

# Local Government in Britain

BY SIR GWILYM GIBBON

THE roots of Britain's local government lie deep in the centuries of the past. The system which now prevails, has developed gradually since the early decades of the last century, when the great increases in population and industry, coupled with the widening of democratic sentiment, started a new growth of the nation's governmental institutions which is by no means yet at an end.

In indicating within a brief space the broad outlines of the present structure and practice of Britain's local government, one governing principle must be stated at the outset. The constitution and powers of local authorities are laid down by Parliament. Parliament likewise lays down the place and powers of the central ministers and their departments. If a minister should trespass beyond these powers, he can be called to account before a court of law just like any ordinary offending citizen.

All alike are subject to the rule of law. Ministers can be questioned in Parliament about their policies and practice, and constantly are at the instance of local authorities. Moreover, local authorities have the right to put forward Bills to Parliament (which, if passed, become Acts) seeking additional powers, or authority to carry out works beyond their ordinary scope.

For brevity, the particulars which follow relate to England and Wales. The local government of Scotland and Northern Ireland is similar in principle, but with some national differences especially in Scotland. The Isle of Man and the Channel Islands retain their special systems, which testify to the broad spirit of British toleration.

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## The Local Authorities

The whole country is divided into a number of areas for local government. Most of the big towns are county boroughs, as also are a few small ones, for historical reasons. The land outside the county boroughs consists of a number of counties, which are ancient divisions differing much in size and population. The counties are further sub-divided into (1) boroughs, which include most of the larger towns within the county; (2) urban districts, most being towns of less size; and (3) rural districts, which usually consist of a number of agricultural parishes, with one or more little country towns. (In olden times the parishes were important units of government: they still have their authorities, but now with few functions.)

London is outside this arrangement and, because of its huge size, has a special form of government, which is later described.

The governing body in each of these areas is a council, composed of members elected by the people for three years. In county boroughs, counties, and boroughs, however, the elected members choose additional members, up to one-third of their own number. These additional members are called aldermen (not councillors) and hold office for six years.

The County Borough Council is the sole local authority within its area. Elsewhere there are two classes of authorities, the County Council carrying out services which concern the whole county or a large part of it and the Borough Council (or the Urban District Council or the Rural District Council, as the case may be) carrying out the more local services. This does not mean that the County Council always towers in importance above the other councils. On

the contrary, some Borough Councils may be nearly as important bodies as their County Councils.

In recent years, however, the work of the County Councils has increased far more than that of the other authorities within the counties. There are advantages in having a large area for the administration of some of the more modern services in particular. But, on the other side, it has to be remembered that, in a democratic community such as Britain, there are also strong reasons for bringing local self-government as near as possible to the people.

The County Council has some authority over other councils within its area, especially the Rural District Councils; but not much on the whole. In most matters, these other councils deal directly with the ministers and departments of the central government in just the same way as do the County Councils themselves, when they need to obtain consent to some proposal or want advice or wish to make complaints or want changes in law or regulations.

Now for London. The principal authority there is the London County Council, a very important body of great influence, spending about £35 millions a year out of revenue alone. For the more local services, the County of London is divided into twenty-eight Metropolitan Boroughs, each with its council. In addition, there is the ancient City of London, with centuries of high service and prestige behind it and, for this reason and its unique position, still retaining its old form of government. The area comes within the jurisdiction of the London County Council for most of the services administered by that body—but not for all.

Most of the work of local authorities is done through committees. It is there that the best service is given, with little publicity, and there where the inexperienced member learns the difficult art of government, if he be wise. With a few exceptions, the meetings of committees are not open to the public, and the members are therefore more ready to

get down to hard business. Another advantage is that the officer who is the head of the department with whose work the committee is concerned, usually attends the meetings and takes part in the proceedings. In general, councils have powers to add outside persons to committees, up to not more than one-third of the members of the committee.

The following figures of expenditure give about the most concise indication of the respective parts played in the local government of the country by each of the classes of authorities which have been mentioned. Provided that it is always borne in mind that some of the most important functions may not require much expenditure — functions, for instance, like the preparing and applying of regulations governing the erection of buildings (building by-laws as they are called) or of planning schemes which control the development of towns or country districts.

