

Speech

## Local Government Association annual conference 2023: Secretary of State's speech

Speech by Secretary of State Michael Gove MP at the Local Government Association's annual conference 2023.

From: [Department for Levelling Up, Housing and Communities \(/government/organisations/department-for-levelling-up-housing-and-communities\)](#), [Office for Local Government \(/government/organisations/office-for-local-government\)](#), and [The Rt Hon Michael Gove MP \(/government/people/michael-gove\)](#)

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Thank you Kevin for those incredibly kind and inspiring words, and thank you Shaun also for welcoming us to the conference here in Bournemouth.

And thank you all for being the backbone of our public service.

Before I go any further, I want to add my own personal tribute to those you have already heard to Bob Kerslake. The LGA family has lost one of its own, and the country has lost a true public servant.

Bob began his career in government with the Greater London Council, with roles in transport, finance and education. He ended it running the Civil Service.

Along the way, he was chief executive of the fourth biggest council in England – Sheffield City Council. He also spent 7 years as chief executive at the London Borough of Hounslow, having previously been its director of finance.

The move into central government saw Lord Kerslake become chief executive of the Homes and Communities Agency; permanent secretary of what was then called the Department for Communities and Local Government, and then of course Head of the Civil Service.

My colleagues and I most recently valued his work on homelessness at the Kerslake Commission, just as you valued the 6 years he spent as a dedicated LGA President before handing over the baton to Baroness Grey-Thompson.

On a personal level at the Department for Education I benefitted hugely from Bob's kindness, his thoughtfulness and his wisdom.

He was, also, an avowed supporter of devolution – and the flexibility it brought councils during their COVID-19 response. "The vital importance of local government to people's lives has been very evident throughout this time," he wrote.

"If ever there was a practical argument to be made that greater devolution would bring great benefit to the country, it was made over the last year."

Bob's commitment to local government – his belief that power should be exercised as close to the communities we serve as possible – is a continuing inspiration and we honour his memory.

And in honouring his memory, the first announcement I'd like to make today is quite simple – thank you.

Putting yourself forward for elected office in local government is an act of selfless public service. Acting as an officer in local government is a noble profession and every one of you deserves our gratitude.

Especially given the testing times through which we have been living.

Coping with an unprecedented global pandemic, facing increasing pressures on adult and children's social care, supporting our Ukrainian guests and others fleeing from Hong Kong and Afghanistan, dealing with inflationary pressures, and always seeking to put the vulnerable in our communities first – we all owe a debt to local government and its leaders.

And few have been finer leaders than my friend, and your retiring chair, James Jamieson.

Energetic, always over the detail, persistent, persuasive, a natural team player, a conciliator when required and a fighter for local government always – James: I want to, on behalf of all of us in government and everyone in the hall, say a heartfelt thank you.

Of course, James, we will stay in touch personally – I hugely value your counsel; I know you will have many future roles to play, not least in the realm of housing policy – and also my diary manager tells me I will be a regular visitor to mid-Bedfordshire in the weeks ahead – a very regular visitor...

I also want to congratulate your new chair of the LGA. Shaun is the youngest ever chair of the LGA and has racked up a number of achievements at Telford & Wrekin Council since 2016. The LGA noted his 'outstanding and inspirational' leadership during COVID-19; while in children's services, his is the first council outside London to progress from 'requires improvement' to 'outstanding' status.

Shaun, I look forward to working with you in the months, and I hope years ahead, to deliver the effective and efficient local services our citizens deserve.

We will not always agree on the best way forward but I know that we agree that we can serve the public best when government and local government work closely together. Shaun, congratulations again.

I personally and this government believe in devolution, decentralisation and driving power down to local communities.

We want to give local communities more tools – the strongest ones – to make a difference on the issues that matter to residents – from countering anti-social behaviour to revitalising high streets, enhancing the environment to securing more of the right homes in the right places.

We also believe that with greater power we should also ensure sharper accountability, celebrating the superb work so many councils do and helping to identify where local authorities need additional support.

We believe that it is by empowering local communities that we can best address the regional economic inequalities which have held us back in the past.

Local government is at the heart of levelling up. And we also believe in innovation in the delivery of public service – especially when it comes to securing economic growth, delivering beautiful new homes and supporting those most in need.

I know it is only through listening and learning from you that together we can make progress.

And the progress that we have made in DLUHC recently has all been down to what we have learnt from you.

It was your experience in dealing with building safety in the aftermath of the Grenfell tragedy that helped us to bring relief to leaseholders and tenants.

Your experience in supporting tenants in social housing to secure decent homes which has enabled us to bring in better regulation and higher standards.

Your knowledge of what works, and what doesn't, in the private rented sector has shaped our reforms.

And your experience of the planning system – its strengths and weaknesses – has enabled us to bring forward improvements.

