

C(66) 15

COPY NO. 6621st January, 1966CABINETLOCAL GOVERNMENT REORGANISATIONMemorandum by the Secretary of State for Wales

I agree with the view of the Minister of Housing and Local Government in C(66) 6 that the time has come for radical reorganisation of local government, but I doubt whether the answer is an inquiry by a Royal Commission.

2. The Local Government Commission for Wales, which had been set up under the Local Government Act, 1958, reported in 1962 making certain proposals for the reorganisation of local government in Wales. The Government of the day took the view, however, that its recommendations would not provide a fully satisfactory basis for an effective local government structure in Wales and undertook to prepare new proposals itself.

3. When I took over responsibility for local government in Wales, I arranged for an interdepartmental Working Party of representatives of the Home Office, Department of Education and Science, Ministry of Health and Ministry of Housing and Local Government, as well as of the Welsh Office, to produce proposals. Because I was particularly anxious that they should not work in isolation from the local authorities, I arranged with the Local Authority Associations that a panel of 33 people with wide experience of local government in Wales should be nominated to consult informally with the official Working Party.

4. This work is now at an advanced stage. The panel of local authority advisers have given their views on the defects of the existing organisation and have made suggestions for remedial action, which they were agreed was long overdue. Taking these suggestions into account, the Working Party have worked out in detail two alternative proposals for the reorganisation of local government and these have been put to the advisers for their observations. When this stage has been completed the Working Party will report to me, and I shall be in a position to put proposals before my colleagues.

A Royal Commission

5. I have had abundant evidence in the last year that the need for local government reorganisation in Wales is recognised to be an urgent necessity. I have stated on several occasions that the Government recognises this and intends to take action as soon as possible. It would be extremely embarrassing to me, therefore, if proposals were now to be announced which would in any way delay the progress of the work which has already been done on local government reorganisation in Wales.

6. I appreciate that the Minister of Housing and Local Government has limited his suggestion to a Royal Commission for England. Indeed, against the background of the detailed proposals on which I am known to be working it would look odd if we were now to appoint a Royal Commission to cover Wales as well as England. Even if, however, the Commission's terms of reference were limited to England I fear that the Local Authority Associations (who cover Wales as well as England) would press that consideration of any radical proposals for Wales should be postponed until the Royal Commission has made its proposals for England. This would put back for several years reorganisation in Wales, where the multiplicity of weak local authorities is more serious than almost anywhere else.

7. Apart from this consideration, however, I would like to suggest to my colleagues that there would be more general disadvantages in appointing a Royal Commission. This piece of machinery is widely thought of as being appropriately used where difficult new territory has to be explored for the first time; in other applications its use is suspected of being a delaying or evasive tactic. After all the attention that local government reorganisation has received in recent years - for example the studies by the Acton Society Trust, the Bow Group and the Fabian Society, the work done by the Local Government Commissions and the experience gained in London, Rutland, Teeside, Tyneside, Manchester and Merseyside - we can hardly say that this is new territory which has to be explored by a Royal Commission before we can venture into it. Indeed the Minister of Housing's paper shows that he himself is not only fully aware of the problems and their urgency but has a good idea of the kinds of solution that would be appropriate.

#### Conclusion

8. I submit that the appointment of a Royal Commission would bring the useful action already in hand in this field to a halt and injure our reputation as an effective reforming and modernising Party. It would be better to press on with the work already in hand in Wales and elsewhere it seems likely to yield good results. For the rest of the country consideration should be given to more direct means, such as the presentation of a White Paper containing reorganisation proposals which, after discussion with the local authorities and other concerned, could be incorporated in a Parliamentary Bill.

J.G.

Welsh Office, S. W. 1.

20th January, 1966

