



**Nottinghamshire
County Council**

The Future of Local Government in Nottinghamshire

**The Outline
Case for Change**

December 2018



Contents

Executive Summary		4
Introduction		7
Chapter One	– Key Challenges & Future Need	13
Chapter Two	– Assessing the Options	20
Section A	– Financial Appraisal	
Section B	– Phase One Engagement Appraisal	
Section C	– Options Appraisal	
Chapter Three	– The New Council	45
Chapter Four	– Conclusion & Next Steps	62
Appendix 1	– Council Tax Equalisation	67
Appendix 2	– Sensitivity Analysis of Changes to Annual Savings & Implementation Costs	69
Appendix 3	– Opinion Research Services Executive Summary Report of Public & Stakeholder Engagement	71

Executive Summary

This outline case for change evaluates the opportunities for changing the structure of local government in Nottinghamshire as an enabler of a much bigger vision for the future of the County.



Our vision is to provide twenty first century local government services that take advantage of technology and are locally focused to deliver what people and businesses in Nottinghamshire require.

We want to ensure that Nottinghamshire is the best place it can be for everyone; is healthy, vibrant and inclusive; aspirational and ambitious; where people want to live, visit, learn and work; where ambitions are achieved and there is increased prosperity for residents and businesses.

The outline case for change considers the options of retaining the status quo and moving to a single tier of local government in the county of Nottinghamshire.

A single tier structure is where there is just one level of local government responsible for all local services in the area (this is referred to as a unitary council). All local authorities in Scotland, Wales and Northern Ireland operate as unitary councils, as do some 55 authorities in England.

The outline case for change is based on proposals for Nottinghamshire County Council and the seven district and borough councils. It excludes Nottingham City Council, which is already a separate unitary council outside of the Nottinghamshire County Council administrative area.

The outline case for change sets out the current operating context, carries out an assessment of the options and describes the County Council's vision for how a new unitary council could work.

Current Operating Context

The way we live our lives is changing at an unprecedented rate. The world we live in is evolving, with rapid advancements in technology, healthcare, improved connectivity and changes to the way that we do business.

There are a number of drivers which underpin this outline case for change:

- The current two-tier structure of local government in Nottinghamshire can be a barrier to strategic planning, efficient and effective delivery of services, and lobbying to Government.
- Residents and local businesses often find the current two-tier system confusing and are not clear about which council has responsibility for which service.
- Over the last five years all eight Nottinghamshire authorities have seen a £120 million reduction in Revenue Support Grant from Government.
- There is increasing demand on services with population growth, an ageing population and increasing health demands.

The modernisation of local government is an opportunity to give Nottinghamshire the strength it needs to deliver services for communities and businesses and to address the challenges and needs of a modern society.

Assessing the Options

The **financial appraisal** is based on a single unitary council option and a two unitary council option for the county of Nottinghamshire compared against the cost of the status quo.

The financial appraisal has been carried out in accordance with the method prescribed by Ernst & Young and published in the County Council Network's publication 'Independent Analysis of Governance Scenarios and Public Service Reform in County Areas'.

- The financial modelling estimates that a single unitary council could achieve annual operational expenditure savings of £27.1 million compared to the current two tier arrangement. This saving arises from the consolidation of common services and activities across the Councils, and excludes any potential savings from the transformation of County only services such as social care; the opportunity for more joined up working with other public sector partners such as health, and capital receipts from a rationalised and improved estate.
- A two unitary council arrangement could generate annual savings of £16.4 million compared to the current two tier arrangement. This saving reflects the same consolidation and transformation considerations as above.

The cost of implementation of the two options does not vary significantly, with the single unitary option estimated to cost around £19.2 million and the two unitary option £20 million. This results in a significantly better return on investment for the single unitary option, as well as a shorter payback period.

The County Council commissioned accountants from Deloitte to validate the accuracy and impartiality of the modelling work undertaken and Deloitte concluded that:

“Overall the approach taken to calculate costs and savings is robust at this stage of the process.”

The **phase one engagement appraisal** is based on the public and stakeholder engagement carried out by an independent social research company, Opinion Research Services (ORS).

The phase one listening and engagement period was to gain initial views and perceptions and ran from 1 October 2018 – 31 October 2018. During this time residents, stakeholders and staff were invited to provide feedback through a range of routes. The phase one engagement has shown that at this stage there are mixed views about a move to a unitary council structure.

A consistent theme from the engagement was the need for more information before a better informed view can be reached. A second phase of consultation has been proposed that would be a more formal exercise, directly engaging a broader range of stakeholders, and providing more detail on the preferred option for both information and debate.

The **options appraisal** is based on the Government criteria, local criteria and legislation. The following parameters were considered when identifying options to ensure that they:

- Contain a population of greater than 300,000;
- Maintain reasonable levels of population density (current density is 392 population per km²);
- Are within the existing administrative boundaries of Nottinghamshire County Council;
- Are based on current district and borough council boundaries;

- Are likely to improve local government.

The options appraisal was carried out by the County Council and incorporates the findings of the financial appraisal and the phase one public and stakeholder engagement.

The County Council's preferred option is for one single unitary council. The Council's view is that this option would:

1. Best support the future development of services for residents, businesses and visitors to the County;
2. Reduce the complexity that the public and partners face when dealing with councils and provide a single point of accountability for local government;
3. Deliver the greatest possible level of financial savings to ensure the future sustainability of services that people need and want.

The New Council

Under the proposed model the County Council's vision is that the new council would deliver five key aims:

Aim One: A stronger local voice for residents

Strong mechanisms for listening to local communities and giving residents a real say on local issues. This includes councillors who are responsible and democratically accountable for all decisions in their community, in a simplified structure that ensures people always know who to turn to in their local area.

Aim Two: A single strategic voice speaking up on behalf of the area

Speaking with one voice to Government and all local strategic partners, giving Nottinghamshire the ability to lobby for major new investment. Providing the strategic capacity to understand and tackle complex problems across the County and the powers, local discretion and willingness to take bold and farsighted decisions on behalf of residents, communities and businesses.

Aim Three: A more prosperous Nottinghamshire

A coordinated approach to economic growth that delivers the best for the area, along with joined up and improved strategic planning to stimulate the economy and achieve economic growth on a countywide scale.

Aim Four: Improved health and wellbeing for communities in Nottinghamshire

The people of Nottinghamshire want health, care and wider local government to join up to better meet their needs. Joining up modern public services would enable every community to have access to consistent and coordinated support over which they have more influence and control.

Aim Five: Better services

Building on best practice and a wealth of expertise to improve services to meet the changing needs of Nottinghamshire people in a financially sustainable way. Creating the right conditions to innovate and transform public services at speed and drive a commercial approach, to ensure best value for money.

Conclusion and Next Steps

A unitary council provides the opportunity to blend the best practice from each current council, build on existing developments and exploit further opportunities for the benefit of all residents and businesses in the County.

The County Council's preferred option is for a single unitary council and the outline case for change will be considered by County Council on 13 December 2018. Approval will be sought for a formal public consultation exercise with residents and stakeholders.

The outcome of this formal consultation exercise will inform the process of refining and further developing the case for change and the final case for change would be considered by the County Council in Summer 2019.

Introduction

Nottinghamshire County Council believes that it is the right time to consider reorganisation of the local government structure in Nottinghamshire to:

1. **Support a new vision that can deliver a better future for everybody; and**
2. **Ensure a better framework of government that is efficient, effective and financially sustainable.**

Our vision is to provide twenty first century local government services that take advantage of technology and are locally focused to deliver what people and businesses in Nottinghamshire require.