Your amazing work in supporting Ukrainian refugees has enabled Homes for Ukraine to be such a success – with more than 150,000 Ukrainians benefiting.

And even now you are helping us to find homes for Afghans to whom we have offered sanctuary, and are working constructively to deal with the pressures, undeniable pressures, that other refugees and asylum-seekers place on communities.

The wonderful work so many of you do in adult social care is too often underappreciated but I and my ministerial team – and the ministerial team at DHSC – hugely appreciate not just the work you do daily but the expertise that you bring to reforming the sector and helping the most vulnerable.

On education, supporting children with special needs, and safeguarding children at risk of abuse and neglect – your work, and wisdom, are invaluable.

In enhancing our environment, dealing with waste, supporting nature to recover and dealing with climate change, you are in the frontline, and we all benefit from your leadership.

In so many ways local government is the champion of what works, the indispensable ally.

So much so that when I was told there was a new movie called Everything Everywhere All at Once, I thought it was a fly on the wall documentary about local government.

Thank you for all you do – and know that it is because you do it so well that we want to empower you further.

It is our priority, as you know, to go deeper in every area that is keen to pursue further devolution – and I am delighted that devolution deals now cover over 50% of England.

The LGA has welcomed our commitment to offer all of England the opportunity to benefit from devolution deals by 2030 – and to engage with councils of all sizes.

Before 2010 the only meaningful devolution within England was to London. Since then, we have allowed more and more communities to take back control of more and more power. Most powerfully through the model of mayoral combined authorities. But also through our programme of county deals and our freeing of districts and boroughs from historic restraints. And the Levelling-up and Regeneration Bill gives them – and all planning authorities – more control over the future shape and character of their communities.

The government's ambition is to see devolution extended further across England, beyond just the areas named in the Levelling Up White Paper. And we are taking inspiration from the trailblazer MCA model: I can confirm today that these deals will act as the blueprint for other Mayoral Combined Authorities to follow.

As well as the trailblazer devolution deals signed with the Greater Manchester and West Midlands, we have also agreed to create a new Mayoral Combined County Authority in the East Midlands, a new Mayoral Combined Authority in York and North Yorkshire, we have expanded the North-East deal and we have also announced devolution county deals with Norfolk and Suffolk.

I was excited to discover earlier today from the wonderful Anne Handley, the new leader of East Riding, that East Riding and Hull are working together on another potential new devolution deal. We want to be with you every step of the way.

I am an enthusiast – as you all know – for the mayoral model. But of course, one size rarely fits all. And I want to ensure that counties, district and unitary authorities also enjoy greater powers, greater freedom and greater resources.

So even as we make sure that our drive for devolution is in keeping with the best traditions of local government, we continue to respect existing structures. Indeed, we seek to strengthen them.

And we wish to ensure also that a light is shone on the great work local government is doing.

It is to improve accountability and transparency, and help all councils succeed, that I am today officially launching the [Office for Local Government \(Oflog\)](https://www.gov.uk/government/organisations/office-for-local-government) (<https://www.gov.uk/government/organisations/office-for-local-government>).

By providing targeted data and analysis, Oflog will champion the very best in local government and also help us to identify where councils need targeted support to deliver.

And Oflog will of course work closely in partnership with the LGA's Innovation and Improvement board, so ably now chaired by the hugely energetic Abi Brown.

And we want to make sure that Oflog ensures there is wider appreciation of the innovation and excellence displayed every day by local government.

Swindon Borough Council, for example, now takes an average of 4 days, instead of 11, to clear up fly-tipping after developing AI software to process reports submitted by residents and then work out the most efficient way for street teams to tackle them. It is also saving around £28,000 a year in fuel and staffing costs.

And the use of machine translation, another manifestation of AI, by its paediatric therapy team has cut the time to process documents from 3 days to 14 minutes, and the average cost per document from £160 to just 7 pence.

The technology is now used by the council to support Ukrainian and Afghan arrivals, and by their adult and children social care teams when working with people whose first language is not English. The council has made the tech available for use free of charge to other government bodies and institutions, with hospitals, schools, courts and the Welsh and French governments taking it up.

Where Swindon leads, the world follows.

At Stockton-on-Tees Borough Council, we've also seen innovation. Far more children have an education, health and care plan (EHCP) that meets their needs after those putting the plans together started using a new digital tool to guide them. The percentage of their EHCPs audited as 'good' has risen from just 15% to 88%, while those rated 'inadequate' have fallen from around 29% to just 1.7%.

Delivery on the ground from a council putting innovation first.

And also City of Wolverhampton Council with its Digital Wolves strategy is supporting our key levelling up mission to enhance connectivity by extending 5G coverage.

Wolverhampton goes all-out to improve broadband connectivity among residents and it has taken full advantage of being among the first cities to host a commercial 5G accelerator.

