



REPORT OF THE LEADER OF THE COUNCIL

LOCAL GOVERNMENT REORGANISATION OUTLINE CASE FOR CHANGE AND NEXT STEPS

Purpose of the Report

1. The purpose of this report is to seek approval of the County Council to undertake further consultation in respect of Local Government Reorganisation (LGR) in Nottinghamshire.

Information

2. At County Council on 12 July 2018, Motion 3 was agreed with regard to Local Government Reorganisation. This motion instructed officers 'to continue their work preparing a formal case for a unitary authority and to bring forward a report to a future meeting of County Council setting out the Business Case'.
3. At Policy Committee on 12 September 2018, Members received an update on the work to prepare an outline case for change for local government in Nottinghamshire. This report included details on the following areas:
 - The Government's criteria and advice on LGR.
 - The structure and scope of the case for change.
 - The approach to financial analysis and validation of the potential savings that could accrue by moving to a unitary structure.
 - The two-phased approach proposed to engagement and consultation with the public and other stakeholders.
4. On 14 November 2018, Policy Committee agreed the five configuration options to be assessed as part of the outline case for change. In addition, Policy Committee was updated on the engagement activities that had been undertaken to date with stakeholders and the public.

Outline Case for Change

5. The Future of Local Government in Nottinghamshire Outline Case for Change (OCC) is attached at **Appendix One** (bound separately) and is structured to cover the following areas:
 - The key challenges and future needs of Nottinghamshire.
 - An assessment of the potential options for local government reorganisation including a financial appraisal; phase one engagement appraisal and options appraisal.

- The County Council's vision of how a new unitary council could operate.
 - Next steps and conclusion.
6. The Outline Case for Change concludes that the preferred option for consultation is for a single unitary council with potential savings of £27 million per year to be made on annual operational expenditure. It is estimated that this option would also incur £19 million of one-off implementation costs.
 7. The Outline Case for Change concludes that one new unitary council could offer broader benefits for the prosperity and health and well-being of Nottinghamshire residents. These benefits could include more effective and efficient services, a stronger local voice for residents and a single strategic voice for the County, speaking up regionally and nationally.
 8. There were mixed views about a move to a unitary structure arising from the public and stakeholder engagement with no clear consensus for change. The engagement was high-level and it is recommended that a further period of more intensive consultation be conducted in 2019. This would allow the public and local stakeholders to express views on whether they believe change to the structure of local government is desirable, and if so whether they agree with the Council's preferred option, or another option.

Next Steps

9. If the County Council approves the recommendations in this report, consultation will be undertaken commencing in January 2019. It was agreed by Policy Committee on 12 September 2018 that this consultation would be a formal consultation exercise with residents and a broader range of stakeholders.
10. The cost of Phase 2 of the consultation exercise is estimated to be £140,000 and was included in the budget approved at Policy Committee on 12 September 2018. An independent social research company, Opinion Research Services (ORS), an expert in this area, will undertake this work as with phase one.
11. The formal consultation activity would seek to engage a broader range of stakeholders and provide more detail for both information and debate. It would consist of:
 - a. **A seminar with all the County Council's elected members**
At this seminar ORS would outline the purpose and aims of the consultation process, and how members could participate, and engage their communities and constituents.
 - b. **An open consultation questionnaire available on line and with paper copies at libraries**
The consultation questionnaire would be available for stakeholders to have their say on Local Government Reorganisation. It would be widely publicised to maximise awareness amongst the public.
 - c. **A representative residents telephone survey**
This approach is recommended by ORS and the Consultation Institute and seeks to achieve views from all types of residents in order to provide overall results based on the make up of the general public. The telephone surveys would focus on gathering responses

from a representative sample of the population to ensure suitable geographic coverage across Nottinghamshire. Approximately 1,500 residents would be surveyed.

d. Deliberative forums with residents

The purpose of this qualitative consultation would be to elicit opinions and attitudes about the important issues which underpin Local Government Review, using group discussions to stimulate reflection and openness. Within a broad agenda of topics, one forum would be held per district (seven in total) to give participants the opportunity to raise their own priorities. Representatives would be randomly selected but profiling would ensure they are representative of their geographic area and local demographics.

e. Stakeholder events with businesses, district and borough councils, town and parish councils and voluntary sector representatives

These events would gather stakeholder views and would be held at times throughout the day and evening and across the county with a view to increasing opportunities for attendance.

f. Telephone interviews with priority stakeholders

These would gather the views of the key stakeholder organisations at a strategic level, including the district and borough councils, blue light services, health partners, universities and business leaders.

g. Analysis of feedback from other formats (e.g. letters and emails) and social media analysis

This will ensure that feedback from all sources is included.