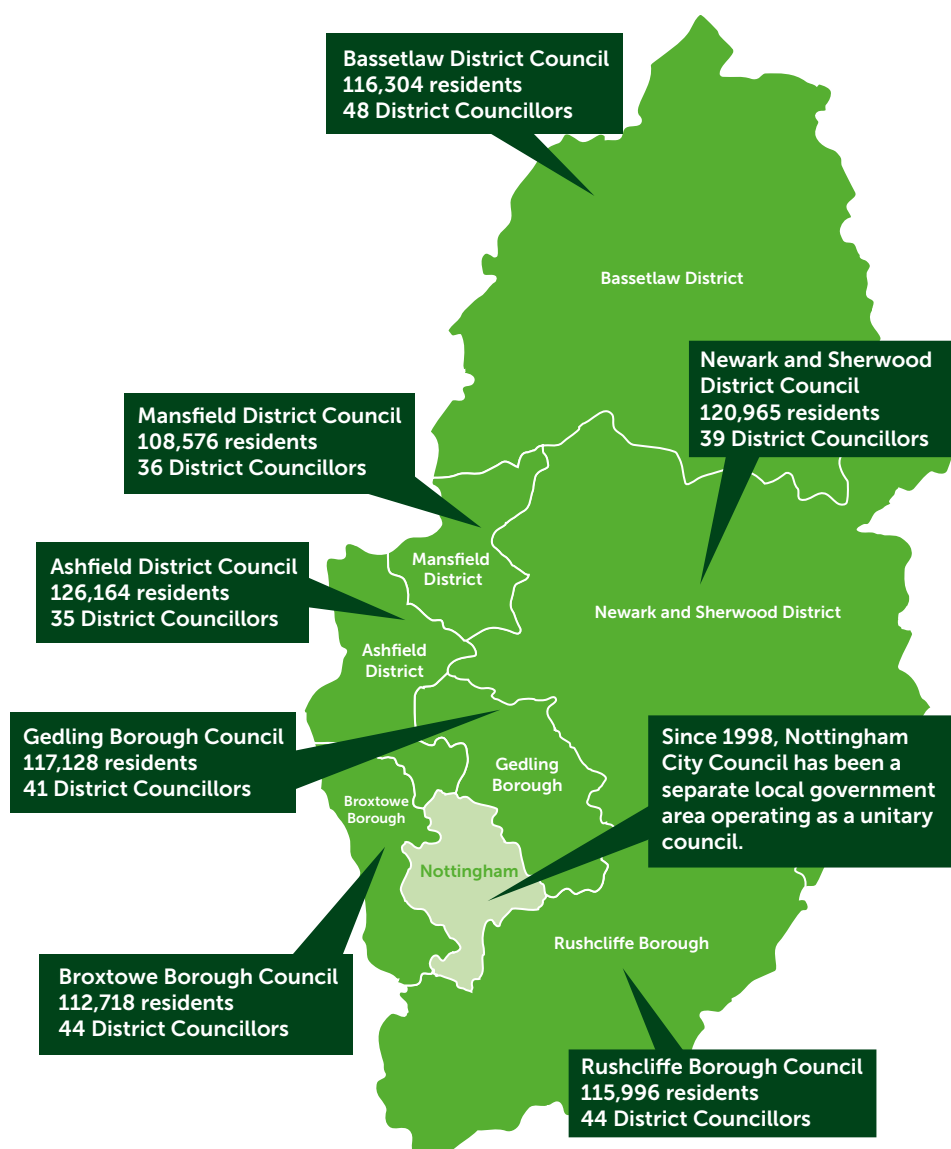
We want to ensure that Nottinghamshire is the best place it can be for everyone; is healthy, vibrant and inclusive; aspirational and ambitious; where people want to live, visit, learn and work; where ambitions are achieved and there is increased prosperity for residents and businesses.

The current two tier structure of local government in Nottinghamshire came about over 46 years ago under the Local Government Act 1972. The last major change took place in 1998, when Nottingham City Council became a unitary council. Since then the County Council and the seven district and borough councils have delivered services in the county of Nottinghamshire.

It is to achieve this vision that we are exploring opportunities for modernising and simplifying the structure of local government in Nottinghamshire. The outline case for change sets out the current operating context, carries out an assessment of the options explored and describes the County Council's vision around how a new unitary council could work.

Details of current Nottinghamshire councils

Nottinghamshire County Council spends 91% of the local government funding available for the area on delivering countywide services including: education, special educational needs and disability support, social care for children and adults, public health, road maintenance and transport services, cultural and leisure services including libraries, waste recycling and disposal, trading standards, planning issues and registration services.



The seven district & borough Councils spend 9% of local government funding delivering services including: council tax collection, council housing, waste collection, environmental health, local planning applications, parks and some leisure services.

There are also 205 Town and Parish Councils across Nottinghamshire in those areas that have a Town or Parish Council, each with their own group of councillors. They deliver some local services, such as maintenance of parks, churchyards and allotments.

The eight councils in Nottinghamshire are **currently organised in a two-tier structure**. This is where services are divided between the County Council and the seven borough or district Councils.

In total, **there are 353 councillors for the County and district/borough Councils**, each receiving a separate councillors allowance for the work they do.

There are 66 councillor positions for the County Council. Currently, out of this number 51 councillors are both a county councillor and a district/borough councillor.

Each of the eight councils has its own political leader, Chief Executive and senior management team and its own headquarters building.

Why do we need change?

A change to the structure and provision of local government in Nottinghamshire is needed to:

- strengthen the links between councils and local people;
- give a stronger voice to localities and ensure all council services deliver to high standards and to local needs;
- capitalise on best practice that is currently dispersed across eight organisations, to create a more modern, agile and responsive system of local government that can better tackle current and future financial and demand pressures.

Simplifying the complexity of local government in the County

Apart from Nottingham City Council, there are eight councils in Nottinghamshire – the County Council and a total of seven district and borough councils. The councils provide different, as well as sometimes overlapping services, and the seven different district and borough councils broadly replicate the same services across their different localities. In many areas of England, there is one council covering the entire area.

The two-tiers of local government in Nottinghamshire (county and borough/district) can be a barrier to strategic planning, efficient and effective delivery of services, and lobbying to Government.

Residents and local businesses often find the current two-tier system confusing and difficult to navigate. The lack of clarity about which council does what, which councillor has responsibility for county or district/borough services, and who to contact with their questions can make 'doing business' with local government a frustrating experience.

Pressures facing local government

Unlike some other public organisations that can run at a deficit for a specified period of time, councils cannot spend more than they have in any given year and cannot lawfully exist without an annually balanced budget. They also do not have total control of the amount of money they can raise to meet ever rising costs.

Between 2015 and 2020, councils will have lost 77p out of every £1 that Government has provided for services.



Over the last five years all eight Nottinghamshire authorities have seen a combined £120 million reduction in Revenue Support Grant from Government.

Between 2015 and 2020, councils will have lost 77p out of every £1 that Government has provided for services. By 2020, councils will no longer receive Revenue Support Grant funding from Government - with uncertainty about how services will be funded beyond this time.

Adding to this complex picture, councils are experiencing unprecedented increases in demand in adults and children's social care. Many of these services are for those most vulnerable in society, such as providing dignified care for our elderly and disabled adults, and protecting children and young people from harm and neglect. This has arisen due to a real increase in the level of need within our communities, the result of growing numbers of people living longer with complex conditions, and an increased awareness of the needs of vulnerable children.

Despite reduced funding and increasing demand, local government in Nottinghamshire has achieved a lot over recent years through savings programmes. Embracing efficiency and innovation, the councils have gone to great lengths to minimise impact on the quality of services to local people.

The picture is different elsewhere in the country. For example Northamptonshire County Council failed to balance its budget in 2018, and when things go wrong the impact is significant. When local authorities reach the point where they do not have the funds to provide their minimum statutory responsibilities, it is local communities and economies which suffer the consequences.

Current service budgets total £978 million across the eight Nottinghamshire authorities. The Medium Term Financial plans report either a budget shortfall in the medium term or a requirement to use substantial reserves to balance budgets. There is a projected total budget shortfall of £71 million across all councils, meaning that important local services, which are delivered by all councils will inevitably come under review.

Government funding is dependent on the nation's finances and with the ongoing effects of the 2008 downturn, along with the current economic uncertainty of Brexit, it is unlikely that the financial environment and prospects for local authorities will improve anytime soon.

In these circumstances, local authorities across England are turning their attention to the bigger picture of modernisation of local government. For example, in October 2018 Leicestershire County Council reported to its Cabinet on the development of a unitary structure. This process is most advanced in Dorset and Buckinghamshire, with Government approval being granted for one unitary council in Buckinghamshire and two unitary councils in Dorset.



Modern local government for Nottinghamshire

One single tier of local government in Nottinghamshire offers an opportunity to improve people's quality of life; health and wellbeing; drive growth in the economy and boost jobs for the whole of Nottinghamshire

Nottinghamshire has a great many strengths, including a wonderful heritage and countryside, some of the best market towns and villages in the country, good living standards and unrivalled connectivity. The County also has an increasingly diverse business base with some of the fastest growing companies in the Midlands providing good quality jobs.

Nonetheless, whilst many residents already experience the best that Nottinghamshire has to offer, there are others who deserve more. Fragmentation in local government structures limits how well we can work for all local people. Public services need to harness opportunities for growth in the economy and build on existing strengths.

A single tier of local government would simplify the provision of existing council services to the public, while also offering the chance to redesign the relationship between the services across councils and other partners to provide residents and businesses with a more integrated offer that is easier to access. For example, closer working between social care, leisure and recreation services would enable health and care providers to help people to fulfil their potential and achieve a better quality of life. Achieving this currently requires coordination between eight councils, health and other providers. The creation of a single tier of local government could dramatically simplify service design and delivery.

It is essential that local services meet the needs of the people of Nottinghamshire. The opportunities in joining up health, care and wider local government are wide ranging. A seamless and proactive approach to providing coordinated prevention, care and treatment through a single tier structure could improve the health and wellbeing for local people.

A single strategic voice speaking up on behalf of the area

A single tier system could give Nottinghamshire a stronger, more consistent voice. It would be a powerful advocate for the County, speaking up on behalf of all residents, businesses and partners on local and national issues to get the best for the area.




A single tier structure is where there is just one level of local government responsible for all local services in the area. All local authorities in Scotland, Wales and Northern Ireland operate as unitary councils, as do some 55 authorities in England.

One tier of local government could provide a stronger local voice, giving communities a real say on the things that matter to them

The creation of a unitary structure could provide a strong mechanism for listening to local communities, responding to differences in need and ensuring a strong local identity is in place.

By building on the experience of the eight councils in the current two tier system, a single tier system could give local people more choice and control with:

- **A new devolution offer** to town and parish councils – providing opportunities for communities to run some services in a cost effective and local way;
- The creation of **new town and parish councils** in areas where one doesn't currently exist;
- **Area planning committees** – enabling local councillors to take decisions on local planning issues impacting their community.



Nottinghamshire is a great place for people to live, work and do business – but that said, it needs to be even better in order to maintain its future.

