

# Beyond cuts, beyond borders, by John Tizard and Michael Burnett

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Rightly or wrongly, English local government has many reasons to feel that it has been the innocent victim of the financial crisis. It didn't cause the banking crisis – and yet now has to deal with a reduction of 28% in revenue funding from central government between 2010-11 and 2014-15, with the resulting impact on service users and communities.

That said, we are where we are, and the cuts are happening.

The English position is different from the Scottish or Welsh situation. In the case of the latter, the Assembly Government has committed to sustain grant levels to local authorities over the next four years – though, in truth, the sustainability of this policy must be seriously questionable.

English councils are also in a very different place from most of continental Europe, where local and regional government often has constitutional rights and defined relationships with central government. In most cases, European local authorities have greater tax-raising powers and determine a higher proportion of their revenue than in England. The degree of central government financial redistribution varies and without such arrangements, some parts of the country – usually those with the greatest social and economic challenges – would be significantly disadvantaged.

Although local authorities were expecting, and many planning, for reductions in their grant, the degree of the cuts and the front-loading into 2011/12 understandably took them by surprise. Cutting so quickly makes a strategic approach more difficult.

The current and previous governments have frequently talked about localism and decentralisation. However, the reality usually appears very different to most local authorities. A genuinely 'localist' approach would see much less central government direction than has been the case in the past – and such behaviour would be regarded as very rare in most other EU countries where local government is recognised as one of the constitutional elements of the state's governance and neither the delivery arm of central government nor its convenient political football.

Of course, the current financial, economic and demographic pressures faced by local government in England are not unique. They are currently to be found in many European states as well as in the US. Accordingly, English local government should always be ready to look beyond the UK for ideas that can be adapted to local circumstances.

Here in the UK, we start from a generally higher and more sophisticated approach to performance management of public services compared with much of continental Europe.

The UK has a longer established and well developed culture of performance management, with the idea that government is about delivering services to citizens, and relating that performance measurement to service delivery.

Given the varying economic, constitutional and cultural positions in different European states, one obviously has to be cautious about international comparisons and certainly about lifting one policy or practice approach from one jurisdiction and seeking to apply it in another. However, there is learning to be done; sharing to benefit from; and the opportunity to challenge indigenous tradition by examining what others are doing or have done.

Can we, for example, learn something from ‘citizen participation in budgeting’ in the city of Cologne? Or the implementation of performance budgeting by the Polish finance ministry? Or the enormous number of examples and different use of the community, voluntary and private sectors – in service delivery in many countries? Or the development of mutuals and co-operatives? Or the Swedish or Finnish education systems? Or the French commune and mayoral systems? Or from a social partnership approach to working with employees and trade unions?

The experience in different European Union states of the Centre for Public Service Partnerships and European Institute of Public Administration suggests that we can – and we must.

The challenges facing local government are clearly not going to go away, so there is a need for every idea and example available; to share experience; and to innovate. Seeing and understanding what others do can stimulate innovation and challenge. There are opportunities to partner and to establish development collaborative ventures across the EU.

Clearly, local authorities should look for best practice across the UK – but there is also much to learn from our European Union partners – and beyond. This is not the time for insularity but for a broad scanning of the wider horizons.

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