

LOCAL GOVERNMENT STRUCTURE IN SURREY

Head of Service: Amardip Healy, Chief Legal Officer
Wards affected: (All Wards);
Urgent Decision?(yes/no) No
If yes, reason urgent decision required:
Appendices (attached): N/a

Summary

To develop a response to Surrey County Council's statements on reorganising the local government structure in Surrey.

Recommendation (s)

The Council is asked to:

- (1) Agree this Council's strategic principles on the local government structure debate for Surrey, be:**
 - i. local democratic accountability;**
 - ii. devolving decision making to the lowest level commensurate with effective delivery;**
 - iii. efficient and cost effective service delivery;**
 - iv. a local authority's knowledge of people and place.**
- (2) Authorise the Chief Executive to start discussions with all local authorities in Surrey to consider the future structure of local government in Surrey which respect the principles set out at recommendation (1) above.**

1 Reason for Recommendation

- 1.1 The Leader of Surrey County Council (SCC) has announced his plans to examine the structure of government in Surrey ahead of the government's planned White Paper on devolution and reform in the autumn. In his statement to Council on the 7 July, the Leader stated

“By working with government ahead of this White Paper, I believe we can secure greater powers and responsibility, and we can examine what the right structure of government is for Surrey’s future - to tackle the challenges we face and take the opportunities that are coming our way”

“We will continue our work in exploring the options, and engage our partners across Surrey, with a view to coming back to Council in early autumn.”

- 1.2 To ensure Epsom and Ewell are able to contribute to this debate and respond to proposals for reorganisation, Council is being asked to authorise the officers to work with partners to develop a response which best meet the needs of local residents.

2 Background

- 2.1 The Devolution White Paper due to be published this Autumn will set out the government’s plans for “economic recovery and renewal, and for levelling up opportunity, prosperity, and well-being across the country. These plans will include restructuring our local institutions to deliver these outcomes, establishing more mayors and more unitary councils the populations of which will depend on local circumstances but as a rule of thumb are expected to be substantially in excess of 300k-400k.”
- 2.2 Under current legislation it is open to the Secretary of State, subject to consultation and Parliamentary approval, to implement if he thinks fit any unitary proposal submitted by a council in response to an invitation which any council may request. In considering a unitary proposal the Secretary of State expects to have regard to the extent it is likely to support the delivery of the outcomes sought in the White Paper.
- 2.3 The preferred option of the County Council, is to have one single-tier unitary council, responsible for all of the functions and the delivery of the services which are currently provided by the County Council and eleven District and Borough Councils.
- 2.4 Some of the recent cases for change have arisen out of government intervention. One key example is the division of Northamptonshire County Council, which resulted from the County Council failing to comply with its duty under the Local Government Act 1999 to provide best value in the delivery of its services. The County has been divided into two unitary authorities.
- 2.5 To shape the future of local government in Surrey, this Council wishes to keep its residents at the heart of any plans. This requires an understanding of the impact of any change on the Borough’s communities and the services they need and use.

- 2.6 A unitary authority has around 900 statutory duties which fall within around 120 functions. These are currently divided between the two tier existing structures. However, there are also a range of discretionary services which many of the District and Boroughs provide to their residents and businesses, and indeed there are some services which the Tier Two authorities provide on behalf of the County. The future delivery of these key services need to be considered within the context of the foreseeable challenging financial environment.
- 2.7 Where reorganisation has happened elsewhere, it has followed detailed business cases, political and public debate, and Government approval.
- 2.8 The County Council have now published a report to its Cabinet meeting on the 21 July, setting out its proposed position and reasons for such. It states “Given the new and growing challenges faced by Surrey, even before Covid-19, the presents a significant opportunity to better organise local government... in a more effective and financially sustainable manner”.
- 2.9 To shape the future of local government in Surrey, this Council wishes to keep its residents at the heart of any plans. This requires an understanding of the impact of any change on the Borough’s communities and the services they need and use.
- 2.10 The Council believes having a set of strategic principles, will help the Council to influence the debate on the local government structure within and amongst Surrey Authorities. These principles are:
- a. local democratic accountability
 - b. devolving decision making to the lowest level commensurate with effective delivery
 - c. efficient and cost effective service delivery
 - d. a local authority’s knowledge of people and place

3 Risk Assessment

Legal or other duties

3.1 Impact Assessment

- 3.1.1 There are no specific equality considerations associated with this report.

3.2 Crime & Disorder

3.2.1 There are no crime and disorder considerations associated with this report.

3.3 Safeguarding

3.3.1 There are no safeguarding considerations associated with this report.

3.4 Dependencies

3.4.1 The ability to respond is dependent on staff resources across a number of departments. The impact of Covid19 has put pressure on all resources and this will remain the case for some time.

3.5 Other

3.5.1 None.

4 Financial Implications

4.1 The project will have resourcing implications and a report may need to be taken to Strategy and Resources Committee to make available a budget.

4.2 **Section 151 Officer's comments:** none arising from the contents of this report.

5 Legal Implications

5.1 There are no specific legal implications arising from this report. The Local Government & Public Involvement in Health Act 2007, empowers the Secretary for State to invite proposals in respect of a single tier of local government. There are also provisions for the merge of two district Councils into a single district, and for one to split into two.

5.2 **Monitoring Officer's comments:** none arising from the contents of this report.

6 Policies, Plans & Partnerships

6.1 **Council's Key Priorities:** The Council's Four Year Plan sets five overall themes, reflecting the priorities for the Borough until 2040. It recognises the challenges, and sets out a road map of how the Council will continue to drive to work as efficiently and effectively as possible.

6.2 **Service Plans:** The matter is not included within the current Service Delivery Plan.

6.3 **Climate & Environmental Impact of recommendations:** There are no specific climate and environmental recommendations associated with this report.

- 6.4 **Sustainability Policy & Community Safety Implications:** There are no specific sustainability and community safety implications associated with this report.
- 6.5 **Partnerships:** The report proposes to work with likeminded authorities to develop a response and or proposals for Surrey.

7 Background papers

- 7.1 The documents referred to in compiling this report are as follows:

Previous reports:

- None

Other papers:

- Local Government in England: structures, House of Commons Briefing Paper, Number 07104, 8 June 2020
<https://researchbriefings.files.parliament.uk/documents/SN07104/SN07104.pdf>
- Northamptonshire County Council Best Value Inspection, January – March 2018, Max caller leader Inspector
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/690731/Best_Value_Inspection_NCC.pdf
- Surrey County Council's Leader's Statement to Council, 7 July 2020,
<https://mycouncil.surreycc.gov.uk/ieListDocuments.aspx?CId=121&MId=7485&Ver=4>
- Report to Cabinet, Surrey County Council, " Recovery and Devolution White Paper: Opportunities and Benefits for Surrey"
<https://mycouncil.surreycc.gov.uk/documents/s68594/RECOVERY%20AND%20DEVOLUTION%20WHITE%20PAPER-Cabinet%2021%20July%202020.pdf>
- Letter dated 10 July 2020 from Leader of Surrey County Council to Secretary of State
<https://mycouncil.surreycc.gov.uk/documents/s68595/Annex%201-%20correspondence%20to%20SoS%20Re.%20Public%20Service%20Reform.pdf>