The Outline Case for Change

This outline case for change evaluates the opportunities for changing the structure of local government in Nottinghamshire as an enabler of a much bigger vision for the future of the County. It considers retaining the status quo and moving to a single tier of local government.

This outline case for change covers:

- **Chapter One:**
Key challenges and future need
- **Chapter Two:**
Assessing the options
- **Chapter Three:**
The new Council
- **Chapter Four:**
Conclusion and next steps

Nottinghamshire County Council and the seven district and borough councils and their geographic areas, will be collectively referred to as "the County". This excludes Nottingham City Council, which is a separate unitary council, outside of the County administrative area.

Chapter One

Key Challenges & Future Need



The way we live our lives is changing at an unprecedented rate. The world we live in has evolved, with advancements in technology, healthcare and improved connectivity and greater use of social media, as well as changes to industries and the way we do business.

The future needs of the County and the expectations of residents, local communities and businesses have also changed. Residents and local communities want a greater say and more involvement in the design and delivery of local services which are more responsive and flexible. Residents want easy access to information to help them make important decisions about what services best meet their needs and how they are provided. People want choice in when, where and how they interact with local government and to resolve issues quickly and effectively, first time.

People

The County has a population of 817,851, which is expected to increase by 62,714 over the next fifteen years¹.

An increase in the number of people that live in the County is likely to increase demand on the full range of local government services. There will be more people using roads and public transport to travel around the County; more people who require a home to rent or own; more people visiting country parks and leisure facilities; more children requiring school places; and more people generating rubbish and recycling to be collected and disposed of.

The County, like the rest of the UK, has an ageing population. By 2032, 1 in 4 people in the County will be aged 65+ years, with the number of people aged 85+ years increasing by 14,000. An increase in the number of older people in the County, and those requiring healthcare support due to disability and long term illnesses, will lead to more demand on adult social care, housing, healthcare and community services. This will also create greater urgency for a more coordinated response between hospitals, social care and housing providers, to ensure that hospitals are able to discharge patients home or into

the community as quickly as possible in order to meet their own increasing demand for hospital beds.

A single tier of local government in the County could ensure a more coordinated and joined-up response to the increasing demands on services arising from population growth. It could also better support a countywide approach to planning for all services to ensure that services continue to meet people's changing needs and expectations.

Health & Well-Being

People are now living longer but they are also experiencing longer periods in poorer health.

Research has suggested that up to 85% of a person's health is influenced by social factors such as good employment, good education, a healthy environment and strong and supportive communities². Taking a coordinated approach to unlocking the benefits that each local area has on health and wellbeing, such as green spaces and local community groups, would contribute to better health outcomes and healthier lives for everyone - especially communities that are least advantaged.

¹ Based on Office for National Statistics population projections

² McGinnis, J.M., Williams-Russo, P. and Knickman, J.R. (2002) The case for more active policy attention to health promotion. *Health Affairs* 21 (2) pp.78-93

Whilst many health outcomes for Nottinghamshire are close to the England average, there are health disparities across the County. This is reflected in the gap in life expectancy, with men in the most affluent parts of the County living more than nine years longer, and women living eight years longer, than those in the most deprived areas³.

Some statistics indicate likely health improvements, such as an anticipated reduction in the number of 18-65 year olds with a moderate or severe physical disability by 2035⁴. Conversely, other trends show likely increases in the number of those over 18 years with a learning disability.⁵ Local government will need to understand these trends and develop flexible services to meet the needs of the whole County population.

All council services will need to work collectively and with health partners to address health disparities.

Economic growth

Economic growth is vital for the future prosperity of the County and the wellbeing of its residents. All eight councils recognise its importance and all cite it as a priority in their corporate plans.

Over the last 30 years, the fall in dominance of heavy industries, which supported entire communities and multiple generations has given rise to an economy that is characterised by a diverse range of smaller firms and service industries.

Whilst the East Midlands area overall continues to outperform other parts of the country, there are nonetheless marked disparities in economic fortunes across the County. The south and east are generally performing at or around the national average, but the north, especially Ashfield and Mansfield, are below the national average in terms of education, skills, training, annual earnings and business growth⁶.



38%

of all illness, disability or injury in Nottinghamshire could be prevented



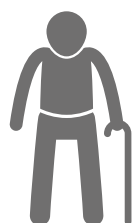
Total population by 2032 =

880,565



70%

more 85+ year olds by 2032



48%

more older people predicted to be living alone by 2035.



Men live **9 years** longer and women live **8 years** longer in different parts of the County



8,600

more children and young people (aged 0-19) by 2032

³ Public Health Outcomes Framework, indicator reference 0.2iii – Inequality in life expectancy at birth LA, available at: <https://bit.ly/2RpjeP8>

⁴ Reducing from 51,406 people in 2017 to 49,733 in 2035 (Data from Projecting Adult Needs and Service Information and Projecting Older People Population Information via www.pansi.org.uk and www.poppi.org.uk accessed 12.11.18)

⁵ Increasing from 18,370 in 2017 to 19,986 in 2035 (Data from Projecting Adult Needs and Service Information and Projecting Older People Population Information via www.pansi.org.uk and www.poppi.org.uk accessed 12.11.18)

⁶ Skills and qualifications data from ONS Annual Population Survey Jan 2017-Dec 2017. Earnings data from ONS Annual Survey of Hours and Earnings – resident analysis 2017. Business growth data from ONS Business Demography – 2016.



28,500
businesses registered



89% of businesses employ less than 10 people



90 firms employ more than 250 people



45%
of new businesses survive the first 5 years

Manufacturing sector is the largest employer



A countywide approach is needed for those issues that are fundamental to providing economic growth, such as strategic planning, housing, transport and infrastructure.

A new form of local government in Nottinghamshire could maximise the County's influence and voice with Government and business in order to attract investment and jobs into the area and address disparities of economic growth across the County.

Skills and employment

Local businesses need skilled people to employ, and local people need strong businesses that grow the local economy, providing good jobs for the prosperity of the County and local people.

The County performs better than the national average in terms of employment, with 80% of the working age population being economically active and only 1.6% of the population being unemployed (as at July 2018).⁷ However, there are significant

differences across the County, with Ashfield and Mansfield having the lowest economically active working age population⁸, and Bassetlaw and Ashfield experiencing the highest unemployment rates⁹.

31% of working age people in the County are educated to degree level or above, but there are disparities across the County with 46% of residents in Rushcliffe educated to degree level or above, compared with 17.5% in Mansfield.

Although significant strides have been made in addressing low skills levels, more is needed to ensure that qualification rates increase in all areas of the County¹⁰.

A single tier of local government could provide better joined up planning with schools, colleges, universities and the business community. This would enable a more coordinated approach to tackle the skill gaps in the County and ensure people have the range of skills necessary to work in the future economy.

⁷ 78.6% of England's working age population are economically active and 2.2% of the UK population are unemployed (Data from ONS Claimant count July 2018)

⁸ 72.1% in Ashfield and 76.9% in Mansfield (data from ONS Annual Population Survey Jan 2017-Dec 2017)

⁹ Bassetlaw has the highest unemployment at 2.1%, followed by Ashfield at 2% (data from ONS Claimant count July 2018)

¹⁰ Nottinghamshire (8.2%) has a higher level of people with no qualifications than England (7.6%) but Rushcliffe (2.9%), Broxtowe (5.5%), Newark & Sherwood (6.7%) and Gedling (6.8%) are all below the national average (data from ONS Annual Population Survey Jan 2017-Dec 2017)

Housing

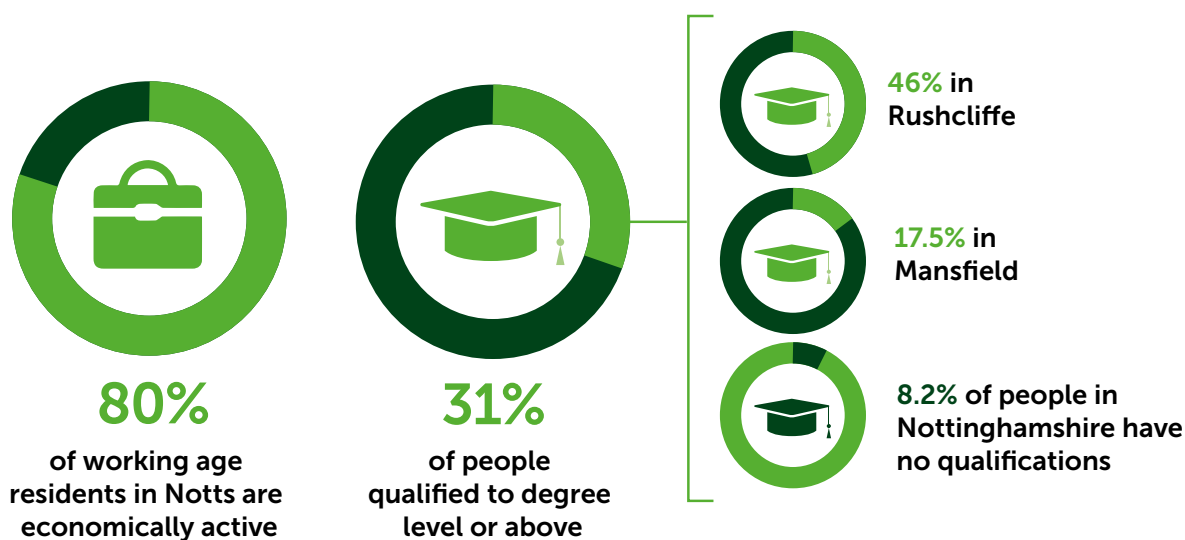
Housing is a vital issue for councils, with six of the seven district and borough councils citing quality housing as a priority in their corporate plans. The predicted increase in the number of people living in Nottinghamshire over the next 15 years means there will be a need for 25,000 more homes in the area¹¹.

