

THINK TANK QUARTERLY

THE LOCALISM EDITION

In this edition of Lexington's Think Tank Quarterly we review the work of think tanks relating the Government's localism agenda. This is a big year for localism, a theme which will have ramifications for organisations in a number of sectors including property and health.

Localism: the next steps

The Coalition Government achieved a number of significant milestones in their localism agenda last year and 2012 will see the focus shift to implementation.

Localism as a theme cuts across a number of policy areas and is one of the strongest sources of agreement between the two Coalition partners. It has long been championed as a concept by a number of think tanks and is a good example of a policy agenda which has successfully made the transition from think tank reports to official government policy.

Think tanks' focus on localism has now shifted into two broad areas. Firstly, how the Government's localist reforms will work in practice and evaluating the success of their implementation. Secondly, looking at the longer term question of where the localism agenda should go from here, with a view to informing political thinking over the next five to ten years.

Local government finance

Late last year the Government unveiled its proposals to reform local government finance, including a recommendation to enable local authorities to retain a share of business rates and use tax increment finance.

Many think tanks including Localis and Policy Exchange have long argued for such reform although there have been some doubts expressed as to whether the current proposals go far enough. Zack Wilcox, Economic Researcher at Centre for Cities, has described the plans as 'a growth-light approach to rates retention'.

The New Local Government Network will next year be looking at how local authorities can use new opportunities such as business rate retention and tax increment finance to promote growth, both economic and social, in practice.

LOOKING AHEAD: FUTURE ACTIVITY



Policy Exchange is planning to hold an event in February to mark its tenth anniversary where they will review the current political landscape and the key future public policy challenges facing the UK.



New Local Government Network will hold their Annual Conference on the 25th January. Confirmed speakers include Communities Secretary Eric Pickles, Business & Enterprise Minister Mark Prisk and Shadow Communities Secretary Hilary Benn.



Reform has a busy schedule of events & seminars lined up early in 2012 including two policy discussions on 'Going for Growth' to be attended by Mark Hoban, Financial Secretary to the Treasury, and Business Secretary Vince Cable.

Further to this, Localis will be looking to explore whether all local authorities could become self financing. They will consider whether councils already have the fiscal tools they need, what national taxes could potentially be localised and whether it is time to allow councils to raise their own new, local taxes.

Planning and Infrastructure

The Localism Bill has now completed its passage through Parliament and the Department for Communities and Local Government is currently considering the National Planning Policy Framework. In the coming year, a number of think tanks are looking at planning and infrastructure as part of the localism agenda from a more radical perspective.

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The Adam Smith Institute will publish a report later this year entitled 'Towards Private Towns', which argues for the introduction of private towns such as Owenstown in Scotland. The report will argue that radical innovations are necessary to solve problems around housing, access to services and community cohesion. The report will look at changes to planning law, in particular the proposed National Planning Policy Framework.

Localis will look this year at how changes to the planning system will affect local councillors and the role it will have on the local environment. In addition, Localis will look at infrastructure and energy generation and if local councils are a brake or an accelerator in terms of the generation of low carbon energy.

Policy Exchange made a significant and radical contribution to the planning debate with the publication of 'Cities for Growth: Solutions to our planning problems'. This argued for a more liberal and competitive system and advocated the development of new Garden Cities to act as beacons for development.

Westminster Forum Projects is holding a number of events on localism, including one in February focusing on the respective roles of local and national government in delivering a national housing strategy.

Health

The Government's localism agenda extends further than simply planning and local finance. The Health and Social Care Bill will establish Clinical Commissioning Groups and Health and Wellbeing Boards in a move designed to radically de-centralise the NHS. As the Bill approaches Royal Assent, think tanks have turned their attention to how the reforms will be implemented on the ground.

Health and Wellbeing Boards are due to be up and running by April 2013, but 132 'shadow boards' are already being set up by councils across the country, to give an idea of how they will work. The New Local Government Network is currently running a project to assess the effectiveness and a guide to the working of

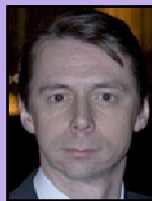
the shadow boards as the Boards prepare to go live in 2013.

The health think tank, The King's Fund, is currently conducting a piece of work on health and wellbeing. The project will give insight into how local authorities and their health partners are implementing health and wellbeing boards in the context of the government's NHS reforms, its vision for adult social care and the Localism Bill. They are due to publish a report at the end spring 2012.

Looking to the future

The ongoing work of think tanks in the area of localism will have a key role to play both in judging the success of the Government's current localist policies and in framing the localism debate in the longer term. The second half of this Parliament will see all three parties casting about for fresh policy ideas with an eye on a 2015 election and the pages of think tank reports will be a good place to start.

NEWS & MOVES



Mark Littlewood, Director General of the Institute of Economic Affairs has been appointed in a part time role as independent advisor for the Government's 'Red Tape Challenge', focusing on streamlining the regulatory burden on businesses.

The Fabian Society is set to lose a key figure to a high profile political role, as Deputy General-Secretary **Tim Horton** leaves after five years to become a senior political advisor to Ed Miliband. He has been replaced by former Ed Miliband for Leader Field Campaigner **Marcus Roberts**.

As reported in the previous edition of the Think Tank Quarterly, **David Goodhart** has been confirmed as Director at Demos replacing former MP **Kitty Ussher**.

Gabriel Milland has left Policy Exchange to take up the role of Head of News at the Department of Education, and **Chris Yiu** as been appointed Head of its Digital Government Unit from HM Treasury.