A general election campaign shortlist



Rishi Sunak, United Kingdom Prime Minister

By David Fellows

Achieving the PM's <u>five priorities</u> for 2023 will not win the general election although, having committed to them, failure to deliver will surely finish him. Raising the corporation tax in the next budget would also be destructive. But people do understand that resolving the complex problems facing the country is crucial to their wellbeing and the PM's abilities to master detail and strategy are seen as relevant to this task. His families' wealth is no major stumbling block.

The real question is whether the PM has the character and communication skills to confront the issues and provide the leadership that will deliver a future to be proud of.

I suggest the PM has five major issues to address convincingly and that he must start immediately.

- 1. Economic growth (reference in <u>five priorities speech</u> too limited and must be revisited)
 - **Productivity improvements** to improve wages, address the labour shortage, provide the profits for investment and create higher tax revenue to finance tax incentives, infrastructure development, tax rate reductions and necessary levels of social provision.
 - Investment in technology and innovation incentivised by tax allowances is an important aspect of a productive ecology. Added to this a simplified tax code and reform of tax administration is critical for small businesses and self-employed, it is even important to enable larger companies to be motivated by the tax incentives that are available to them.
 - Government procurement could be used more proactively by giving advance notice of likely opportunities, engaging with suppliers on product design and tender process development and supporting the development of small businesses.
 - The levelling-up agenda should be reduced to its basic form of regional economic development which is the basis of almost all forms of regional prosperity. It is essential that the hitherto enormous preference shown to the London, Oxford and Cambridge area is redressed. This must include including special tax incentives for business investment in the regions and for collaborative

ventures between nearby businesses, greater investment by higher education institutions in support for regional businesses (including inward <u>investment in new</u> <u>technology</u>), greater availability of specialist start-up incubators and greater concentrations of advanced technology centres working in partnership with local businesses.

- Higher and further education should be seen primarily as providing the route to a good life, an interesting occupation and the use of innate skills. The cost of a university education is outrageous compared to the benefits in most cases and the debt represents a barrier ownership, family life and community home development. Universities must become more closely aligned with national economic priorities. Similarly, further education must reach out to employers and employees to an extent that has so far eluded most institutions. The contribution that this sector should play in the field of innovation and business development lies far from current experience. The private sector should also be challenged to match this with its own efforts to improve skill transfer and mutual support within business specialisms.
- Business regulation must be overhauled to attract and incentivise private sector businesses. This requires careful prioritisation and cooperation between business sectors and Government. Clearly much groundwork has been done and must be followed through.

I have dealt with these issues <u>elsewhere</u> in greater depth. Amongst other things it should be regarded as a programme of national resilience that emphatically embraces agriculture. The issues are given impetus by the need for a robust response to the US Inflation Reduction Act.

2. Green energy

Realism is urgently required about the speed and direction of the green energy revolution. There are more friends than enemies to be won by softening some of the shorter timescales and some of the specifics. Realistic solutions are required to shared ambitions. There is also an urgent need to prevent arbitrary local regulations and penalties, including road use charges for carbon emitting vehicles. Any such practices must be confined to nation-wide schemes to facilitate ease of travel and trade throughout the country.

3. Housing and families

The scope for local authorities to refuse planning permissions for housing must be reduced, time taken for allowable interventions must also be limited. The scope for building on greenbelt land should be increased. Government cannot continue to wash its hands of this vital issue and MPs intending to fight the next election must accept a firm approach. Admittedly this requires a reversal of policy but it is a matter of economic and social good sense. To do otherwise would be an affront to the younger generation. This goes hand in hand with the urgent need for refinements to childcare regulations.

4. The structure, character and management of the civil service

The civil service lacks modern corporate accountability. Officials can too easily assert departmental policy and standards leaving unwary politicians powerless. The perpetual

whirligig of ministerial change does not help this situation. The current internal battle being waged with the Secretary of State for Justice could be read as a struggle for departmental control and has serious implications for the UK's current constitutional arrangements. Reform is urgently required, a manifesto commitment is necessary to provide a mandate. It could just become a strong issue for this PM.

5. NHS reform

I do not suggest offering specifics for NHS reformas there is insufficient time before the next general election for the research and development required. Instead there should be a clear promise to give prominence in the new parliament to the challenges facing the NHS and approaches adopted by other first rate healthcare systems around the world. This would result in a white paper introducing an <u>incremental reform package</u> that would repair NHS deficiencies whilst giving it space to breathe by encouraging a larger role for alternative forms of provision.