Over the last four years, there have been 8,160 houses built across the County with a further 20,604 houses planned over the next five years. District and borough councils focus solely on their respective areas for housing delivery which has failed to keep up with demand, and there has been a disjointed approach to spatial planning and ensuring that strategic infrastructure is in place. This means that strategic planning of housing across the County in a two tier system is not as effective as it could be¹². Instead, housing and associated infrastructure should be developed in areas of economic growth, where there

are employment opportunities that meet the needs of the population, including housing with care for older people and supported living for people with disabilities.

Whilst the price paid for a house in the County is below the national average at £172,684¹³, owning a home is still unattainable for many people. Local government has a key role in ensuring that there is good quality housing available where people want to live. This includes good quality affordable housing, an effective rental market and social housing for those who need it. This should include different types of housing need due to increases in the numbers of young people and older people, as well as a targeted approach to reducing levels of homelessness¹⁴.

Work will also be needed to ensure suitably safe and energy efficient accommodation that prevents fuel poverty, especially for those most susceptible to the negative health impacts of living in cold and damp conditions.



¹¹ Based on Office for National Statistics projection

¹² 'County Councils & Strategic Planning: A review of current & emerging practice' by Catriona Riddell Associates for the County Councils Network (June 2018)

¹³ The average price paid for a house in Nottinghamshire is £172,684 (as at June 2018), remaining below the national average of £245,076 (data from HM Land Registry House Price Statistics – Prices paid data June 2018)

¹⁴ There were 2,417 reported cases of homelessness prevention and relief in Nottinghamshire in 17/18. The number of reported cases of homelessness in Nottinghamshire is substantially lower than the regional and national rate. The Nottinghamshire rate being 6.88 per 1,000 households with the rates being 9.40 for the East Midlands and 9.16 for England. (data from Ministry of Housing, Communities & Local Government Homelessness Prevention and Relief figures 2017/18)




387,000
households required by 2032



£172,684
Average house cost



165
councils houses are bought each year under Right to Buy



16,963
people on the waiting list for social housing

On average, people in the County spend **42%** of their disposable income on a 3 bed house in the private rental sector.

In comparison, it would cost a person **22%** of their disposable income to rent a 3 bed council house on average.

Social Housing

Social housing faces significant demand at a time when the number of available council houses is reducing due to people buying council housing under the Right to Buy¹⁵ and current housing stock being insufficient.

Despite there being 24,867 council houses owned by district and borough councils and a further 27,072 provided by housing associations, there are still 16,963 people on the waiting list for council housing, with demand varying significantly across the County¹⁶. There are 5,324 people on the waiting list in Mansfield, compared with 472 people on the Rushcliffe waiting list¹⁷.

Despite the demand, there are 427 council properties that have been vacant for more than six months in the County¹⁸. This points to available housing not being appropriate, which potentially could include being in the wrong area or being in a state of disrepair.

A single tier of local government would help to plan ahead to meet the changing housing needs of the population, now and in the future.

Technology

Technological advancement has changed people's expectations about how they live. It has also changed how people interact with local government and the services they expect to receive. In an increasingly technological world, people need the skills to be able to use and work with technology. This education needs to start in schools and be offered to all adults so that they can benefit from the opportunities that technology brings.

Businesses need to be well connected and technologically advanced to compete on a local, national and international scale and to meet the changing expectations of their customers. People increasingly expect instant access to products and services and responsive customer service across a range of platforms and channels (websites, apps and social media as well as telephone and face to face).

¹⁵ 165 councils houses are bought each year under Right to Buy (Data from Ministry of Housing, Communities and Local Government data information website table 605)

¹⁶ Data from Ministry of Housing, Communities and Local Government data information website table 116

¹⁷ Data from Ministry of Housing, Communities and Local Government data information website table 600

¹⁸ Mansfield has 130 properties that are long term vacant despite having the highest waiting list for council housing (Data from Ministry of Housing, Communities and Local Government data information website table 615)

Nottinghamshire's investment in broadband means that the County is one of the most digitally connected places in the country. However, technology is advancing at an unprecedented rate. 5G mobile communication will transform our daily lives by enabling vehicles and home appliances to connect and exchange data. Within the next 12 years autonomous vehicles, artificial intelligence-based manufacturing, and hyper-fast connectivity will be the norm.

This will significantly change the way people think about the services they receive and the way they expect to access them. Single tier local government could better plan for these technological changes, harnessing technology to deliver services and make more effective investment decisions.

Environment

The County's natural, historic and built environment provides a sense of place for local communities, helps to make Nottinghamshire an attractive place to live and do business, promotes the health of residents and supports the growth of the visitor economy. Places like Sherwood Forest, a wealth of country parks across the County and local parkland provide green spaces for local people to relax, get active and spend time outdoors.

It is important that local government helps to protect and enhance the natural and historic environment including our response to the changing climate and the increasing likelihood of extreme weather events.

People's changing awareness of the need to address climate change, particularly through recent high profile national campaigns on plastic consumption, has led to an increase in consumers who expect 'green' services, which local government will need to be mindful of when delivering services in the future.

A single tier of local government could provide a more joined up approach to the planning and delivery of leisure and environmental services.

Financial sustainability

A combination of reducing Government funding and increasing demand for services means that there are significant financial challenges ahead for all councils across the country.

This poses a significant risk to the financial sustainability of individual services and there is a real risk of further reductions to highly valued and vital services.

However, it is not just the **amount** of money that is important but **how** the money is spent. It is important that local government generates as much value as possible from the money it does receive and spends, to ensure that it improves outcomes for residents. Residents should reasonably expect quality outcomes for local services and be reassured that the money local government receives is being spent well.

Given the savings and efficiencies already made over recent years, further savings will be harder to identify and deliver, especially if Nottinghamshire Councils pursue this separately, and with focus limited only to their own services.

In contrast, a single tier of local government provides the County the opportunity to look across all existing services and future needs, and enable a single, joined up approach to the prioritisation of investment and the equitable distribution of resources.

Chapter Two

Assessing the Options

This chapter assesses the options for local government reorganisation in Nottinghamshire in three sections:

Section A – Financial Appraisal

Section B – Phase One Engagement Appraisal

Section C – Options Appraisal

The chapter concludes with a preferred option.



SECTION A

– Financial Appraisal



This section summarises the financial modelling which has been undertaken to evaluate the impact of the options identified for local government reorganisation.

Financial Model: Approach

The financial modelling has been carried out in accordance with the method prescribed by Ernst & Young and published in the County Council Network's publication 'Independent Analysis of Governance Scenarios and Public Service Reform in County Areas'. This model has been used by a number of councils that are going through, or are considering, local government reorganisation. Financial modelling was undertaken on options for both a single unitary council and two unitary councils for Nottinghamshire.

The modelling has made a broad assumption that each of the three arrangements considered for two unitary authorities (options 3a, 3b and 3c), would all realise the same overall levels of savings and implementation expenditure.

The County Council commissioned accountants from Deloitte to validate the accuracy and impartiality of the modelling work undertaken and Deloitte concluded that:

“Overall the approach taken to calculate costs and savings is robust at this stage of the process.”

A copy of Deloitte's report 'Nottinghamshire County Council Review of Local Government Reorganisation Savings' can be viewed as a background paper in support of this document.

Savings

Savings estimates were calculated using the local councils' financial statements and published annual returns to Central Government, CIPFA statistics and benchmark comparisons with other local authorities. Using this data, the financial modelling estimates that a single unitary council could achieve annual expenditure savings of £27.063 million compared with the current two tier arrangement. A two unitary council arrangement could achieve annual savings of £16.434 million, compared with the current two tier arrangement.

These projections make assumptions about the cost savings which could be achieved by consolidating similar services delivered by each council and through the streamlining of six areas of expenditure once they are brought together under a single countywide unitary council or two unitary councils. They do not include any savings arising from further change activity in services that are not common to the individual councils but that could nonetheless benefit from transformation opportunities once a single tier of government is created. They also do not include the potential benefit of lower costs of service provision arising from further possible integration of service activity with other partners (i.e. health and social care) or any projections of capital receipts arising from the consolidation of the current estate.

Savings calculation

The savings that have been calculated for use in the case for change have been identified from six areas of current expenditure. These savings could all be achieved in the short to medium term without any major transformation of services. It is possible that further savings could be achieved in the longer term based on the decisions of the new council/s but these have not been included due to uncertainty around future decisions of the new council/s.