12. Subject to the decision of Council on 13 December 2018 the formal public consultation would commence on Monday 14 January 2019 and take place over 10 weeks. This would ensure the formal consultation activity is completed before the pre-election period, which begins on 26 March 2019 for all the District and Borough Councils, and Nottingham City Council.

Conclusion

13. It is proposed to undertake consultation on Local Government Reorganisation. The consultation would be with the public of Nottinghamshire and local stakeholders. Consultation would seek views on whether to change local government structures, and if so what form the new structures should take, including both the Council's preferred option of a single unitary structure and other options.

14. Feedback from the formal public consultation exercise will be carefully considered. A report on the outcome of the consultation will be taken to County Council in summer 2019, along with a report with recommendations as to appropriate next steps.

Other Options Considered

15. Seven options in total for Local Government Reorganisation were considered at the Policy Committee meeting on 14 November 2018. It was agreed not to proceed with further analysis of two of these options, primarily due to the substantial differences in population density. Accordingly, if there is to be consultation as recommended, these will not be options on which

the Council will specifically seek views. That said, the consultation will allow consultees to express views about opinions which the Council does not specifically put forward for consultation.

Reason/s for Recommendation/s

16.To enable members of the County Council to determine whether to proceed to formal consultation with the public and stakeholders about Local Government Reorganisation.

Statutory and Policy Implications

17.This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

18.As part of the preparation of the Outline Case for Change an Equality Impact Assessment has been undertaken. The development of the Outline Case for Change has regard to this assessment, which has been published on the County Council's website to inform decision makers in considering this proposal. The Equality Impact Assessment states that it is anticipated that the proposal will have a neutral impact on people with protected characteristics.

RECOMMENDATION/S

Taking into account the conclusions reached in the report entitled 'The Future of Local Government in Nottinghamshire Outline Case for Change' it is recommended that:

- 1) Formal consultation about Local Government Reorganisation is undertaken with the public of Nottinghamshire and local stakeholders starting on 14 January 2019 for a period of 10 weeks.
- 2) The formal consultation is undertaken using the methods set out in paragraph 11 of this report.
- 3) The formal consultation seeks views on whether to change local government structures, and if so what form the new structures should take, including both the Council's preferred option of a single unitary structure and other options including the status quo.
- 4) The Chief Executive of the County Council is authorised to finalise the details of the consultation.
- 5) County Council considers the consultation outcome and decides upon appropriate next steps during summer 2019.
- 6) The County Council and the District and Borough Councils work together to identify opportunities for joint working and continue a dialogue about the future of local government in Nottinghamshire.

Councillor Mrs Kay Cutts MBE
Leader of the Council

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Constitutional Comments (HD 04/12/18)

19. County Council has the authority to determine the recommendations set out within the report.

Financial Comments (NS 04/12/18)

20. The financial implications arising from the Outline Case for Change are set out in paragraph 6. These savings and costs were externally verified by Deloitte. The additional external costs for the formal consultation of £140,000 will be contained within the budget of £270,000 approved at Policy Committee in September 2018.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- 'Review of local government reorganisation savings' - Deloitte
- Full Report of public and stakeholder engagement - Opinion Research Services
- Nottinghamshire Area Profile
- Equality Impact Assessment
- Local Government Reorganisation Update paper to Policy Committee on 14 November 2018
- Local Government Reorganisation - Development of the Case for Change paper to Policy Committee on 12 September 2018
- Amended Motion Three to County Council on 12 July 2018

Electoral Division(s) and Member(s) Affected

- All