This agenda is designed to confront serious national challenges and reassure the electorate that beneficial changes will ensue. Without a platform that allows the PM to demonstrate the relevance of his strengths the Opposition may find itself in power without having detailed a single major policy change. Now that could result in 'chaos'.

David Fellows worked extensively in UK local government, was a leader in the use of digital communication in UK public service and became President of the Society of Municipal Treasurers. He was subsequently an advisor on local government reform in the UK Cabinet Office and an international advisor

to the South African National Treasury. He is a director of PFMConnect, a public financial management consultancy, and a regular commentator on issues of public policy and finance at home and abroad.

Policy Frameworks and Municipal Effectiveness

By David Fellows [1]



Introduction

Local governments, referred to here as 'municipalities', tend to be smaller scale, face less complex challenges, and have less diversity amongst stakeholders when compared to national governments. This relative simplicity should be regarded as their defining strength. It eases the path to identifying their core mission and prioritising service developments within resource constraints and national mandates.

A common problem with capitalising on this strength is that municipal strategic policy agendas are often asserted without sufficient regard to their consistent articulation, internal coherence or supporting administrative sub-structure. It is the author's contention that without these attributes municipal leadership will always lack clarity of direction; delivery competence; and full hearted community support. In addition, the media will have grounds for scepticism and its criticisms will probably intensify over time.

This piece outlines the elements of an effective municipal policy framework and the need for its periodic review and realignment.

The Policy Framework

The fundamental elements and principles of the policy framework are outlined below:

 Policy objectives should be set at a long-term level with more detailed expression at shorter timescales. This policy cascade must be consistent. The policy cascade must be achievable in a practical sense and there must be sound and clearly expressed reasons to expect the necessary resources (finance, skills and materials) to be available in the timescale envisaged by the policy objective.

- Operational changes must be supported by realistic development plans and external expert support should be sought to help develop internal capacity where necessary.
- 3. There should be a medium term budget reflecting the stated policy system over a minimum 3 year policy timescale. All budgets should contain both revenue and capital provision that should be consistent between the two, realistically achievable. Where policies are changed the budget must change accordingly.
- 4. No spending commitment must be made until budget provision has been allocated as a priority above all competing demands that would otherwise make funding untenable.
- 5. Service delivery arrangements and underpinning administrative processes must be set out clearly and there must be adequate training plans to achieve the intended outcomes.
- 6. The budgetary control must be exercised to ensure that expenditure and revenues are consistent with the budget and where this is not achievable then modifications to policy, practice and budget must be made appropriately. The overall responsibility for containing spending within budget must be imposed on departmental heads without the option of delegation to a lower level.
- 7. Benefits realisation strategies for new developments must be used to guide successful outcomes and risk management strategies used to anticipate and mitigate possible challenges.
- 8. Civil servants must have performance contracts for achieving service outputs and outcomes within budget.
- 9. There must be public engagement in the development process and transparency about its outcomes.

10. The logical chain of policy, delivery practice, supporting administrative processes, development plans and budgetary provision must be understood by politicians and administrators at all levels.

This type of policy framework could be said to be applicable to anywhere within to anywhere within the public service but in municipalities it is more tangible in terms of proximity between the administration and the community as a whole, more easily comprehended as a working system that encompasses the entire municipality and more capable of being used by the political leadership as an envisioning and executive tool. This sentiment was echoed by Mr Armand Beouinde, Mayor of Ouagadougou, Burkina Faso at the UN-Habitat Conference in Marrakesh last November.

Review

Periodic reviews of the policy framework offer an opportunity to improve coherence and effectiveness. They can also lead to a better understanding of municipal capacity and critical areas of weakness that must be addressed if ambitions are to be fully realised. It may be useful for such reviews to be undertaken independently and shared with the community for comment prior to finalisation.

Conclusion

Municipalities are well placed to make crucial contributions to community well-being and development. Better governance based on coherent policy frameworks and sound development plans can help them deliver on their potential. In the author's view development partners can be too keen to rush developing countries into adopting practices that are unsustainable before the necessary organisational capacity has been achieved.

End note

We should be pleased to discuss the ideas in this piece with those who believe that they may have relevance to their situation.

[1] David Fellows began his career in UK local government where he became President of the Society of Municipal Treasurers and a pioneer of digital government, he followed this with stints in the UK Cabinet Office and the National Treasury of South Africa. He is a director of PFMConnect.