

North Devon Conservatives

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“Control freak” Ministers water down new openness laws – Philip J Milton *Labour Government censors breakdown of government spending in North Devon*

Philip J Milton, Prospective Parliamentary Candidate for North Devon, today expressed disappointment at the Labour Government’s decision to water down new laws which would tell people how much taxpayers’ money is spent in North Devon and in every other part of the country.

A new law, called the Sustainable Communities Act 2007, and introduced by Conservatives, was passed by Parliament with cross-community support from local and national organisations. It could turn politics upside down - by giving local people the power to decide how their cash is spent in their area.

For the first time in British political history, the Government will publish a regular breakdown of the amount of public money spent in each community, and explain how much of that spending is controlled by local people and how much by Whitehall.

More and more taxpayers’ money is being spent by unelected quangos. In Gordon Brown’s first year in office, spending on so-called “executive non-departmental public bodies” rose by 16 per cent. The Taxpayers’ Alliance, has estimated that £64 billion a year is now spent by unelected quangos – equivalent to £2,550 for every household in North Devon. So the need for proper transparency in public spending is urgent.

But in a consultation paper recently issued by the Government, the plans for reports on local spending under the new Act have been severely watered down. Only spending information by councils and NHS Primary Care Trusts will be published – and this is already in the public domain.

Conservatives are pledging to put this right and will:

- Use the Sustainable Community Act to publish detailed information on local spending by central and local government bodies, and devolve more funding down to local communities.
- Require North Devon council and Whitehall bodies to publish online detailed figures on how they spend our money, so the press and public can scrutiny waste and inefficiency properly.

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Philip said:

“It is completely unacceptable that control freak Ministers should try to water down these ground-breaking new openness laws. Labour are obsessed with trying to control everything from Whitehall. It speaks volumes that they want to stop local people finding out which areas gets a raw deal from the Government.

“The Sustainable Communities Act can give local communities a far greater say on how their money is spent. In this way, we can tackle ‘Ghost Town Britain’ and the ongoing loss of local shops, services and facilities. Only Conservatives will open up the books and give power and funding so local people can adopt local solutions.”

FOR FURTHER INFORMATION OR PHOTOCALL PLEASE CONTACT:

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Notes to Editors

SUSTAINABLE COMMUNITIES ACT

The Sustainable Communities Act 2007 was a Private Members Bill, initiated by Conservative MP, Nick Hurd, with cross-community support from local and national organisations.

http://www.opsi.gov.uk/acts/acts2007/ukpga_20070023_en_1

The Government is now, very slowly, moving to introduce the provisions of the Act. Section 6 of the Act requires the Government to publish detailed information on spending by local and central government bodies in local areas.

http://www.opsi.gov.uk/acts/acts2007/ukpga_20070023_en_1#l1g6

The Act also allows, after detailed consultation with local people, for powers and funding then to be devolved down to a local level, and then allow for such public spending to be focused on the priorities of local people.

GOVERNMENT WATERS DOWN OPENESS RULES

Last month, the Government quietly slipped out a consultation paper on producing local spending reports under the Sustainable Communities Act 2007. In the small print, the Government completely waters down the requirement to publish local information on public spending. They are only publishing information on local authority spending and NHS Primary Care Trust accounts. Yet this information is public domain already. Quango spending will be untouched.

“It would in principle be possible to make estimates of how the expenditure could be broken down at lower spatial levels (e.g. disaggregating County Council expenditure to district or neighbourhood level), using proxy data such as populations, but these do not correspond to actual expenditure and are therefore potentially misleading. More generally, we are keen to include only data which meets high standards of robustness and quality (e.g. statistics collected and collated on a national scale)” (p.10).

“In some cases, one way around this is to allocate the expenditure to the area in which it primarily takes place (e.g. where the hospital or university is located), whilst acknowledging that the benefits of this expenditure are experienced over a much wider area. Again, there are arguments that this is potentially misleading” (p.10).

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“The same arguments apply to the treatment of expenditure on large-scale infrastructure projects or facilities which benefit wider areas e.g. roads or hospitals. Apportionment of expenditure of this type to particular areas for the purposes of this Act is likely to be arbitrary and potentially misleading” (p.10).

“Finally, a great deal of public expenditure is in the form of personal payments (e.g. benefits or pensions). These are based on individual entitlements and information on this is arguably of limited use in promoting the sustainability of local communities” (p.10).

“Subject to this consultation, the proposed first Local Spending Report will cover themes relating to local government revenue expenditure across a wide spectrum of activities for the latest outturn year for which quality assured data is available – 2006-07. The proposed Report will focus on existing data sources thereby avoiding additional burdens on public bodies” (p.13).

“Data Sources

The Report will contain a list of items of expenditure detailed in Annex B from the following data sources:

- **Communities and Local Government Revenue Outturn (RO)**
- **Department of Health Audited Accounts of Primary Care Trusts”** (p.13).

DCLG, *Sustainable Communities Act 2007: Local Spending Reports - Consultation Document*, 20 February 2009.
<http://www.communities.gov.uk/publications/localgovernment/localspendingreportsconsultation>

Ministers have refused to commit to extending this to other bodies, saying merely that they may be “developed over time”.

“Mr. Stewart Jackson: To ask the Secretary of State for Communities and Local Government with reference to her Department's consultation paper on the Sustainable Communities Act 2007, whether she plans to extend local spending reports to include information on relevant executive agencies and non-departmental public bodies.

John Healey: On 20 February 2009, the Government launched a consultation on the Sustainable Communities Act 2007: Local spending reports. In this consultation, the Department is seeking views on proposals for putting in place the first arrangements for local spending reports including which bodies, expenditure, spatial level and period should be covered by the reports, and also how the reports might develop over time. The consultation on the first arrangements closes on Friday 3 April, and on Friday 15 May for how the reports should be developed over time. Copies of the consultation document have been placed in the Library of the House.”

Hansard, 11 March 2009, col. 504W.

<http://www.publications.parliament.uk/pa/cm200809/cmhansrd/cm090311/text/90311w0023.htm#09031193005331>

GROWING SPENDING BY QUANGOS

According to the Government's latest survey, expenditure on so-called “executive non-departmental public bodies” (one type of quango) was £42,994 million in 2007-08, up from £37,023 million in 2006-07.

Cabinet Office, *Public Bodies 2008*, January 2009, p.10 and *Public Bodies 2007*, p.10.
<http://www.civilservice.gov.uk/about/public/bodies.asp>

In total, there are 1,162 quangos in the UK, costing the taxpayer £64 billion, equivalent to £2,550 per household, according to research by the Taxpayers' Alliance

TPA, *Quangos: the Unseen Government of the UK*, May 2008.

<http://tpa.typepad.com/bettergovernment/2008/05/quangos-the-uns.html>

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