CABINET

ROYAL COMMISSIONS ON LOCAL GOVERNMENT:
TERMS OF REFERENCE AND ORGANISATION

Memorandum by the Secretary of State for Scotland and
the Minister of Housing and Local Government

Following approval by the Cabinet on 27th January
(CC(66) 4th Conclusions, Minute 4) of proposals for setting up a Royal
Commission on local government organisation there have been
consultations with the Departments principally concerned about the terms
of reference. It might be convenient if we were to set out our proposals
for the terms of reference of the Royal Commissions.

Terms of Reference

2. We propose the following terms of reference for each Commission:

"To consider the structure of Local Government (outside
Greater London)[(1)] in relation to its existing functions;
and to make recommendations for authorities and
boundaries and for functions, having regard to the
size and character of areas in which these can be
most effectively exercised and the need to sustain
a viable system of local democracy."

3. While this formula would require the Commissions to examine
structure in relation to functions at present exercised by local
government, in making recommendations they would not in terms be
debarred from proposing some changes.

4. We are sure however that it would be wrong to charge the
Commissions with a full study of the distribution of functions between
central and local government. To do so would lead them deeply into
questions of Government organisation; it would provoke requests from
interested bodies for the Commissions to hear evidence and to examine
the case for radical changes in administration of major services, on
which they will not necessarily be equipped to form judgments; it would
prolong their work by diverting effort from the main task of getting the
structure right.

(1) England only.
5. On the other hand, we would not wish to exclude the possibility that the Commission should, in the light of the ideas on structure they evolve for existing functions, examine whether that structure could conveniently accommodate some function not at present discharged by local government; or whether the transfer from local government of an existing function might not facilitate the creation of a suitable organisation for the main local government jobs. But we think they should embark on examination of questions of this kind only after consultation with the Government.

6. The suggestion has been made that the need for such consultation should be given formal expression in the terms of reference. We are sure this would not be right. We should not ask the Commissions to serve under terms of reference which would openly reserve to the Government freedom to change the terms as they thought fit. We think the purpose could best be secured by an exchange of letters between the Chairman and ourselves, setting out an understanding that the extent to which the Commissions should concern themselves with examining the distribution of functions between central and local government would be a matter for consultation. The Commissions will no doubt be giving guidance to bodies and persons wishing to submit evidence and this will enable them to steer evidence towards the structure for discharging present functions. We may, of course, have to give a fuller account of our intentions about functions, but this can be done much more satisfactorily in an explanatory statement than in formal terms of reference.

7. We have ascertained that these terms of reference would be acceptable to the Chairman designate, but that they would not be content with a form which formally left the scope of the Commission's work to be altered from time to time by the Government.

Composition of Royal Commissions

8. We shall be seeking the Prime Minister's agreement to the nominations for membership.

Timing

9. We have impressed on the prospective Chairman and members the need for urgency in carrying through their work. They will aim to make their report available in not much more than 2 years, and this should make it possible, if then desired, to legislate in the fourth session of this Parliament.

10. We would propose to announce the terms of reference and give the composition of the Royal Commissions as soon as The Queen's approval has been signified.
Staffing of English Commission

11. For the Commission to make the rapid progress we require it will need to concentrate attention on the main issues and have available a ready source of information over the whole field of its work. It will need to be able to commission studies on a wide variety of subjects. For this purpose it is proposed that the Commission should have available a research organisation, headed by an academic with wide experience in this field, which will be able to draw on Universities as well as being supported by specialist staff which will be made available from the resources of the Ministry of Housing and Local Government.

W. R.
R. H. S. C.

Whitehall, S. W. 1.

3rd May, 1966