The summary of the savings identified (£ millions) is below:

Description	Rationale	One Unitary £ millions	Two Unitaries £ millions
Senior Management	The eight local authorities currently operating in the County each have a senior management team. The saving calculated is based on rationalising these eight management teams into one per unitary authority.	5.741	2.676
Council Members	The eight local authorities currently operating in Nottinghamshire each have a set of elected members. The aggregate number of members is 353. The saving calculated is based on rationalising these eight sets of members into one per unitary authority.	0.958	1.109
Election Spend	This saving would be realised from the reduction in cost of conducting elections due to fewer local elections being required.	0.373	0.291
Support Services	Under a new arrangement it would be possible to rationalise the support services being employed across the eight authorities through removal of duplication, sharing best practice and increased economies of scale.	9.057	5.159
Service Opportunities	Reorganisation would bring opportunities to consolidate the services that are currently being delivered by seven district and borough councils. This in turn would give opportunities to align tasks, share best practice and increase economies of scale. No savings have been attributed to social care or education services.	8.985	5.911
Accommodation	The reduction in the number of employees and members calculated in the savings above would mean that less office space is required by the new authority(ies) than is currently being used by the eight existing authorities.	1.949	1.288
Total Annual Saving		27.063	16.434

Senior Management

The eight existing councils in the County have a combined 93 officers in the top three tiers of leadership. Many of these posts will be carrying out similar functions in different councils. It has been assumed that a new unitary council would operate with a senior management team of 37 officers for one unitary council or with 34 officers for each council in a two unitary council model.

Council Members

It has been assumed that the 353 members of the eight existing councils could be rationalised down to 132 members for one unitary council or to 88 for each council in a two council model. These estimates are based on similar sized unitary councils but the actual number of council members would be decided by the Boundary Commission on the creation of the new council/s.

Election Spend

Under the current arrangement, residents elect members to each of the seven district and borough councils and Nottinghamshire County Council every four years, therefore in a four year cycle there are eight council elections in Nottinghamshire that must be funded from public resources. Reducing the number of councils to one or two would reduce the number of elections required.

Support Services

Consolidation of support services such as Finance, Human Resources, ICT, Legal, Democratic Services and Procurement across the County would enable savings to be made through:

- Delivery of high quality, lower cost processes, building on best practice from existing councils. Under the current arrangement different councils specialise in the delivery of different services. Under a unitary arrangement the new council/s

would be able to use the optimum level of service being delivered in one locality as the minimum service level for all of the County. This would be achieved through sharing best practices and embedding these processes across the new council/s .

- Contract efficiencies because a larger council would have increased buying power and a stronger market position ensuring that it receives better value for money.
- Increased resilience and ability to respond to peaks in workload to deliver a better service for residents.
- Better strategic approach to property based assets, ensuring properties are fit for purpose and in the right location.
- Stronger use of data and evidence to plan services and develop early intervention and prevention.
- Staffing efficiencies, standardising systems and economies of scale that would be achieved by one or two unitary councils.

Service Opportunities

Similar to the rationale for support services savings, there are also many front line services that are currently delivered by seven district and borough councils. These services include:

- Waste collection
- Street cleansing
- Regulatory services such as environmental health
- Housing strategy
- Community safety
- Planning and development

The savings that have been identified would be achieved through building on best practice, contract efficiencies, increased resilience and stronger use of data and evidence to plan services.

Implementation/Transition costs

In order to transition to a new arrangement of local government in the County and deliver the estimated savings, some one off costs would need to be incurred.

The summary of the estimated implementation costs (£ millions) is below:

Description	One unitary £millions	Two unitary councils £millions*
Planning and Pre Launch	0.270	0.270
IT costs and new system training	4.000	7.000
Redundancies/ Pensions	9.584	5.102
Service reconfiguration	1.000	1.500
Implementation Programme team	1.217	2.082
Corporate Communications	1.000	1.500
Legal Costs	0.400	0.700
Transition Contingency	1.748	1.815
Total	19.219	19.969

*assumes the two unitary councils would share a single back office service function

It is important to note that much of the expenditure would be classed as capital in accordance with international accounting standards. This is relevant because it means that any new council/s could account for the expenditure over a 40 year period thereby minimising the impact that pursuing such a programme might otherwise have on the annual budgets used to fund front line services.

In local government reorganisation, new councils can apply to the Secretary of State for permission to use capital receipts to fund the remainder of this expenditure.

All implementation costs are estimates and would be subject to detailed project planning and policy decisions of the new council/s.

Payback period

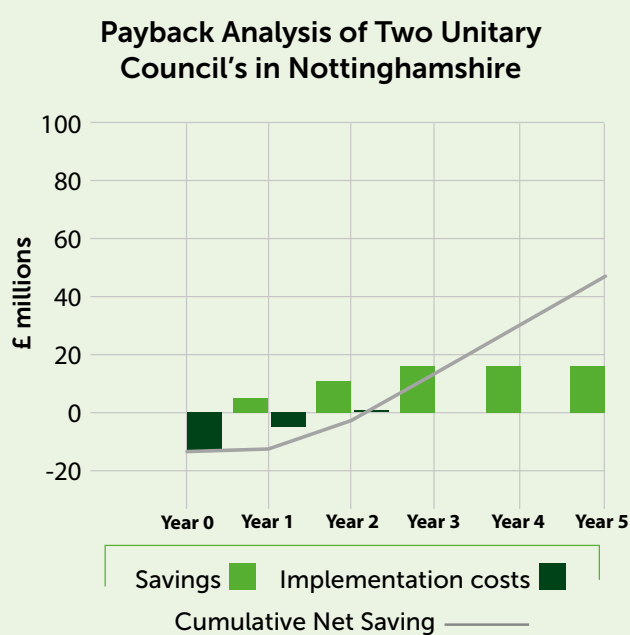
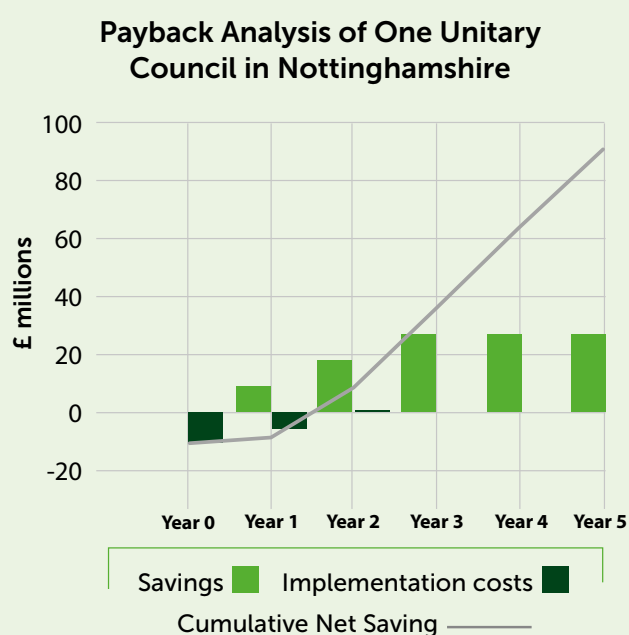
As illustrated in the table below, the savings which are predicted to be achieved would be realised incrementally over a three year transition period. Costs of implementation would be more immediate and therefore for a short period, the costs of implementation could be greater than the savings achieved.

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Savings £ million	0.000	8.931	17.862	27.063	27.063	27.063
Implementation costs £ million	-11.900	-6.763	-0.556	0.000	0.000	0.000
Cumulative Net Saving £ million	-11.900	-9.732	7.574	34.637	61.700	88.763
Net Budget Requirement £ million	591.892	577.824	562.686	552.929	552.929	552.929

Under a one unitary arrangement the savings achieved will 'payback' the investment in implementation costs after 2.56 years.

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Savings £ million	0.000	5.423	10.847	16.434	16.434	16.434
Implementation costs £ million	-14.096	-4.944	-0.928	0.000	0.000	0.000
Cumulative Net Saving £ million	-14.096	-13.618	-3.699	12.735	29.169	45.604
Net Budget Requirement £ million	594.088	579.513	570.074	563.558	563.558	563.558

Under a two unitary council arrangement, the payback period would be increased to 3.23 years as the implementation costs are higher and the annual savings are lower.



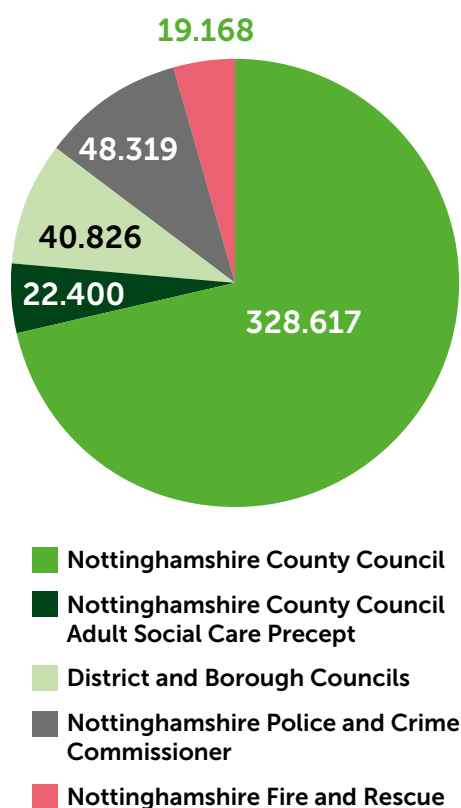
Once the payback period has been reached the new council/s will be able to begin realising savings. However, as previously stated the new council/s could seek an order from the Secretary of State to capitalise these costs in order to spread them over a number of years and account for the savings earlier.