The first of each pair of figures states, in round numbers, how much per cent of the total of all local expenditure out of revenue was spent by the specified class of authorities, and the second, in brackets, the percentage of the total population of the country in areas of that class:

County Borough Councils — 40% (33%) County Councils (London excluded)— 21% (56%); Borough Councils — 9% (15%); Urban Districts — 8% (22%); Rural Districts—between 2 and 3% (20%); London (County Council and other authorities)—14% (11%).

The foregoing sets out the general framework of the country's government. There is much more that could be added. In particular, there are numerous other bodies for special purposes, joint committees or boards, as they are called, consisting of representatives of two or more councils for carrying out some service common to all of them—the carrying out and the management of a big scheme of water supply, or the administration of a group of hospitals, or some one or other of the many local services, big or small, which can be best rendered by

two or more councils working in common.

One other notable development of recent years must be mentioned. There are some services, especially some of the more recent which should be administered, in whole or part, by the ordinary local authorities. It is highly desirable, however, and perhaps essential, that a general plan for carrying them out over a much larger area should comprise a number of these authorities.

Hitherto this system has been most applied in town and country planning. In principle, it is embodied in the new Act for the administration of education, the planning or scheme unit in this instance being the county, outside the areas of county boroughs. It is part of the proposals recently put forward for carrying out a much expanded health service, with units in this case much larger than counties. And it is probable that it will be applied to more services in the years which lie ahead.

### Officers

In nearly all cases, it is within the discretion of the local authorities what officers they will employ, what they shall be paid and what shall be the other terms of employment. There are a number of provisions governing some of these matters in Acts of Parliament or central regulations, but they are few. In practice, however, the discretion of local authorities is much limited—though by the threads of circumstances, not by the chains of law.

Many of the posts require men with professional qualification, and it is now the practice to appoint men with recognized diplomas: it was not always so in earlier days. In some instances, associations of local officers have themselves set up standard qualifications where none existed. Associations have also done much to raise the standard of service among their members. It is becoming increasingly the practice for scales of salaries to be fixed between representatives of local authorities and of local officers, in some instances with a repre-

sentative also of the central department: this has long been so in the case of teachers. If an officer should be dismissed by a local authority without due cause, an outcry is likely to be soon raised by his association. There is now a law, which extends to all local authorities, for paying pensions to local officers when they retire on account of age or ill-health, from a fund fed by contributions from officers and local authorities.

The standard of service among local officers is in general high, though there is still plenty of room for improvement, especially with the increasing complexity of duties. One excellent feature is that officers have chances of movement from one authority to another, thus giving more opportunities for the able man, and also of introducing new blood and new ideas.

### Central Control

Control over local authorities is exercised by a number of different ministers, those for Health, Education and Transport, for instance, and the Home Secretary (whose province includes police administration, with much else). As said earlier, the powers of control are definitely limited. The opportunities for advice and influence are without end.

A minister may have power to take away some specified functions from a local authority which has gravely neglected its duty: this has been done in recent years, though not often. Some kinds of regulations and schemes require the approval of a minister, such as the building bye-laws and planning schemes already mentioned. Local authorities can spend money raised from local taxation as they like, so long as they keep within their powers, but the raising of loans requires central approval. Before approval is given, the central department has to be satisfied that the purpose of the loan (such as the carrying out of some big works) is good and the proposals for carrying it out satisfactory. The local authority has also to set aside each year a sum of money sufficient to pay off the

loan within a term of years, fixed according to the nature of the works. These are just a few samples of many kinds of control, which, however, leave a very wide field of autonomy to the local authorities.

The general relations between local authorities and central departments are not less important. These relations are of the friendliest, though inevitably there are occasional disputes. A minister would not think of putting forward proposals which materially affected local authorities without consulting their associations, which are influential bodies. The local authorities do not always get what they want, and then do not hesitate to raise their voices in strong protests and to press their views on Parliament if need be, but these are not allowed to mar the general spirit of co-operation.

### Finance

**EXPENDITURE:** Taking one of the last pre-war years as an example, the local authorities spent over £350 millions on ordinary services. They received over £50 millions in payments, much the largest sum being in rents for houses owned by them. The remainder was met out of taxes, local and central. The largest items of expenditure, in order of magnitude, were education, public health (including disposal of sewage and refuse as well as personal services), roads and bridges, relief of the poor, housing and police.

