



Cabinet

Tuesday, 8 September 2020

Potential Local Government Reorganisation

Report of the Chief Executive

Cabinet Portfolio Holder for Strategic and Borough Wide Leadership, Councillor S J Robinson

1. Purpose of report

- 1.1. Local Government reorganisation, namely unitarisation (or combining district and county council layers), is never far away from debate in local government circles and over recent years there have been several reorganisations across the country.
- 1.2. It is anticipated that the Government's Devolution White Paper, to be published in Autumn, will include details of a fresh push to deliver unitarisation across England, as well as more details of proposals for additional combined authorities to form a closer link between central and local government. This is part of the Government's agenda to simplify the local government landscape, "level up" areas across the country and support economic prosperity throughout. There are also arguments made that there may be cost savings in unitarisation in the longer term.
- 1.3. As a proactive, high performing district council, it is important that Rushcliffe Borough Council should be part of any debate around Local Government Reorganisation and play its part in shaping the new future of local government. As such, this report sets out recommendations as to how the Borough Council can play its part in shaping the future, in a collaborative manner, with neighbouring local authority partners and with full public consultation.

2. Recommendation

It is RECOMMENDED that

- a) The Leader and Chief Executive are authorised to undertake engagement regarding Local Government Reorganisation options including proper public consultation with all affected parties, and following a clear timescale to be agreed, which allows due consideration for affected parties and respects local democracy;
- b) The Local Government Reorganisation Member Group is re-formed, chaired by the Leader of the Council, to engage with the process and

support Rushcliffe Borough Council's involvement in shaping the future of local government;

- c) A budget of up to £60,000 is allocated for working collectively with other local authority partners to identify and consult on the best options for the future;
- d) Cabinet is updated regularly on the progress of any work; and
- e) Preferred options for any future Local Government Reorganisation that affects Rushcliffe Borough Council will be referred to Full Council for consideration and debate.

3. Reasons for recommendation

- 3.1. The Leader of Nottinghamshire County Council has a clear ambition to see a Single County Unitary Council formed comprising of all the responsibilities of the current county council and seven district councils. In December 2018, a report was programmed to be taken to the County Council for debate on the matter (available via www.nottscc.gov.uk. See item 9 of the 13 December 2018 Council agenda "Local Government Reorganisation Outline Case for Change and Next Steps). This report was subsequently withdrawn before the meeting.
- 3.2. More recently, the County Council's Covid 19 Resilience, Renewal and Recovery Committee included within its terms of reference that Local Government Reorganisation should be covered within its work programme.
- 3.3. The Government's Devolution White Paper is expected imminently, and it is understood that a handful of council areas have already been approached by Government ministers who have invited them to submit proposals for a "Phase 1" of reorganisation. This does not include Rushcliffe Borough Council, which has not been formally approached. However, it is possible that Nottinghamshire County Council may wish to make a bid to be part of the "Phase 1" of reorganisation. A rushed attempt to join Phase 1 would not allow time for proper involvement and consideration of proposals by Rushcliffe Borough Council, which would be directly affected. As the Devolution White Paper has not been published yet, there is no formal published guidance on what local government reorganisation should look like (geographic and population size and scale etc.) and as such is not recommended to support a rush to be part of Phase 1.
- 3.4. However, if Local Government Reorganisation is the direction of travel for a central government, which has a large majority and 4 years left in office, it makes sense for Rushcliffe Borough Council to engage in and influence the process positively and proactively, in order to secure the best future model for the residents of Rushcliffe.

4. The structure of Local Government

- 4.1. The Local Government Act 1972 created areas for local government where large towns and their rural hinterlands were administered together. The concept

of unitary units (i.e. the previous County Boroughs) was abandoned with a two-tier arrangement of county and district councils in all areas of England, except the Isles of Scilly. In 1986, a broadly unitary system of local government was introduced in the six metropolitan counties and Greater London, where the upper-tier authorities were abolished and their functions were split between central government, the borough councils and joint boards.

4.2. Several waves of local government reorganisation have taken place over the following years and there are different models in different areas. Currently there are 126 single tier or unitary style authorities, which all function as billing authorities for Council Tax and local education authorities:

- 56 unitary authorities
- 36 metropolitan boroughs
- 32 London boroughs
- The Common Council of the City of London
- The Council of the Isles of Scilly.

4.3. There are 31 'upper tier' (county) authorities. The non-metropolitan counties function as local education authorities:

- 25 non-metropolitan counties (e.g. Nottinghamshire County Council)
- 6 metropolitan counties (councils abolished in 1986 e.g. West Yorkshire)

4.4. There are 188 'lower tier' or district authorities, which all have the function of billing authority for Council Tax (e.g. Rushcliffe Borough Council and the other Nottinghamshire districts).

4.5. Rushcliffe Borough Council was formed in 1974 and forms part of the current two-tier system of local government in the County of Nottinghamshire. There are seven district councils in Nottinghamshire, which deliver services for the public, while the county council delivers other services – an indicative list of services is below – this is not exhaustive. Nottingham city became a unitary council in 1998 (it was previously part of the two-tier county structure) and as such delivers all the following services to its residents. In addition, Rushcliffe provides many non-statutory services such as parks and community spaces and play grounds and public events which support quality of life in the borough.

District services	County services
<ul style="list-style-type: none"> • Waste collection • Recycling • Council tax and business rates collections • Housing and homelessness 	<ul style="list-style-type: none"> • Education • Transport • Planning (minerals and infrastructure) • Fire and public safety

District services	County services
<ul style="list-style-type: none"> • Planning applications • Local plan • Environmental health • Community safety • Elections • Leisure provision • Street cleansing • Licensing 	<ul style="list-style-type: none"> • Social care • Libraries • Waste management • Trading standards • Flooding • Public health

4.6. In addition, the borough of Rushcliffe is parished outside of West Bridgford with 59 parishes of which 35 have a parish council. This provides a very local level of democracy and engagement to Rushcliffe residents but the parishes have limited statutory powers. Rushcliffe Borough Council endeavours to engage proactively with the parishes through various forums each year.