Council Tax Equalisation

Under the current two tier authority arrangement in the County, every household's council tax bill is itemised to show the four (five if in town and parish council area) organisations that their council tax is contributing towards. These are:

- Nottinghamshire County Council (including Adult Social Care Precept)
- District or Borough Council
- Nottinghamshire Police and Crime Commissioner
- Nottinghamshire Fire and Rescue
- Town and Parish Council

The pie chart illustrates how the council tax collected across Nottinghamshire in 2018/19 was distributed. The illustration excludes town and parish council precepts which are not paid by every household:



Contributions towards Nottinghamshire County Council, Nottinghamshire Police and Nottinghamshire Fire & Rescue are consistent across the County but district and borough and town and parish elements are set at a local level by their current administration. The table below shows: the district or borough council precept set for a Band D property in each locality; the average precept per council tax household; and the average town and parish council precept for a Band D property.

Local Authority	District precept (Band D)	Average precept per council tax household	Average town and parish council precept (Band D)
Ashfield District Council	£185.46	£145.84	£8.75
Bassetlaw District Council	£168.48	£138.53	£31.75
Broxtowe Borough Council	£161.85	£136.12	£24.90
Gedling Borough Council	£163.07	£143.52	£18.37
Mansfield District Council	£184.72	£143.10	£3.60
Newark & Sherwood District Council	£170.27	£148.05	£73.33
Rushcliffe Borough Council	£132.84	£135.71	£65.21

Under a unitary council, the town and parish councils would still set their own precepts but the district and borough council elements would cease to exist. It would be the responsibility of the new council/s to set a new council tax rate in order to generate sufficient income to run their combined services.

Appendix 1 models the effect on the new council/s income and the average council tax per household in each district of setting the band D council precept at the current Nottinghamshire County Council rate plus a notional £155 per property to exemplify the range of options.

Sensitivity Analysis of Savings and Implementation costs

Due to the assumptions that underpin the calculations on savings and implementation costs it is possible that the actual outcome will differ from those calculated. A sensitivity analysis has been undertaken to illustrate the potential changes to overall costs, savings and break-even periods should a material difference arise. A summary can be seen at **Appendix 2**. These assumptions would be kept under review and updated from time to time to reflect changes in government policy and economic outlook.

Potential Further Savings

As well as the savings that could be achieved in the medium term there are also further and more significant savings that could be achieved in the longer term as further opportunities to transform services and their method of delivery become possible.

Capital receipts

Revenue from the sale of council buildings that may no longer be required under the new council/s has not been included in the financial modelling. The eight current councils own £375 million of land and buildings. This does not include housing stock, care homes or schools. As there are currently both County Council and district and borough council owned office buildings in six of the seven districts, it is likely that the new council/s would be able to rationalise property and generate one off capital receipts in addition to the annual revenue savings detailed above. The capital receipts generated could be used to fund the capital expenditure requirements of reconfiguring the remaining buildings in the new council/s property portfolio, to make them suitable for their new purpose.

Reserves

The level of General Fund reserves held by each local authority in the County at the beginning of 2018/19 is shown below.

Council	Opening General Fund Balance 2018/19 £ millions	Budgeted Net Revenue Expenditure 2018/19 £ millions
Nottinghamshire	30.870	557.052
Ashfield	4.577	15.299
Bassetlaw	2.504	13.030
Broxtowe	6.299	8.727
Gedling	5.928	11.927
Mansfield	11.586	12.450
Newark & Sherwood	1.737	13.035
Rushcliffe	2.604	11.430
Total	66.105	642.950

NB Nottinghamshire figures exclude expenditure incurred by schools and Dedicated Schools Grant reserve.

In addition to the General Fund Balances detailed above, local councils in Nottinghamshire held £59.9 million in earmarked reserves at the beginning of 2018/19.

Financial Appraisal – Conclusion

The financial modelling was carried out by the County Council in accordance with the method prescribed by Ernst & Young, one of the largest professional services firms in the world, and then externally verified by Deloitte, one of the “Big Four” accounting organisations.

The savings calculated for use in the outline case for change have been identified from six areas of expenditure. It can be reasonably concluded that savings of £27.1m per annum could be achieved from transitioning to a single unitary council model. These savings would reduce to £16.4m if transitioning to a two unitary council model. The majority of these savings would be found from reducing the need for senior management, removal of duplication in back-office functions, service efficiencies and economies of scale.

There would be a cost to transition to a new model of local government. The model shows the payback period for recovering these costs would range from between 2.56 years to 3.23 years. However, most of these would be capital costs and others could be met from a request to the Secretary of State to capitalise the expenditure, which would provide the opportunity to spread the costs of transition over a longer period. This would allow the new arrangement to benefit from annual savings immediately after transition to the new model.

The disparity of Band D council tax for each district/borough council reflects the efficiency of service provision, the value of services provided through town and parish councils and the percentage of properties within each band for council tax. For example, the authorities with more properties in the lower bands, A & B, would require a higher Band D council tax in order to collect the same budget requirement than a Council with a

higher proportion of properties in bands D & E. Moving to a new model for local government would require harmonisation of council tax across the relevant unitary boundaries. Consequently, the majority of council tax payers would see a change in their council tax bills post transition. On the assumption of residents paying the equivalent of the Nottinghamshire County Council rate plus a notional £155 per Band D property to replace the district and borough precept (detailed in **Appendix 1**), the majority of residents would pay less council tax. This may reduce the overall amount of council tax collected and therefore the annual savings shown in the model. The model identifies the potential amount based on some assumptions, though the actual amount would not be known until after the establishment of the any council/s.

The model identifies the potential for additional savings and capital receipts from the ability to rationalise the property estate.

The model confirms that a new countywide single unitary council for the County would be more financially robust than the eight predecessor councils in the current two tier arrangement. A two unitary council arrangement would also improve the financial position of local government in the County, but to a lesser extent than a single unitary council. Whilst medium term financial planning indicates that the financial position of local government in the County will deteriorate over the next five years due to increased pressures and reduced funding from Central Government, the impact of this on a single unitary council would be less severe than for the existing councils under the current arrangement.

The conclusion is that transitioning to a unitary council model could generate significant savings.

SECTION B

Phase One Engagement Appraisal

Engagement Approach

To ensure impartiality, an independent social research company, Opinion Research Services (ORS) was engaged by the County Council to undertake the public and stakeholder engagement. ORS is a Market Research Society Company Partner and Partner in Excellence of the Consultation Institute. They have extensive experience of important consultations across the public sector, including with the NHS, Police and Fire & Rescue Services, as well as major local government reorganisation consultations across Dorset, Buckinghamshire, Oxfordshire and Northamptonshire.

The County Council has adopted a two-phased approach to public and stakeholder engagement and community consultation with ORS, although other initial listening and preparation discussions were held directly between the county, district and borough councils.

Phase 1, the listening and engagement period, ran from 1 October 2018 – 31 October 2018 during which time residents, stakeholders and staff were invited to provide feedback through a range of routes. Detailed formal consultation is proposed for phase two.





Phase One

Listening and Engagement Programme

It is important to note that the listening and engagement programme has taken place at a very early and formative stage in the County Council's thinking. The purpose of doing so was to clarify at this early stage people's awareness, attitudes, perceptions and concerns about local government and possible reorganisation. The County Council wanted to identify what options it should consider in more detail, and why. The phase one 'listening and engagement' programme was used to understand residents' and stakeholders' perceptions of a wide range of issues including:

- Current awareness of the number and structure of councils covering Nottinghamshire;
- Understanding of local government finances and council tax precepts;
- Perceptions of the merits of unitary and two-tier structures in principle;
- People's assumptions and reasons for supporting two or one-tier local government;
- Relative importance of the criteria for considering the future of local government across the County;

- The information that people might require to inform their consideration of the issues;
- Attitudes towards the creation of one or two unitary councils;
- Possible options for the division of the County into two unitary council areas.

There were three main elements to the listening and engagement programme:

1. An accessible engagement document explaining the main issues and options.
2. An open questionnaire that was primarily promoted for online completion, but with paper copies available on request and through County libraries.
3. A programme of deliberative events and interviews, in which the views of town and parish councillors, business people, voluntary sector representatives, and other key stakeholders were studied in forums or interviews; and in which randomly selected members of the public took part in detailed focus group discussions.

A summary of the phase one engagement report prepared by ORS can be found in **Appendix 3** of this document with the full report available as a background paper.



Open Questionnaire

ORS designed an accessible open questionnaire featuring four main issues:

1. Whether change is needed.
2. Whether the number of councils might be reduced.
3. Whether unitary local government could be acceptable in principle.
4. Whether the County might best form one or two unitary councils.

Responses

There was a total of 2,948 responses to the open questionnaire, including 2,926 from individuals and 22 from organisations.

It is important to note that open questionnaires are not representative surveys based on systematic or random samples of given populations. However, they do give everyone who wants to respond an opportunity to register their opinions.

Typically, respondents to open questionnaires are more motivated to take part than average citizens. In this case, the majority of respondents felt generally informed about local government matters, whereas most of the randomly selected members of the public who took part in the focus groups did not.

Respondents were skewed towards people aged 45 to 74 who represent less than half (48%) of the County's 16+ population, but accounted for two-thirds (67%) of the open questionnaire respondents. People aged under 25 were under-represented by a factor of six times.

