and district councils have shared responsibilities for matters concerning planning, transport, emergency planning, environmental services, recreation and art and economic development.

In areas with unitary local government, a single local authority has responsibility for all the functions shared between county and district councils in areas with two tiers of local government.

The division of responsibilities in Northern Ireland is different from the rest of the United Kingdom and is summarised in item 2.3.

6.2. Tasks delegated to local or regional authorities acting as agents of central government

Local authorities' responsibilities and powers are very largely conferred on them by parliament in their own right, and, in general, they do not act as the agents of central government. However, local authorities act as the agents of central government for the payment of rent allowances for private housing, rent rebates for housing provided by the authority itself and local tax rebates. Local education authorities also act as agents for the payment of certain awards to students.

As made clear in item 2.3. areas of the United Kingdom with an intermediate tier of government are responsible for their own decisions in relation to the policy and functional areas which have been devolved to them by the United Kingdom Parliament.

7. CO-OPERATION AND OTHER TYPES OF LINKAGE BETWEEN LOCAL/REGIONAL LEVELS

7.1. Institutionalised co-operation for the performance of tasks of common interest

Local authorities may participate in various forms of statutorily-based or voluntary co-operation. This is particularly significant in the delivery of best value to local taxpayers.

Local authorities may set up joint arrangements, including the establishment of joint committees and lead authorities (where one authority provides a service for the others). They may also agree to provide goods and services such as the joint purchase of supplies or the provision of technical services to each other, and to particular types of public bodies, for such matters as the joint purchase of supplies.

Joint authorities or boards (which consist of nominated representatives of the constituent local authorities) are also responsible for some functions, such as waste disposal in metropolitan conurbations.

Voluntary co-operation between local authorities and with other bodies is encouraged through their participation in various networks and initiatives which encourage them to share information on best practice and to develop common areas of interest. Such initiatives and networks include the dissemination of information on best practice by bodies such as the Local Government Association and the Improvement and Development Agency. Other networks and partnership arrangements with the private sector are also encouraged, such as through the New Local Government Network.

Government policy is to strengthen councils' powers to work in partnership with other public, private and voluntary organisations and with local people to deliver best value, to tackle cross-cutting issues, and to promote social, economic and environmental well-being of their communities.

The new devolved bodies are developing their own frameworks for encouraging co-operation with other partners. For example, the building of effective relations between the Scottish Parliament, the Scottish Executive and democratically elected local government is being taken forward on the basis of the recommendations of an independent Commission on Local Government and the Scottish Parliament. In Wales the Government of Wales Act requires the National Assembly for Wales to set up a Partnership Council comprising elected representatives of the National Assembly and local government to advise the assembly on its range of functions, to hear representations from local government and produce guidance for local government. The act also requires the National Assembly to prepare a Local Government Scheme to promote and sustain local government.

7.2. Associations of local authorities at regional/national level

Local authorities are free to participate in voluntary associations formed to represent their collective interests. Such associations include the Local Government Association (representing the interests of local authorities in England), the Convention of Scottish Local Authorities, the Welsh Local Government Association and the Association of Local Authorities in Northern Ireland.

7.3. Co-operation between local/regional authorities in different countries

There are no restrictions on local authorities' membership of voluntary international associations such as the Council of European Municipalities and Regions. United Kingdom local authorities are also represented on formal international consultative bodies such as the Council of Europe's Congress of Local and Regional Authorities of Europe and the European Union's Committee of the Regions.

Local authorities may voluntarily participate in various forms of international co-operation with local authorities abroad, such as town-twinning or technical exchange projects. Co-operation may include expenditure on the provision of technical assistance, but the amount of such expenditure permitted is limited under the Local Government (Overseas Assistance) Act 1993.

Transfrontier co-operation projects are largely limited to arrangements between Northern Ireland and the Republic of Ireland (the United Kingdom's only land border) and to various co-operation arrangements between countries bordering the English Channel and regions on the north-west European mainland. Such co-operation arrangements include spatial planning, transport and communications infrastructures, the environment, employment and economic development.

8. FINANCE

In this section, the description of the arrangements for local government finance is largely based on the situation in England. Similar arrangements do, however, apply in the rest of the United Kingdom.

8.1. Taxes

The only exclusively local tax is the council tax. Council tax was introduced in England, Scotland and Wales on 1 April 1993 and is based on the value of domestic property, specifically on its estimated market value on 1 April 1991.

Council tax is set by local authorities in order to meet their budget requirement. The budget requirement is the amount each authority estimates before the beginning of the financial year as its planned spending, after deducting any funding from reserves and any income it expects to raise (other than from council tax and general funding from central government). The amount of council tax an authority needs to raise is the difference between its budget requirement and the funding it will receive from central government.