In addition, they spent £126 millions on trading undertakings, the most important being the supply of electricity, water and gas, tramway and omnibus services, and harbours and docks. Most of this expenditure was met from payments received.

A further £104 millions was spent on capital works paid for out of loans, £29 millions of the total on trading services and £25 millions on the erection of working-class houses (for which big subsidies are provided).

These figures for one single year will give an idea of the magnitude of the

local public services, especially when it is borne in mind that the total population was less than 41 millions in this year. An indication of the great volume of capital works carried out by local authorities in the course of the year is afforded by the total of outstanding debt at the end of the year, which was over **£1,450** millions, of which over £480 millions was for trading services: as already stated, appropriate sums have to be set aside each year for the prompt repayment of debt.

**INCOME:** During the same year, the total income of the local authorities was £481 millions. £183 millions was received in payment for trading and other services, and in rents and the like; £133 millions was received in grants from national funds; £165 millions was raised from local taxes (called rates).

Rates are levied on land and buildings, but now not on agricultural land and only on one-third of the value of industrial premises. They are fixed at so much in the £ of the "rateable value" of each property, according to the total amount required. The rateable value is based on the annual value which, broadly, is the yearly sum which the property might be expected to yield in rent.

In county areas there are at least two authorities which require money from rates in the same locality, the County Council and the Council for the locality (the Borough, or Urban District or Rural District Council, as the case may be). The total money needed is collected by the Council for the locality and each ratepayer is thus presented with only one bill ("demand note"), which may reduce his trouble but not his grumbling if the bill is not to his liking. It is a characteristic of man everywhere that he does not like paying taxes or rates!

Rates differ much in different districts. In recent years, for instance, most county boroughs have had yearly rates ranging between 12/- and 18/- in the £. But some fortunate places have enjoyed lower rates, while a smaller number, less happily circumstanced than their fellows have had rates even above 18/-. Some of the

differences are accounted for by the facts that services are more costly in some places than others (for topographical reasons, for instance), more or better services are rendered at some places than others. The standard of administration differs in different places, and, not least important, rateable values in some districts bear a substantially lower proportion to true values than in others, because a uniform system of valuation has not yet been attained.

But, while taking full account of these and similar reasons, it remains true that the principal reason why the level of rates is so different in districts with, broadly, the same round of services, is that some are well-to-do and others are poor, poor by natural standards, that is, which are relatively high. Much has already been done to relieve the position—more than there is room to set out in this article—and still more will be done in the near future.

CENTRAL GRANTS: As will be seen from figures which have been given, a very large proportion of the cost of local services is met from central grants—£133 millions in the year in question, as compared with £165 millions from rates. The amount paid in grants has much increased in recent years and will go on increasing with the expansion of services which is already on the way. The increases are justified because many of the services are as important for the country as a whole as for the locality, because most of the highly productive sources of public income have been appropriated for national taxation, because the burden of local services would be too heavy

without central grants and, equally important, the burden would be too unfairly distributed.

About two-thirds of the total amount of the central grants was "specific," that is, the grants were paid for particular services, the chief being education (much the largest), housing, police, and roads and bridges. Most of them were distributed as percentages of approved expenditures (therefore they are often called "percentage grants"). This practice has some advantages for the central departments; for instance, development of particular services can be stimulated and the direction and manner of development influenced. On the other hand, local authorities may sometimes feel that their discretion is too much fettered.

It is, however, no less necessary that grants be distributed according to local needs, so that the poorer areas may receive the larger measure of assistance. About a third of the total amount of central grants is now distributed on this basis, and the proportion is likely to grow bigger, especially if the manner of assessing needs be still further improved. Some account of local needs has long been taken in the grants for education, though the distribution is principally as a percentage of expenditure.

Such, then, is Britain's system of local government. It has grown up with the years, and is still growing. There is much that needs to be bettered, especially for the big new services about to be undertaken. But, with much knowledge of local government in other lands, I can confidently say that, taken as a whole, it is equalled by few and is excelled by none.