

MODERNISING LOCAL GOVERNMENT IN BUCKINGHAMSHIRE

Cabinet Member: Cllr Ms K Wood, Leader of the Council

Wards Affected: All

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PROPOSED DECISION

That:

- (i) the Strategic options case at Appendix 2 be endorsed; and
- (ii) Members consider the two options for the future of Local Government in Buckinghamshire;
 - (a) Members agree to support the proposal previously submitted by the County Council OR
 - (b) Members agree to support the submission prepared by the District Councils
- (iii) (In the event that (b) is agreed) The Leader of the Council be given delegated authority to make minor amendments and to make the submission on behalf of the Council to the Secretary of State.

Reason for Decision

This report seeks Members agreement to make a submission to the Secretary of State under the Local Government and Public Involvement in Health Act 2007 and s15 Cities and Devolution Act 2016.

Financial Implications

1. Both options propose savings. The County Council proposal includes greater savings than that provided by the Districts but the model the Districts propose will provide better value for money through reducing the cost of provision and increased revenue from economic growth.
2. The savings proposed over a five year period are £72.9m and £57.4m respectively. The savings are set within an overall budget across the County of 6.8 billion over the same period. The proposed savings remain small at 1.1% and 0.8% respectively.

Legal Implications

3. The Local Government and Public Involvement in Health Act 2007 sets out the procedure for the creation of a unitary authority. Section 15 Cities and Devolution Act 2016 allows the Secretary of State to make regulations to modify the procedure where there is consensus between authorities. Where there is not consensus, the Act gives the Secretary of State the power to impose solutions, provided that at least one relevant local authority consents.
4. The Act does not set any criteria for the imposition of a solution on an area, and does not require any specific consultation with the local population or interested bodies before a decision is made.

5. In January last year legislation was enacted in the form of the provisions in the Cities and Devolution Act 2016 which allowed the secretary of state to make regulations with consensus or if that is not achievable with the consent of at least one relevant authority.
6. On 27th September 2016 the County Council in Buckinghamshire made a submission which proposed the creation of a unitary Council to cover the existing administrative area of the County Council.
7. The four leaders of the District Councils had previously determined that they would jointly instruct a report from Deloitte to consider the range of options available for the future of Buckinghamshire. The Districts Strategic Options Case report was published in October 2016. The report indicated a timetable for the preparation of a business case following stakeholder engagement on the Strategic Options Case. The stakeholder engagement has subsequently been completed which was supportive of a unitary model different to that proposed by the County Council, and whilst it was finely balanced was more supportive of a North and South unitary.
8. On 28th November 2016 the Leader of Aylesbury District council received a letter from the Secretary of State which stated that he intended to consider the submission he had received from the County Council and to avoid uncertainty the decision would be taken without delay. A telephone discussion took place with Civil Servants which indicated that the timetable of the end of February 2017 which the Districts had set out for completion of their business case would be too late. Several attempts have been made to establish the exact timetable for a decision but no clear indication has been given.
9. On 19th December 2016 the Leader of Aylesbury Council received a further letter from the Secretary of State which indicated that if a submission were to be made before he had reached a preliminary decision on the County Council's proposals he would carefully consider the proposals. The date suggested, in response to a letter from the Leader of Aylesbury, was the end of the year. In the circumstances the Leaders of the four Council's prepared a draft Executive Summary (**Appendix 1**) which was submitted to the Secretary of State before the end of the year, with a covering letter stating that a formal submission would be presented to this meeting and meetings of the four District Councils across the County on 16th January 2017 which if approved would be submitted the following day.

Background and Issues

10. The County of Buckinghamshire has been the subject of a number of previous attempts to move from two tier governance to unitary governance. In 1997 Milton Keynes was split from the rest of the County to become a unitary while the remainder continued to be two tier. The financial climate and the difficulties it is facing in presenting a balanced budget have prompted the County Council to actively pursue a unitary Council for the whole of its current administrative area. It announced early in the year the intention to look at the single option of a unitary based on its own administrative area. Later in the process the Council felt it necessary to include alternative options in its submission. After the submission had been presented it also produced a Strategic Options Case similar to that which had been prepared by the Districts which attempted to consider the options afresh, although by this stage the business case for the original sole option had been submitted to the Secretary of State.

11. The Districts started with the view that the answer was not clear and undertook the work towards the Strategic Options Case to help them to make an informed decision. As an internal report would be prepared by those who would be directly impacted by the decision the report was prepared by Deloitte. It was felt that independent verification was not sufficient to enable a genuine independence in the process.
12. The Strategic Options Case (**Appendix 2**) provided information which enabled the Districts to carefully consider the delivery options, and models of delivery of social care which would help to bring about transformation alongside structural change. Appendix 2 is available here: <https://www.wycombe.gov.uk/pages/About-the-council/Modernising-local-government/Modernising-local-government.aspx> In particular it was important to ensure that any future model would be sustainable.
13. The District paper has carefully considered a number of key factors:
 - The Economic Geography and the structure most likely to support growth and provide the housing required.
 - The arrangements which would provide the greatest accountability and transparency and ensure that the voice of residents was heard.
 - The model that would best support the improvement of services particularly those that were currently failing.
 - The arrangements that would provide services which provided the greatest value for money.
14. The draft submission from the District Council sets out the analysis of those key areas.

Consultation

15. A statement in relation to the stakeholder engagement conducted by the District Councils is attached at **Appendix 5**.

Options

16. The Options appraisal is set out in the draft Executive Summary.
17. The draft proposes that the five Councils that currently operate on a two tier basis should be abolished. It considers two models for unitary governance across the whole of Buckinghamshire:

- 1. Two Unitary Councils - One new unitary and Milton Keynes**

A new unitary Council which covers the area which is currently two tier which will sit alongside the existing unitary Council of Milton Keynes.

- 2. Three Unitary Councils – Two new unitary councils and Milton Keynes**

Two new unitary Councils should be created one in the north alongside the existing unitary Council of Milton Keynes and one in the south to cover the area of the three southern district councils.

18. Attached to this report are detailed submissions in relation to both options. One has been prepared by the County Council Appendix 4 Is available here: http://www.buckscc.gov.uk/media/1314/mlg-in-bucks_final_low-res.pdf and the latest submission has been prepared by the District Councils **Appendix 3** (To follow). Members are invited to consider both proposals and select the proposal which they believe will provide the best opportunity for Modernised Local Government across Buckinghamshire. It is also open to Members to abstain or support no change.

Conclusions

19. The Secretary of State has made it clear that he intends to consider whether Buckinghamshire should move to a unitary form of governance and abolish the existing two tier arrangements. He has also indicated his intention to consider both proposals before a final decision is to be made. He has however said that if the District submission is not received before he forms a view about the proposal already available to him he will proceed to reach an initial view on that proposal. Members are therefore invited to form a view on which proposal they wish to support if any.

Next Steps

20. The submission which is supported by Members will be referred to the Secretary of State. The County Council are also being invited to consider the District proposals alongside their own. In the event that all five Councils support either the District or the County Council submission there will be consensus in Buckinghamshire and the Secretary of State will be invited to agree to the consensus view.
21. In the event that some Councils support the District proposal this submission (subject to any amendments) will be made to the Secretary of State who will be invited to agree to support the implementation of the District Proposal.

Background Papers

Appendices 1 to 5