English Local Government
Duties and structures

• Councils provide more than 800 public services – with 1,200 legal duties
  – Children, vulnerable adults, cultural services, highways, transport, housing and the environment

• Outside cities, these functions are split:
  – District/borough councils (housing, planning, licensing)
  – County councils (adult social care, waste disposal, transport)

• In metropolitan areas these functions are delivered by a single authority (unitary)

• In City Regions, such as London and Greater Manchester these local delivery functions are supported by sub-national strategic authorities
  – Greater Manchester Combined Authority
  – Greater London Authority

• At the very small scale there are 9,000 parish councils

• English local government
  – 20,000 councillors
  – Over 2 million employees
  – ~£50 billion annual expenditure
Local government in England

Two tier

- County councils 24
- District councils 181

Single tier

- Unitary authorities 58
- Metropolitan districts 36
- London boroughs 32
- City of London 1
- Isles of Scilly 1

Total 333
Local government funding

- Local authorities receive funding from a range of sources, including Government grants, council tax and fees and charges.
- Council tax and business rates make up local authorities’ largest source of income.
- Local government budgets have been under pressure since the financial crisis of 2008.
- Councils face a funding gap over £4 billion over the next two years.
- By 2024/25 cost and demand pressures will have added £15 billion (almost 29 per cent) to the cost of delivering council services since 2021/22.
- Funding through Government grants is fragmented, and councils often have to compete against one another.
% Revenue expenditure financed by different sources 2019–20

- Government grant (specific ring-fenced): 34%
- Government grant (core council funding): 32%
- Council tax: 17%
- Retained income from business rates: 17%

2019–20
How is £1 of council funding spent?

**2012-13**
- Environment and regulatory services: 13p
- Adult Social Care: 39p
- Central services: 8p
- Housing services: 6p
- Cultural and related services: 7p
- Planning and development services: 3p
- Highways and transport services: 7p
- Children’s Social Care: 17p

**2022-23**
- Environment and regulatory services: 11p
- Adult Social Care: 43p
- Central services: 6p
- Housing services: 4p
- Cultural and related services: 5p
- Planning and development services: 2p
- Highways and transport services: 5p
- Children’s Social Care: 24p
Council decision making

• Four models:
  – a leader and cabinet
  – a committee system
  – executive arrangements with a directly elected mayor
  – arrangements prescribed by the Secretary of State.

• Council constitution sets out:
  – who is responsible for making decisions and how decisions are made
  – procedural matters (set out in the ‘standing orders’)
  – the role of officers
  – standards and ethical governance.
The LGA

• National voice of local government
• Membership organisation with 435 members, including Welsh local authorities
• Activities:
  • policy advice
  • public affairs and communications
  • improvement and development
  • leadership and support
• Priorities:
  • a sustainable financial future
  • stronger local economies, thriving local democracy
  • putting people first
  • championing climate change and local environments
• Different arrangements in Scotland (COSLA), Northern Ireland (NILGA) and Wales (WLGA)
Governance of the UK

- UK Government based in Westminster, highly centralised by comparable international standards.
- In England there is no national devolution, but a spread of subnational ‘devolution deals.’
- The 12 original deals were signed from 2014 onwards.
English devolution: powers

- Focus on economic interventions: skills, growth funding, transport, housing
- Some elements of public service reform: health, justice, police and crime
- The content of devolution deals depends on the willingness of different government departments to devolve
- Devolution deals negotiated within context of strong preference for a mayoral combined authority, division of powers at local level between Mayor and Combined Authority
- Greater London Authority has powers and functions defined in primary legislation (transport, policing, economic development, fire)
- Mayoral combined authorities a more mixed picture of policy co-design, secondary legislation and primary legislation (e.g. Greater Manchester health)
Where next?

• Long-term financial challenges remain
• Expected increase in pressure on services
• Challenges in recruitment and retention
• Need for better joint working on issues such as climate change, social care
• Commitment to greater local empowerment across the political spectrum
Find out more

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