These are just 3 of many examples of innovation and excellence in the public sector being pioneered by local government and I want to see it celebrated.

Oflog is there to celebrate that ingenuity and imagination.

As you will know, I confirmed in January that Lord Morse will be the first chair of Oflog. We have appointed Josh Goodman, a brilliant civil servant who set up the highly successful Covid Shielding programme, as interim chief executive and have launched a recruitment campaign for the permanent role today – I want to make sure we get a wide range of excellent candidates so anyone here with a CV they want to send, I look forward to seeing it.

Oflog is about supporting you to get on with the job of running local government and delivering for residents and communities.

And we will work with you to establish the best indicators of performance that will be upheld via Oflog.

And Oflog should also support us and the department in another vital way. And that is identifying potential problems in councils earlier.

We all know that there have been local authorities where problems have arisen – notably Thurrock, Liverpool, Croydon, Slough and most recently Woking.

A handful of cases, the exception...but the problems did not happen all at once – they were there for some time, and they worsened over time.

We, collectively and in the department, I think, need to be able to respond to the warning signs.

These failures are felt most acutely by taxpayers and residents in higher costs and worse services. The reputation of local government as a whole and the many excellent officers also suffers. As does the cause of devolution for which we all want to be making such a strong case.

Where government intervention is needed to deal with these problems – in the most serious cases – we must be able to take targeted action. The Levelling-up and Regeneration Bill strengthens our ability to act to protect taxpayers where trouble is brewing.

But we must also remember that these are a small minority of councils – outliers of concern in a sector characterised by excellence – but we must reflect seriously on what these exceptional cases tell us about how core parts of the framework work in practice. But we must also ensure that framework is designed in a way to support our delivery of services. We need in order to ensure that we both identify problems early and free you to do you even better to reform the external audit system.

It's just not working at the moment. We need to tackle the delays in external audit and are talking to firms, council representatives and others on concrete steps that will get us back to a system where we all have faster and more effective, swifter and less bureaucratic reassurance in the way money is being used and my colleague Lee Rowley is leading on this work which has long been overdue.

Where we do intervene, we need to ensure it is rooted in a clearly understood and agreed framework. That is why we are announcing a [consultation on new statutory guidance around responsibilities for Best Value](https://www.gov.uk/government/consultations/best-value-standards-and-intervention-a-statutory-guide-for-best-value-authorities-consultation) (<https://www.gov.uk/government/consultations/best-value-standards-and-intervention-a-statutory-guide-for-best-value-authorities-consultation>).

I'd like to thank everyone who contributed to the draft. In setting out the expected standards of good practice by 7 themes, and describing the characteristics of a well-functioning authority, it serves to highlight how many councils are doing an excellent job for their communities.

I know how much we all want to drive prosperity at a local level and in our services – and we are using every tool we have to drive economic development and opportunity that will benefit everyone. And that must include at this point, specifically, critically, centrally, rising to the many challenges of the housing market.

The government remains committed absolutely to achieving 300,000 homes a year by the mid-2020s and delivering one million homes over this Parliament – we set it out in our manifesto and we are absolutely committed.

You don't need me to tell you that all of us who want to see more housebuilding – and greater homeownership – nevertheless face challenges in a world of rising interest rates, inflationary pressures and tight labour markets. These challenges are very far from unique to the United Kingdom. Talking to colleagues in government in Ireland, exactly the same issues affect their housing market and their home ownership ambitions.

My colleagues, the Prime Minister and Chancellor, are using every tool to meet and master these inflationary pressures and in DLUHC we are determined to work with you on the ground to expand opportunity in the housing market.

We need to build more homes of every tenure. We need more social and affordable homes. And councils of course have a critical role to play. I want to see all of us – central government, Homes England, housing associations and councils – working together to build more homes for social rent.

That's why I announced last month that local authorities should be allowed to keep 100% of the receipt from a right-to-buy sale for 2 years. I know that the LGA championed this move, with James Jamieson making his customary compelling case and Shaun supporting him in this work, and we look forward to working with local authorities to capitalise on the additional money, freedom and flexibility.

As well as building more social homes we also need to work with the private sector to deliver more homes for rent and more homes to buy.

And here again I must thank James and the LGA team for their leadership.

They helped us craft the reforms to the planning system in the Levelling-up and Regeneration Bill. Those reforms are designed to address the weaknesses in our current planning system and to rebalance incentives so more communities can be involved in plan-making, more plans can be adopted and more houses built.

We know at the moment there are many local authorities without plans in place, and many communities concerned about the wrong type of development in the wrong places.

Through the reforms in the Levelling Up Bill, we will strengthen the place of neighbourhood plans, we give local authorities the power to protect areas of environmental importance, we strengthen the place of design codes and give authorities more control over the character, the quality, the beauty of development.

