

Report To:	CABINET	Date:	1st OCTOBER 2018
Heading:	LOCAL GOVERNMENT REORGANISATION		
Portfolio Holder:	COUNCILLOR JASON ZADRONZY – LEADER OF THE COUNCIL		
Ward/s:	ALL WARDS		
Key Decision:	YES		
Subject to Call-In:	YES		

Purpose of Report

To outline the background, implications and response to date from this Council to Nottinghamshire County Council's approved motion to develop a formal case for Local Government Reorganisation, specifically a unitary Council for Nottinghamshire and to agree recommendations for resolution by Council.

Recommendation(s)

For resolution by Council

Council is recommended to formally support the Cabinet position and to oppose Nottinghamshire County Council proposals for Local Government Reorganisation including a unitary Council for Nottinghamshire

Reasons for Recommendation(s)

To reinforce the Council's opposition to Nottinghamshire County Council's proposal for Local Government Reorganisation including a unitary Council for Nottinghamshire.

Alternative Options Considered

To support the County Council's Local Government Reorganisation proposals.

To await the outcome of the Business Case being prepared by the County Council before formally indicating the Council's position.

Both alternatives have not been recommended as the Executive has already informally indicated its preferred approach.

Detailed Information

Background

Nottinghamshire County Council (NCC), at their Full Council meeting on 12 July 2018, agreed a motion which instructed officers 'to continue their work preparing a formal case for a unitary authority (for Nottinghamshire) and to bring forward a report to a future meeting of Full Council setting out the business case (case for change)'. Statements given in support of the motion for a unitary authority included:

- release approximately £20-30m of public money
- achieve economies of scale and deliver a more responsive service by
 - rationalisation of headquarters, chief executives and management teams
 - bring all council services under one roof removing duplication and requiring fewer buildings
 - remove confusion caused by 'two-tier' local government
 - establish single systems for council tax collection, waste management, housing and planning
 - provide proactive solution to budget challenges thereby protecting critical services, potentially avoiding steep and prolonged increases in council tax and other charges

Nottinghamshire County Council's Policy Committee on 12 September 2018 agreed:

- To approve funding of up to £270k for external support towards the preparation of the case for change involving independent validation of financial data and a two phased approach to stakeholder engagement and community consultation.
- a provisional timetable to develop a case for change:

September-November 2018	Case for change development and phase 1 engagement
December 2018	Report to Full Council on the provisional case for change and public consultation
Jan-March 2019	Phase 2 formal public consultation
May 2019	Report to Full Council on final case for change

Unitary Council for Nottinghamshire - what does this mean?

The County Council and all 7 district authorities including Ashfield will be dissolved and replaced with a new single unitary authority. All services currently provided within the two-tier structure will be provided by the one unitary authority.

Nottingham City Council will remain though the Leader of the City Council has publically stated that if a proposal for a unitary authority for Nottinghamshire is submitted the City Council will consider their own alternative Local Government Reorganisation (LGR) proposal that would look to incorporate Gedling and Broxtowe within an expanded City boundary with a request for a future boundary review to incorporate additional areas, potentially including Hucknall.

Procedure for creation of a unitary Council/Local Government Reorganisation proposal

The procedure for creation of a unitary authority or alternative Local Government Reorganisation models falls within the Local Government and Public Involvement in Health Act 2007. A single or group of authorities could be invited by the Secretary of State to present proposals or a proposal could be submitted by a single body such as Nottinghamshire County Council, City Council or Ashfield District Council or a group of district authorities. Submission of a proposal does not mean automatic acceptance as it requires a process to be followed and Secretary of State advised criteria to be met. Recent and current Local Government Reorganisation proposals nationally e.g. Dorset and Northamptonshire indicate that the advised criteria are likely to involve:

- improve service delivery
- giving greater value for money and generate savings
- provide stronger strategic and local leadership
- command a good deal of local support across the whole area of the proposal
- having a substantial population in excess of 300000 (and less than 700000 as per Dorset)

Perceived Benefits and Disbenefits of Local Government Reorganisation/Unitary Authorities

Research based on the implementation of unitary authorities nationally has outlined perceived benefits and disbenefits from the creation of unitary authority, including:

Benefits:

- savings on overheads, duplication and rationalisation of senior management, elected members and buildings - generate one-off capital receipts
- better value for money through economies of scale
- county wide strategic approach to planning and housing
- better alignment to coterminous boundaries of Police and clinical commission groups
- one single point of contact for residents for services
- harmonise council tax across the unitary area
- increased sustainability of services/greater financial resilience
- partnerships offering parish and town councils opportunities to take on more services
- increased synergies and joined up working e.g. waste management and recycling

Disbenefits:

- no guarantee of improvements in performance, cost and efficiency
- savings fail to materialise and/or unable to quantify savings as solely due to Local Government Reorganisation through need to filter in general efficiency savings generated anyway by respective authorities
- examples of unitary authorities having to make service cuts
- significant costs of reorganisation and transitional set up costs - drain on resources
- resources may be prioritised to key areas e.g. adult social care to detriment of other front line local services
- significant disruption caused pre and lead into transitional period of implementing the new authority
- Local Government Reorganisation supersedes redesign opportunities such as shared services, shared procurement and shared management.
- Distraction from core purposes of service provision - performance deterioration

- Paucity of evidence base on benefits of a unitary authority on service delivery, customer satisfaction and value for money
- Negative impact on local democracy
- Loss of local responsiveness of district authorities and services
- Creates an alternative layer of governance at local level such as Area Boards
- Area Boards limited in executive powers
- Lose local council tax accountability
- Council tax harmonisation - winners and losers
- Evidence of parish and town council precepts significantly increasing as services are pushed down
- Decisions made centrally and remote from local area
- Co-location uncertainty
- Parishes currently have uncapped precepts
- Remoteness of county wide strategic approach to planning and housing.

Response from Ashfield District Council

The Leader of the Council has written both independently and jointly (with Leaders from Bassetlaw and Gedling and the Elected Mayor of Mansfield) to the NCC Leader and to the Secretary of State stating opposition to a unitary council for Nottinghamshire on the following grounds:

- NCC's preferred model will not meet the governments test on size (exceeds 700,000 population)
- It does not have local consensus
- It does not have wide spread District or Nottingham City support
- Exclusion and lack of robust engagement and consultation with District leaders and officers on the proposal, reviewing alternative options and development of the business case (case for change) in order to challenge or validate the assumptions being made
- Exclusion and lack of robust engagement and consultation with District leaders and officers on the proposed stakeholder engagement and community consultation approach and process
- Lack of a robust evidence base to support the preferred model
- The proposed NCC business case will not deal in sufficient depth with the potential negative consequences of Local Government Reorganisation
- A diversion of time and effort that distracts from the joint and critical work on housing and economic growth

The Leader of Ashfield District Council is also a member of the County Council representing Ashfields Division. In that role the Leader has been included in the NCC cross party members working group which has been established to consider the preparation of the case for change. At the only meeting held to date on 6 September, the Leader reinforced his opposition to a unitary authority and challenged the insular approach, the assumptions being made and the lack of an evidence base.

The Leader of the Council has challenged the NCC Leader to hold a cross County referendum to determine community support or not for one unitary council for Nottinghamshire.

To further reinforce the Council's opposition to a unitary council for Nottinghamshire, Cabinet is being requested to endorse recommendations to be submitted to Full Council for consideration.

Implications

Corporate Plan:

OUR PURPOSE

1. The Council exists to serve the communities and residents of Ashfield.
2. We will provide good quality value for money services.
3. We will act strategically and plan for the future, working with others to bring about sustainable improvements in people's lives.

Legal:

The procedure for the creation of a unitary authority or alternative Local Government Reorganisation models falls within the Local Government and Public Involvement in Health Act 2007.

Finance:

Budget Area	Implication
General Fund – Revenue Budget	
General Fund – Capital Programme	
Housing Revenue Account – Revenue Budget	
Housing Revenue Account – Capital Programme	

Risk:

Risk	Mitigation
Not applicable in the context of the recommendation.	

Human Resources:

There are no Human resources implications

Equalities:

There are no equality implications

Other Implications:

(if applicable)

Reason(s) for Urgency

Reason(s) for Exemption

(if applicable)

Background Papers

(if applicable)

Report Author and Contact Officer

Robert Mitchell
CHIEF EXECUTIVE

r.mitchell@ashfield.go.uk

01623 450000