5. The argument for change

5.1. Arguments for unitarisation can fall into several categories:

- Financial – there may be longer term financial savings to be made although the set up costs are likely to be significant;
- Easier for residents, businesses and other public sector partners – one point of contact for services delivered by one council;
- More efficient and effective – one decision making body, rather than two that may not always agree could lead to projects being delivered in a more timely manner with closer working between the different council departments.

5.2. Counter arguments may point to a large unitary being too remote from its residents and larger does not always equate to more efficient, in either financial terms or speed of decision-making. District units have a clear place-based identity that could be lost in a larger conglomerate.

5.3. In addition the current context we are operating in is one of Covid-19, massive economic pressures and recovery to be supported, and a great deal of government's legislative timetable being taken up by Brexit matters. Some commentators state that this is really not the time to be distracted by Local Government Reorganisation, whilst others say that the budget pressures councils are facing absolutely mean that LGR is essential now. It is pertinent to point out that those councils that are already unitarised, have not escaped the additional financial pressures of Covid-19 or other pressures relating to the provision of social care.

5.4. This report does not attempt to cover the pros and cons of unitarisation but it is clear that any reorganisation should lead to better and more improved council services and outcomes for residents. If unitarisation takes place then the result

should aspire to take the best aspects of both county and district council service and provision.

- 5.5. NCC's previous business case (available in its Council papers of December 2018 online), was not endorsed by Rushcliffe Borough Council and the council was not formally consulted on any part of the business case, nor was it engaged in developing any financial models. The report was withdrawn and was not submitted to government but reference is included as background information for Members.
- 5.6. A single county unitary representing an electorate of over 800,000 would be the second largest in the country after Birmingham City Council (over 1 million) and before Leeds City Council (over 800,000). Its geographical spread would be eight times the size of Birmingham. It would surround Nottingham City Council, which is a tightly bounded city with a population of around 300,000. General verbal guidance from government officials suggests that new unitaries should look to have a population size of 300,000-600,000 but the Devolution White Paper may provide some clarity on this. Any review of local government in Nottinghamshire that will stand the test of time and be fit for the next forty years should include meaningful engagement with Nottingham City Council.
- 5.7. Any future/imminent submission by Nottinghamshire County Council to Government would need to be fully debated by Rushcliffe Borough Council to determine the Council's support. The Council is liaising with other districts and further independent work may be required to establish the best way forward for the Borough Council, estimated at between £30,000 to £60,000.
- 5.8. Previously, in December 2017, Council agreed, "that as a Council, we welcome full engagement and discussions with Upper Tier Authorities on the reorganisation of local government on the strict understanding, any reorganisation must not negatively impact Growth in the Borough and the focus on delivering the highest quality of services to our residents." No formal discussions have taken place with Nottinghamshire County Council on the contents of the business case.

6. Alternative options considered and reasons for rejection

- 6.1. Cabinet and Council could decide not to engage with the Local Government Reorganisation debate. This would be a missed opportunity to shape the future.
- 6.2. Whilst consensus is largely welcomed in any Local Government Reorganisation plans, it is not always required by government from all parties and Rushcliffe Borough Council should avoid being a bystander whilst decisions and proposals are pushed forward by other local authorities.

7. Risks and Uncertainties

Considerable work is required to understand fully the options available and the costs, risks and benefits associated with them. By working collaboratively, with

external advisors and with engagement of members through the Member Working Group, these risks and uncertainties can be properly evaluated.

8. Implications

8.1. Financial Implications

8.1.1. The business case costs (estimated at £60,000) will be funded from the revenue contingency fund. Initial work with neighbouring authorities is anticipated to be in the region of £30,000, which leaves a balance of £30,000 if required.

8.1.2. Currently, Rushcliffe residents have the lowest council tax band D in Nottinghamshire and council tax is in the lowest quartile nationally. Any changes to the council tax levels due to reorganisation should be closely scrutinised to ensure value for money for Rushcliffe residents.

8.2. Legal Implications

Any changes to the structure of local government need to be made by Government. A timetable of elections would have to be approved and potentially a shadow authority would be put in place prior to existing councils being dissolved and a new local authority being formed.

8.3. Equalities Implications

8.3.1. Changes to local government should not result in lower or loss of service to our residents.

8.3.2. Consultation should be done in an accessible manner.

8.4. Section 17 of the Crime and Disorder Act 1998 Implications

There are no Section 17 implications.

9. Link to Corporate Priorities

Quality of Life	Rushcliffe prides itself on being a great place with great lifestyle and great sport. Structural changes to Local Authorities should not negatively impact on residents.
Efficient Services	Any alternative local government structure should be as least as efficient as current structures, and ideally more so.
Sustainable Growth	The Council motion in 2017 stated that “reorganisation must not negatively impact Growth in the Borough and the focus on delivering the highest quality of services to our residents”
The Environment	Rushcliffe is leading work amongst councils across the county on environmental sustainability. If there is a change of structure in local government for Rushcliffe, the Environment must continue to be given the highest priority.

10. Recommendations

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For more information contact:	Katherine Marriott Chief Executive 0115 914 8349 kmarriott@rushcliffe.gov.uk
Background papers available for Inspection:	Nottinghamshire County Council papers from 13 December 2018, available via www.nottscc.gov.uk See item 9 of the agenda which was withdrawn "Local Government Reorganisation Outline Case for Change and Next Steps"
List of appendices:	