We also give local authorities more power to tackle land-banking to ensure planning permissions are built out.

Crucially, we make it easier to use compulsory purchase powers and cheaper to acquire land through compulsory purchase order by tackling hope value. And, importantly, we also ensure that local authorities capture more of the land value uplift when planning permission is granted with the new Infrastructure Levy.

Making new developments beautiful, ensuring they are accompanied by the right infrastructure – roads, schools and GP surgeries.

Strengthening democratic control over where new developments go.

Making sure the environment is protected and biodiversity is enhanced.

And strengthening neighbourhood plans to create liveable, walkable, human scale communities.

That is, I believe, the way to incentivise and support new development.

The principles I have outlined – beauty, infrastructure, democracy, environment, neighbourhood – B, I, D, E, N – spell BIDEN.

And if I say I am unashamedly pro-BIDEN I hope none of you will take that amiss...

One more thing – if the planning system is to work it needs more resource, more expertise, and more planners.

That is why we are surging additional planning resource to the frontline. I have asked the department and Homes England to look at plans to go even further. I hope to be able to update you all on progress shortly.

And of course whether it is planning or in any area, if councils are to be empowered to deliver, then we need to help make funding simpler, more rational and predictable.

The 2-year blueprint for local government finances published last year should help support long-term fiscal planning, as will the settlements for trailblazer deeper devolution.

Over the last 3 spending reviews, local government has seen real terms increases in core spending power – with up to £59.7 billion available in England, an increase of up to £5.1 billion on the previous year.

Over the last 12 months the DLUHC ministerial team has, rightly, sought to ensure that the funding system that will deliver certainty and stability for the remainder of this Parliament.

For this I want to thank Lee Rowley – a former councillor himself – Dehenna Davison, Rachel Maclean and Felicity Buchan and, most of all, our wonderful Lords minister, Jane Scott, who was an outstanding leader of Wiltshire Council.

As a team, we are committed to hearing from you about what works best and also critically what more is needed.

And we know that while we have made progress on devolution, on accountability, on housing and planning and in other areas, there is still more to be done on the reform of funding to local government.

The system we have now doesn't work everywhere.

It is out-of-date.

There desperately needs to be a fairer, more rational allocation of resources across authorities.

Also, there need to be fewer ringfences and individual funding pots.

There need to be more rewards for councils that transform their communities: in the form of incentives to drive meaningful local growth.

And I believe we will find the solutions together. Moving from complexity to a simpler set-up is in itself a significant undertaking.

That is why we will engage and consult with you to create a system that both meets the needs of all of our citizens and can withstand economic shocks and inflationary pressures.

And I look forward to updating you all on the progress of the work that we make.

But where we can take action quickly, we will. We know the sheer number of funds has become difficult to navigate and deliver.

The billions of pounds allocated so far through the Levelling Up and Shared Prosperity Funds are, I believe, genuinely transformative but we are always looking for ways to improve how that money and money from other funds reaches you.

Today, we are publishing the government's [plan for a new, simpler, landscape for local authorities](https://www.gov.uk/government/publications/simplifying-the-funding-landscape-for-local-authorities) (<https://www.gov.uk/government/publications/simplifying-the-funding-landscape-for-local-authorities>), in line with our white paper commitment.

That will change how not just DLUHC but how other departments deliver funding.

We have a commitment to a new digital service that will let you access and monitor your funding flows more easily.

And we are planning other measures to ease the admin burden – streamlining data and paperwork requirements that you face – to make the most of the money being invested in your communities.

Ten pilot local authorities will be able to spend their existing funding pots – allocated through the Towns, Levelling Up and Future High Streets programmes – more flexibly.

And all local authorities that have Towns, Levelling Up and Future High Streets funding will also have more flexibility over their projects – I can confirm that they will be free to make output, outcome and funding changes up to a threshold of 30% without needing to seek any departmental approval.

We will also change how government provides local growth funding to local authorities, and we will increasingly move towards the use of allocation rather than competition.

I do believe that an element of competition in the allocation of funds can help encourage innovation, but you can have too much of a good thing.



From next year, all departments must consider whether they can use existing funds to deliver new money or can use an allocation methodology to distribute it rather than launching another new competition. This must be done before any new fund is launched.

And where we can improve existing fund allocation we will. So we will take a new approach to the next round of the Levelling Up Fund. We have heard your concerns and will announce further details shortly.

Listening, learning, reforming, improving – governing is a journey...

All of us, whatever our political backgrounds or traditions, go on that journey, travelling hopefully, because we want to improve the lives of others.

One of the great privileges of working in the job I have is seeing how much you all do for the greater good in the jobs you do.

Strengthening your hand is my mission –

Working with you is my duty –

And delivering for everyone is our goal.

Thank you.

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