Key Findings¹⁹

- In terms of the criteria that should inform the design of local government, the open questionnaire showed that Quality of Services was ranked top, with Accountability and Access close behind. Value for Money and Civic Identity were ranked fourth and fifth.
- Half of the open questionnaire respondents agreed that the eight two-tier councils need to make changes to respond to the financial and service challenges facing local government, while 40% disagreed.
- 56% disagreed there is a case for reducing the number of councils, while 37% agreed.
- Overall, in the open questionnaire more than six-in-ten disagreed with the principle of replacing two-tier local government with a unitary system.
- There was much more support for two unitary councils (64%) than for one single unitary council (36%).

¹⁹ Based on the 2,926 individual respondents.

Deliberative Engagement

The deliberative elements of the engagement were:

- Three focus groups with randomly selected members of the public (34 participated);
- One focus group with business people (12 participants) and one with representatives of the voluntary sector (9 participants);
- A large forum with town and parish councils (71 participants);
- Interviews with seven key stakeholders, including representatives from higher and further education, a Local Enterprise Partnership (LEP), a Clinical Commissioning Group (CCG) and the Police & Crime; Commissioner; and
- Five written submissions.

Responses

In total, there were 138 contributions to the deliberative engagement, most of them within the context of forums, focus groups, interviews and submissions, in which a wide range of thoughtful opinions were expressed. This number cannot be certified statistically as a representative sample of the County population; but a third were randomly selected (for the public focus groups) and the others were well-informed and senior stakeholders.

Key Findings

The deliberative discussions, interviews and submissions gave a good deal of support for a unitary structure including:

- 48% of those who expressed a view in the public focus groups favoured a unitary structure, but there was no clear outcome on one unitary versus two unitary councils;
- The majority of the business focus group favoured a unitary structure (with a majority of three-to-one); and with a clear preference for a single unitary council (with a majority of eleven-to-one);
- Two-thirds of the voluntary sector focus group could accept a unitary structure if it worked well for their clients, but were divided on whether a single unitary council or two unitary councils would be best;
- More than half of the representatives of town and parish councils favoured a unitary structure with a majority of two-to-one; but there was no clear view on whether one or two unitary councils would be best;
- Two-thirds of the key stakeholders interviewed who expressed an opinion favoured a unitary structure (but with no consensus on the number of unitary councils).

Many of those who did not express a view wanted more information before deciding – including 14 town and parish council representatives, 6 out of 9 voluntary sector representatives and 10 of 34 in the public focus groups.

In terms of the criteria that should inform the design of local government, value for money was a key factor in the deliberative discussions. While the forum discussions often showed people's attachment to their district and borough councils, the criteria scores demonstrated that in general councils do not have to be immediately 'local' to meet citizens' more important expectations for accountability, quality and value for money.

Most stakeholders were relatively open-minded about the structure of local government. They could see benefits in the existing two-tier structure, but did not object to a unitary structure in principle – as long as there are benefits and 'localism' is not lost. They want decent services, local accountability, good joint working between statutory agencies and others, and an environment within which business, the voluntary sector and academia can thrive.

Phase One Engagement Appraisal - Conclusion

The phase one engagement has shown that, at this stage, there are mixed views about a move to a unitary council structure. The level of support varied across the open questionnaire and the different stakeholder groups, with the business focus group showing a high level of support, but only 37% of the open questionnaire respondents agreeing that there is a case for reducing the number of councils.

There were mixed preferences for a one-or two-council unitary structure, with the open questionnaire favouring two councils and the deliberative engagement showing no clear outcome for either option (with the exception of the business focus group which favoured one council).

The listening and engagement phase has taken place at an early formative stage and the results should be seen in that context. Taken together, the questionnaire and deliberative findings show the "starting point" for a possible public debate if the County Council continues to consider the options for change.

A consistent theme from the engagement was the need for more information to reach an informed view. It is proposed that the phase two consultation would be a formal exercise, providing more detail on a preferred option for residents and stakeholders.

A full copy of the phase one engagement report prepared by ORS is available as a background paper, with a summary attached as **Appendix 3**.



SECTION C

– Options Appraisal



This section details the different options of unitary local government that have been considered by the County Council. The options considered are based on the legislative framework and take into account government and local criteria, as set out below.

Legislation

Section 2 of the Local Government and Public Involvement in Health Act 2007 enables the Secretary of State for Housing, Communities and Local Government to invite any principal authority (i.e. district/borough or county) to make a proposal for a single tier of local government. Proposals must comprise one of the following types:

Type A	Type B	Type C
Single tier of local government for the County	Single tier for an area that is currently a district/ borough or two or more districts in the County	Single tier for an area which currently consists of the County or one or more districts/boroughs and one or more relevant adjoining areas (i.e. an adjoining county/district/ borough)

This means that proposals invited for a single tier of local government should consist of whole council areas, i.e. proposals cannot break up parts of the existing district and borough areas. Legislation also states that it is possible to have combinations of Type B and Type C models, although there are some conditions and restrictions.

Government criteria

Government criteria and advice states that any proposal for changing local government should:

1

Be based on a credible geography consisting of one or more existing local government areas with a population substantially in excess of 300,000, but no upper limit

This is recommended by Government to provide sufficient scale and financial resilience.

2

Command a good deal of local support

The Government recognises that any proposal may not carry consensus from or within all sectors. While no single council or body, or group of councils or bodies, will have a veto, it will be necessary for a proposal to the Secretary of State to have support from a range of key partners, stakeholders and service users/citizens.

3

Be likely to improve local government, which means it would

- Improve service delivery;
- Provide greater value for money;
- Yield significant cost savings;
- Provide stronger strategic and local leadership;
- Deliver more sustainable financial and partnership structures e.g. with the NHS, Police;
- Provide better outcomes for local people.

Local criteria

In addition to the legislative framework and Government criteria, due regard has also been paid to population density levels to ensure that any reorganisation would maintain reasonable density levels. This is important as a low population density across a large geographic area would mean that the population would be scattered, making services more difficult and more expensive to deliver.

Options

Based on the legislative framework, Government criteria and local criteria, the following parameters were considered when identifying options to ensure that they:

Contain a **population** greater than

300,000



Maintain reasonable levels of **population density**

(current density is 392 population per km²)



Are based on **current district and borough council boundaries**



Are within the **existing administrative boundaries** of the County



Are likely to **improve local government**

The following options were discounted at the County Council Policy Committee meeting on 14th November 2018:

- **Unitary Council Configurations** that would not maintain reasonable levels of population density:
 - **'Bassetlaw, Newark & Sherwood, Rushcliffe'** and **'Ashfield, Broxtowe, Gedling Mansfield'**
Population density levels: 208 and 1,202.
 - **'Bassetlaw, Gedling, Newark & Sherwood, Rushcliffe'** and **'Ashfield, Broxtowe Mansfield'**
Population density levels: 259 and 1,304.

Consideration of Options

	Population of greater than 300,000	Maintain reasonable levels of population density	Within the existing administrative boundaries	Based on current district and borough council boundaries	Likely to improve local government
Status Quo	✓	✓	✓	✓	✗
One Single Unitary Council	✓	✓	✓	✓	✓
Two Unitary Councils:					
Ashfield, Bassetlaw, Mansfield, Newark & Sherwood AND Broxtowe, Gedling, Rushcliffe	✓	✓	✓	✓	✓
Bassetlaw, Mansfield, Newark & Sherwood AND Ashfield, Broxtowe, Gedling and Rushcliffe	✓	✓	✓	✓	✓
Ashfield, Bassetlaw and Mansfield AND Broxtowe, Gedling, Newark & Sherwood, Rushcliffe	✓	✓	✓	✓	✓
Bassetlaw, Newark & Sherwood, Rushcliffe AND Ashfield, Broxtowe, Gedling Mansfield	✓	✗	✓	✓	✓
Bassetlaw, Gedling, Newark & Sherwood, Rushcliffe AND Ashfield, Broxtowe Mansfield	✓	✗	✓	✓	✓

The options considered in this option appraisal are 'Preserving the Status Quo' (Option 1), creating a Single Unitary Council (Option 2), and creating Two Unitary Council's (Option 3).

Three variations of option 3 were considered, reflecting different combinations of district and borough Councils. However, these have been considered together under option 3. Whilst it is likely that the different geographies would deliver some different benefits over each other (for example existing shared working arrangements), for this initial stage, this level of detail hasn't been distinguished because this options appraisal has focused on a more strategic assessment of the difference between one unitary, two unitaries and the status quo.

Option 1

Preserve the status quo

This option would maintain the existing two-tier structure of one County Council and seven district and borough councils, and provides a baseline comparison to the other options.

Option 2

One single unitary council for the whole of Nottinghamshire

This option would create a new council covering the whole of the County and would be responsible for delivering all local authority services currently delivered by the seven district and borough councils and one county council.

Option 3

Two unitary councils

This option would create two new councils responsible for delivering all local authority services currently delivered by the district and borough councils and the county council within their specific geographic area. Three configurations have been considered further:

- o 3a) 'Ashfield, Bassetlaw, Mansfield, Newark & Sherwood' and 'Broxtowe, Gedling, Rushcliffe' Population density levels: 320 and 568;
- o 3b) 'Bassetlaw, Mansfield, Newark & Sherwood' and 'Ashfield, Broxtowe, Gedling and Rushcliffe' Population density levels: 253 and 657;
- o 3c) 'Ashfield, Bassetlaw and Mansfield' and 'Broxtowe, Gedling, Newark & Sherwood and Rushcliffe' Population density levels: 426 and 370.