District councils, London boroughs and unitary authorities (“billing authorities”) are responsible for issuing council tax demands, collecting payments and passing on the amount of council tax income needed by county councils, police authorities, the Metropolitan Police, parish councils and some fire authorities (“precepting authorities”) to provide their services. The amounts for all local authorities providing services in an area appear on one council tax bill.

Occupants of non-domestic properties (such as shops, factories, offices and warehouses) do not pay council tax on those properties. Instead they pay business rates – otherwise known as National Non-Domestic Rates (NNDR). The NNDR is based on the rateable value of non-domestic property. Central Government sets the rate multiplier (or poundage) for England each year – in other words, the amount per pound of rateable value which is used to calculate rate bills for each business rate payer. The multiplier for 1999/2000 is 48.9p in the pound. Rateable values of all properties are revalued every five years. The next revaluation takes effect in April 2000. In Scotland, the uniform rate is set by the Scottish Executive. One council in each area then collects the business rates for that area and pays them into a national “pool”. Central government then redistributes the pool to local authorities in England according to the size of their resident populations. For Scotland the pool is administered by the Scottish Executive.

Government policy for the future is that councils in England should, within defined limits and in consultation with local business, be able to set a supplementary local business rate, or to give a rebate on the national rate.

In Scotland and Wales, the Scottish Parliament and the Welsh Assembly are respectively responsible for matters of local finance and local taxation. Additionally, the Scottish Parliament has the power to vary the basic rate of income tax by up to 3p in the pound.

8.2. Grants from higher authorities

There are two main categories of government grant to local authorities to fund revenue expenditure, general and specific/special. The general grant is known as Revenue Support Grant (RSG). RSG is an unconditional grant which may be used for any purpose within the competence of the local authority. In addition, the government makes a series of specific or special grants for particular programmes designed to achieve a specific purpose (for example a grant for class size reductions).

Scotland receives a block grant from United Kingdom-wide taxation in relation to its devolved responsibilities. Similarly, the Welsh Assembly receives a grant from the United Kingdom Treasury for expenditure on its devolved responsibilities.

8.3. Arrangements for financial equalisation

Central government annually calculates a Standard Spending Assessment (SSA) for each local council in England. The total of all councils' SSAs, plus special and specific grants, make up the Total Standard Spending (TSS) by local government as a whole which the government is prepared to support through grants.

Standard Spending Assessments (SSAs) are the government's way of dividing up TSS. The calculation of an authority's SSA follows general principles applied equally to all authorities and takes account of each authority's demographic, geographic and social characteristics.

The Revenue Support Grant is distributed so that, broadly speaking, if every authority set its budget at the level of its SSA, the council tax would be the same for all properties in the same valuation band throughout England. The amount of RSG distributed to a local authority is its SSA less both the amount it will receive from the national pool of business rates and the amount it would get if it set its council tax at a national standard rate.

The government is currently undertaking a fundamental review of grant distribution to local authorities in England. The objectives are to see whether there is a way of distributing grants which is simpler, more stable, more robust, and fairer than the present system.

8.4. Other sources of income

Local authorities have discretionary powers to charge fees for certain of their services, such as school meals, home helps, swimming baths and other leisure facilities. Compulsory charging is applied in relation to certain personal social services. Other income includes housing subsidies and interest receipts.

8.5. Loans

Local authorities have scope to finance capital projects – such as buying or reclaiming land, constructing a new school or road, or improving existing assets, such as housing – through borrowing, selling or leasing land or buildings, or out of council tax. Increasingly, such projects are financed, in whole or part, through partnerships with private sector developers.

Through the use of credit approvals which are issued annually by the government, a limit is set on the amount which a local authority may borrow. Long-term legislation provides for a related limit on temporary borrowing to meet cash flow differences.

Local authorities are free to negotiate or renegotiate the terms of loans, subject to statutory control of the source from which loans may be obtained. Most long-term borrowing is made from the Public Works Loan Board (PWLb).

8.6. Control of expenditure

In the past, the government annually set a “cap”, or budget requirement limit, for each council, and announced capping principles in advance. This crude and universal capping has been ended. Local authorities are now able to make up their own minds on their budgets, taking account of their local circumstances and the views of local people. Recent legislation has replaced previous capping powers in England with more flexible and discriminating reserve powers to protect local people from excessive increases. The government has also introduced the council tax benefit subsidy limitation scheme. Its aim is to protect the national taxpayer from the council tax benefit costs arising from local decisions to make large increases in council tax. In Scotland, the Scottish Executive issues local authorities with an expenditure guideline as an indication of the level of spending it considers prudent.

