

“Kelly called on to repeal archaic law”

Speaking at APSE’s National Annual Seminar for 2006 Stephen Cirell, senior partner with leading local government law firm Eversheds, has called on Ruth Kelly to **“act now rather than later”** to repeal Part II of the Local Government Act 1988.

Mr Cirell, addressing an audience of Elected Members, service managers and local authority chief executives raised the use of community benefit clauses and explained that despite £100 billion spending by local authorities too few are achieving wider social and environmental objectives when contracting for services. Mr Cirell stated **“Authorities have to be too timid in what they demand in their contracting arrangements because they are fettered by out of date legislation which is a hang-over from CCT”**

- Part II of the Local Government Act 1988 was introduced by the conservative government to prevent local authorities introducing politically driven policies to restrict tenders - for example the use of South African based companies.
- Partial repeal of Part II of the Act took place to allow for consideration of workforce matters and allow for the introduction of the subsequent Code of Practice on Workforce Matters which was given statutory effect by the Local Government Act 2003.
- The fact that some of the Part II provisions remain means that authorities can fall foul of the Act in asking contractors to tender on the basis of “community benefit clauses” which give weight to the use of local supply chains, employment issues and other social factors.
- Local Government in England spends £100 billion.
- The multiplier effect of public spending could be increased by use of community benefit clauses in procuring services to ensure that broader social and environmental issues can be facilitated as part of local government contract arrangements.
- APSE has campaigned for authorities to utilise community benefits and APSE Chief Executive Paul O’Brien has written to the secretary of state formally requesting repeal of Part II of the Local Government Act 1988.
- APSE and Eversheds have produced a ground breaking guide to using community benefit clauses in local authority services which explores ways around the current restrictions..

In response to Stephen Cirell’s comments, APSE Chief Executive, Paul O’Brien said **“We cannot tolerate a position whereby we have central government pursuing an efficiency agenda and local government being prevented from achieving wider social objectives. We need to provide more for the public pound from contract arrangements”**. Adding **“The reasons behind Part II of the Act by and large are no longer relevant. Maintaining part II on the statute books is akin to using a sledgehammer to crack a nut”**.

ENDS

NOTES

1. APSE is a not for profit local government body working with over 300 local authorities throughout England, Wales, Scotland and Northern Ireland

2. APSE is the foremost representative body of local service provision within the UK.
3. APSE provides a range of services to member authorities including, performance information, training and development, ethical consultancy support, advisory services, lobbying and seminars.

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