

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):	Letter dated 23 July 2020 from Surrey Leaders Group to Secretary of State

Summary

Following the announcement by SCC that it was seeking Single Unitary status the Surrey Borough and District Councils agreed to investigate alternatives to a single unitary structure of Local Government in Surrey. Whilst this review was intended to focus on all potential options available, the emphasis may shift to concentrate on proposals for new ways of working post-pandemic, proposals for shared service delivery at Borough and District level and enhanced two tier working and enhanced two tier working

The report seeks approval of the Council's financial contributions towards a joint fund to progress this work.

Recommendation (s)

The Committee is asked to:

- (1) approve a contribution of up to £10,000, funded from the Corporate Projects Reserve towards a joint Surrey Borough and Districts Councils fund to investigate future local government options which could include new ways of working post-pandemic, proposals for shared service delivery at Borough and District level and enhanced two tier working.**

1 Reason for Recommendation

- 1.1 The Leader of Surrey County Council announced his plans to examine the structure of local government in Surrey ahead of the Government's planned White Paper on devolution, which is due this autumn.

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- 1.2 In response, Surrey Borough and Distinct Councils have agreed to commission work on investigating alternatives to a single unitary structure bid for Surrey and also to seek communications and public relations support as part of this project. Each Council is being asked to contribute £10,000.

2 Background

- 2.1 The Government is due to publish a “Devolution and Local Recovery” white Paper this Autumn. It was originally thought that the paper will aim to set out the Government’s plans for “expanding devolution, creating more elected Mayors in England, giving them and existing Mayors the powers they need to lead economic recovery and long term growth, and more unitary local authorities with stronger town and parish councils to deliver sustainable local services”, (Simon Clarke, Minister for State (Housing, Communities & Local Government), 9 July 2020).
- 2.2 Following the statements made by the Leader of Surrey County Council, proposing a single unitary authority to serve the 1.2m people of Surrey, the Leaders of all the Districts and Boroughs Council wrote to the Secretary of State, Appendix 1. They expressed their concern that a single unitary authority for Surrey would be too large and remote to serve the local needs of residents effectively.
- 2.3 The County Council has commissioned work to develop a business case for a single unitary authority. It is understood this would be ready for submission as an expression of interest soon after the publication of the White Paper. Surrey Leaders and Chief Executives attempted to widen the County’s scope to consider other possibilities including the retention of Boroughs and Districts and two, three or more unitaries. However, the County indicated that it did not want to consider any other options other than a single unitary authority.
- 2.4 The Council, at its meeting on the 21 July 2020, agreed that its strategic principles on the local government structure debate for Surrey would 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.
- 2.5 Members also authorised the Chief Executive to start discussion with all local authorities in Surrey to consider the future structure of local government in Surrey which respect the Council’s agreed strategic principles.

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- 2.6 In response to the Country single unitary focus, the Surrey Leaders have requested the Chief Executives Group to commission a separate options appraisal. They have also agreed to seek communications and PR support.
- 2.7 The Leaders of Surrey Districts and Borough Councils have launched their “Putting Residents First” to keep decision making and services close to communities.
- 2.8 Each Council has released press statements as part of the campaign. The Chairman of the Strategy and Resources Committee, of the Council said:
- “We continue to believe that closer to, not further from, our residents is the way forward. Accessing a remote council dealing with 1.2 million residents is not the same as contacting local councillors who are close by, responsive and know the area.
- Therefore any changes made have to uphold values which are at the heart of our borough – efficient and effective services, local democratic accountability, accessibility of councillors and truly effective representation for local communities.
- Crucially any changes in Surrey must be must be informed and shaped by the views and ideas of our residents and we want to hear from them over the coming weeks and months”.
- 2.9 Discussions are now at a stage where each Council needs to make available a contribution of £10,000 to engage consultants. .
- 2.10 Recent information suggests that the White Paper due to be released in the Autumn will not progress local government restructuring as a priority although Surrey County Council may proceed with its development of a case for a Single Surrey Unitary.**
- 2.11 Therefore it is important that Surrey’s Boroughs and Districts continue to look at new ways of working post-pandemic as well proposals for shared service delivery at Borough and District level and enhanced two tier working. This work could include exploring how we can work better together to deliver further efficiencies and which tier is best placed to deliver services. This will ensure Surrey District and Borough Councils are best placed should Surrey decide to proceed with their bid at a later stage.**

3 Risk Assessment

Legal or other duties

3.1 Impact Assessment

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

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3.2 Crime & Disorder

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

3.3 Safeguarding

3.3.1 There are no specific safeguarding considerations associated with this report.

3.4 Dependencies

3.4.1 It is important for all the contributing authorities to engage experts to investigate and then develop the necessary agreed business case models.

3.5 Other

3.5.1 None.

4 Financial Implications

4.1 It is proposed to fund the contribution of up to £10,000, from the Corporate Projects Reserve.

4.2 After funding the Council's projected budget deficit this year and after making a contribution towards the 2021/22 revenue budget (see separate Budget Targets report on this agenda), the Corporate Projects Reserve will hold an unallocated balance of £2.06m.

4.3 Allocating a further £10,000 from the reserve will reduce the unallocated balance, available for funding other projects, down to £2.05m.

4.4 Section 151 Officer's comments: Financial implications are contained in the body of the 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 merger 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.

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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 forward the work required 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 Council is working with the District and Borough Councils in Surrey to take forward its agreed principles on the local government structure for Surrey set out in para 2.4 of this report.

7 Background papers

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

Previous reports:

- Local Government Structure in Surrey, Council, 21 July 2020

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>

- 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>

- Letter dated 10 July 2020 from Leader of Surrey County Council to Secretary of State

<https://mycouncil.surreycc.gov.uk/documents/s68595/Annex%20to%20correspondence%20to%20SoS%20Re.%20Public%20Service%20Reform.pdf>

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- Report to Cabinet, Surrey County Council, "Recovery and Devolution White Paper: Opportunities and Benefits for Surrey", 21 July 2020

<https://mycouncil.surreycc.gov.uk/documents/s68594/RECOVERY%20AND%20DEVOLUTION%20WHITE%20PAPERCabinet%2021%20July%202020.pdf>

- Borough Insight, Issue 73, August 2020 "Putting residents first",
<https://insight.epsom-ewell.gov.uk/issue-73-august-2020/the-news/putting-residents-first>