9. SUPERVISION OF LOCAL/REGIONAL AUTHORITIES

9.1. Body responsible for general administrative supervision

There is no single body with responsibility for exercising general administrative supervision of the actions of local authorities. Local authorities are subject to the control of the courts in much the same way as any other kind of corporate body or any natural person, in the sense that if they infringe a private right or are in breach of contract, they may be sued in tort or contract, and if they commit a criminal offence, proceedings may be taken against them.

9.2. Financial supervision of local authority accounts

Financial supervision and auditing of local authority accounts is co-ordinated in England and Wales by the Audit Commission, in Scotland by the Accounts Commission for Scotland, and the Local Government Auditor in Northern Ireland. The Audit Commission, for example, appoints the auditor for each local authority; auditors may be either officers of the commission or private sector accountants. The Audit Commission prepares and keeps under review a Code of Audit Practice prescribing the way auditors are to carry out their functions. This code must be approved by resolution by each house of parliament.

Auditors have statutory responsibilities both on matters of regularity and propriety and in relation to value for money. They have legal powers to obtain all the information they require and can issue a public report if they find that a local authority is taking illegal action or where they identify any matter which should be considered by the body concerned or brought to the attention of the public. In the last resort, they can also surcharge those responsible for an unlawful item of account or for loss arising from wilful misconduct or failure to bring sums to account. Those alleged to be responsible have a right of appeal to the High Court.

10. REMEDIES FOR INDIVIDUALS AGAINST DECISIONS OF LOCAL/REGIONAL AUTHORITIES

The decisions of local authorities, if they give rise to questions of law, may be challenged in the courts by an interested person. In the exercise of this jurisdiction, the courts may grant orders: compelling the performance of a public duty imposed by law; restraining an authority from acting unlawfully in the future or from completing an act which has already begun; enabling a decision which has already been made to be reviewed and, if necessary, quashed; or declaring that an authority should perform an act or desist from carrying out an act being performed. In certain cases, an appeal mechanism is specified in statute (for example, appeals to the Secretary of State against local authority planning decisions).

Administrative review, although not control, of the actions of local authorities is exercised by the local government ombudsmen. The ombudsmen may investigate complaints that a local authority has acted in a way which has caused maladministration leading to injustice. In reporting complaints, the ombudsmen may make recommendations as to the remedy for any injustice they agree has occurred. Except in Northern Ireland, the ombudsmen's recommendations are not legally enforceable. However, the ombudsmen have the power to require a local authority to publicise its reasons for not complying with their recommendations, although the number of cases of non-compliance is, in practice, small.

Administrative review of the actions of the Scottish Executive, and related bodies, is exercised by the parliamentary ombudsmen, the same body which reviews the decisions of United Kingdom central government departments and certain other public bodies. A Welsh administration ombudsman deals with maladministration issues under the devolved arrangements for Wales.

11. LOCAL/REGIONAL ADMINISTRATIVE PERSONNEL

Apart from the statutory requirements in relation to certain senior posts (see item 3.4.) local authorities are themselves responsible for determining the size, composition and deployment of their workforce. Officers and staff are recruited directly and appointments must be made on merit.

Pay and conditions of service for local government employees are generally agreed in direct negotiations between local authorities and the unions representing employees. These negotiations are in general conducted through the joint negotiating bodies, although it is open to authorities to make their own agreements outside these bodies if they wish.

Staff of the devolved bodies are employed on the terms and conditions which apply to members of the unified Home Civil Service (which also serves United Kingdom central government departments), and to members of the Northern Ireland Civil Service in Northern Ireland.

12. REFORMS ENVISAGED OR IN PROGRESS

The main reforms to the structure and operation of local and regional democracy in the United Kingdom which are envisaged or in progress are:

- further devolution in Northern Ireland (paragraph 2.3.3.);
- the establishment of a new city-wide government for London (paragraph 2.3.4);
- the completion of the arrangements for new Regional Development Agencies for England (item 2.5.);
- the provision of directly elected regional government in England where there is a demand for it (item 2.5.);
- a move away from a single framework of political management to new constitutions for councils with a clear distinction between executive and scrutiny roles, stronger political leadership, and a greater say for local people (items 3.1., 3.2., 3.5., and 5.4.);
- new provision for consultation by authorities with local people and for taking action, in partnership with other relevant bodies, for the good of their communities (items 4.1., 4.2., 7.1. and 8.1.);
- a move towards more frequent local elections (item 5.1.);
- a new legislative framework to deliver higher standards of conduct throughout local government (item 5.2.);
- a fundamental review of grant distribution to local authorities in England with the objective of creating a simpler, more stable, more robust, and fairer system (item 8.3.);
- proposals for a new ethical framework for councils including a new code of conduct, councils to establish their own standards committees and the setting up of an independent Standards Board (a Standards Commission in Wales) and Adjudication Board, to enforce high standards of conduct and prohibitory in local government.