Summary of the Options Considered

The initial strengths and weaknesses identified are:



Option 1 Preserve the status quo



Option 2 One single unitary council for the whole of Nottinghamshire

Strengths

- No disruption to services because it maintains the current arrangements
- No transition costs because there is no change
- Preserves identity at the local district and borough level

Weaknesses

- No associated savings
- Risk to future service delivery
- Lack of a consistent voice
- Confusion amongst residents and businesses about which council does what
- Variation in service delivery between the councils

Area	Population 2017	Density (Popn per km2)
Ashfield	126,164	1,152
Bassetlaw	116,304	182
Broxtowe	112,718	1,407
Gedling	117,128	976
Mansfield	108,576	1,415
Newark and Sherwood	120,965	186
Rushcliffe	115,996	283
Total	817,851	392

Strengths

- Largest revenue savings / sustainability of service delivery
- Single point of accountability and responsibility for the whole County
- Simplified partnership arrangements
- Single strategic voice
- Strategic decisions taken over the largest possible scale
- Reduced bureaucracy and quicker decisions
- Joined up approach to services such as spatial planning, housing, transport & infrastructure
- Doesn't disaggregate existing countywide services

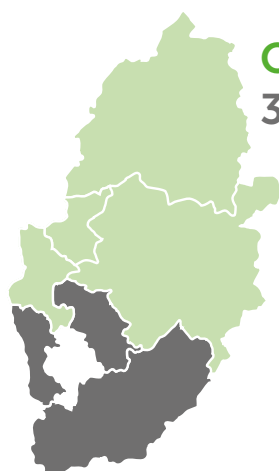
Weaknesses

- Disruption to services during the transition phase
- Associated implementation costs
- Ability to respond to local needs
- Perceived lack of local identity

Area	Population 2017	Density (Popn per km2)
Nottinghamshire	817,851	392

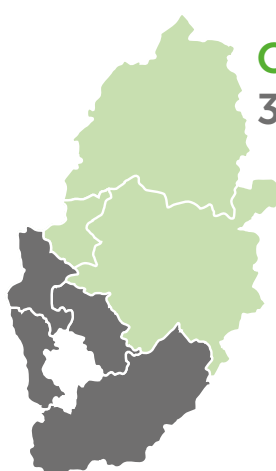
Options 3a-c

Two unitary councils for Nottinghamshire



**Option
3a**

Ashfield, Bassetlaw, Mansfield, Newark & Sherwood **and** Broxtowe, Gedling, Rushcliffe



**Option
3b**

Bassetlaw, Mansfield, Newark & Sherwood **and** Ashfield, Broxtowe, Gedling and Rushcliffe



**Option
3c**

Ashfield, Bassetlaw and Mansfield **and** Broxtowe, Gedling, Newark & Sherwood, Rushcliffe

Strengths

- Second highest revenue savings
- Single point of accountability within the area served
- Partnership arrangements are simpler than the status quo
- Less competing voices than the status quo
- Reduced bureaucracy and quicker decisions than the status quo
- Greater feeling of local identity than one large unitary council

Weaknesses

- Less savings than one single unitary council
- Higher implementation costs than one single unitary council
- Disruption to services during the transition phase
- Local identity not as strong as the status quo
- Disaggregates countywide services
- Variation in service delivery
- Strategic voice not as strong as one single unitary council
- May not be able to reach countywide consensus between the two councils

Area	Population 2017	Density (Popn per km2)
------	-----------------	------------------------

Option 3a

Council A	Ashfield		
	Bassetlaw		
	Mansfield		
	Newark & Sherwood		
	Total	472,009	320
Council B	Broxtowe		
	Gedling		
	Rushcliffe		
	Total	345,842	568

Option 3b

Council A	Bassetlaw		
	Mansfield		
	Newark & Sherwood		
	Total	345,845	253
Council B	Ashfield		
	Broxtowe		
	Gedling		
	Rushcliffe		
	Total	472,006	657

Option 3c

Council A	Ashfield		
	Bassetlaw		
	Mansfield		
	Total	351,044	426
Council B	Broxtowe		
	Gedling		
	Newark and Sherwood		
	Rushcliffe		
	Total	466,807	370

Appraisal of the options

The options appraisal is shown below. It has been carried out by the County Council and incorporates the findings of the financial appraisal and the independent phase one engagement.

Each option has been assessed against each of the government criteria and scores green where it fully meets the criteria (G), amber where it partially meets the criteria (A) and red where it doesn't meet the criteria (R).

G = Fully meets the criteria
A = Partially meets the criteria
R = Does not meet the criteria

Criteria	Status Quo		One Single Unitary Council		Two Unitary Councils	
1. Be based on a credible geography with a population in excess of 300,000 but no upper limit	Population = 817,851	G	Population = 817,851	G	Option a) Population = 472,000 & 346,000 Option b) Population = 346,000 & 472,000 Option c) Population = 351,000 & 467,000	G
2. Command a good deal of local support	The phase one engagement questioned the need for moving from the status quo and wanted more information.	G	The phase one engagement showed mixed support for a unitary structure. The level of support varied across the different stakeholder groups, with the business focus group showing the highest level of support, but 56% of questionnaire respondents disagreed that there was a case for reducing the number of councils. There was also mixed preferences for a one or two council unitary structure.	A	The phase one engagement showed mixed support for a unitary structure. The level of support varied across the different stakeholder groups, with the business focus group showing the highest level of support, but 56% of questionnaire respondents disagreed that there was a case for reducing the number of councils. There was also mixed preferences for a one or two council unitary structure, although the open questionnaire favoured two unitary councils.	A
3. Be likely to improve local government:						
a) Improve service delivery	Existing structures are not able to lever the broader transformational change required.	R	A unitary structure will make service improvements easier to deliver, with the potential to deliver efficiencies and economies of scale.	G	A unitary structure will make service improvements easier to deliver, with the potential to deliver efficiencies and economies of scale.	G

Criteria	Status Quo		One Single Unitary Council		Two Unitary Councils	
b) Provide greater value for money	The existing structure has overlapping areas of service delivery and posts that carry out similar functions across the two tiers.	R	Financial appraisal concludes that the investment would be paid back in 2.56 years.	G	Financial appraisal concludes that the investment for two unitary councils is slightly higher than one single unitary council and would be paid back over a longer time period (3.23 years).	A
c) Yield significant cost savings	Whilst savings have been made, they would not be at the scale required to meet the future demand pressures, which is likely to impact on frontline services.	R	Financial appraisal concludes £27.1m of savings per annum.	G	Financial appraisal concludes £16.4m of savings per annum.	A
d) Provide stronger strategic and local leadership	There would be no change to the existing strategic and local leadership, which is split across the two local government tiers.	R	One unitary will provide a single point of accountability and responsibility for the whole County. Strategic decisions would be taken over the largest possible scale. This large scale could negatively impact on perceived local identity.	A	Two unitary councils will provide a single point of accountability within each of the unitary areas, although countywide strategic decisions would need the approval of both unitary councils. Would maintain more local identity than one unitary council.	A
e) Deliver more sustainable structures financially and partnerships e.g. with the NHS, Police	Existing structures are confusing and can be complicated for partnership working.	R	One unitary will be simpler than the existing two tier structure and will be simpler for partners, with one strategic partner.	G	Two unitary councils will be simpler than the existing two tier structure, although more complicated than one single unitary for the whole County area.	A
f) Provide better outcomes for local people	Change is limited within the status quo.	R	By bringing together all eight councils there is greater opportunity for delivering more transformational change, which will provide better outcomes for local people due to reduced fragmentation.	G	Two unitary councils will be able to deliver more transformational change than the status quo, however, the disaggregation of countywide services (such as social care) and existing district shared service arrangements, may impact on outcomes for local people.	A

Options Appraisal - Conclusion

The options appraisal indicates that there are a number of potential benefits of a unitary council structure over the status quo, including:

- The ability to deliver significant change;
- Having one single point of accountability and responsibility;
- Having one strategic voice;
- Simplified and more strategic partnership arrangements;
- Ability to deliver significant financial savings.

At this stage, one single unitary council has been assessed as preferable to two unitary councils primarily because:

- It retains the integrity of countywide services and existing district shared service/partnership arrangements;
- It would enable strategic decisions to be taken over the largest possible scale;
- It would have higher financial savings and a shorter payback period.

However, both of the unitary options scored below the status quo on one of the criteria "command a good deal of local support" because at this stage there is mixed support for a unitary structure.

It is proposed that phase two of the residents and stakeholder consultation would be used to provide more information on the need for change, the relative strengths and weaknesses of the identified options, and the benefits and risks of the preferred option. More information on how unitary council structures are working in other parts of the country could also be provided to both substantiate the need for change and demonstrate the practical advantages that unitary arrangements can deliver to their localities.

The preferred option reached by the options appraisal is for one single unitary council for the County. This delivers the greatest possible level of financial savings, reduces complexity and provides a single point of accountability to the public and partners. It is proposed that one single unitary council is formally consulted on as part of the phase two public and stakeholder engagement.

More detail on how the new council could work is detailed in Chapter Three.

Chapter Three

The New Council



The New Council

Nottinghamshire County Council believes that it is the right time to consider reorganisation of the local government structure in Nottinghamshire to:

1. support a new vision that can deliver a better future for everybody; and
2. ensure a better framework of government that is as efficient, effective and financially sustainable.

Having identified a single unitary council as the preferred option, this chapter describes the County Council's vision of how a new unitary council could operate. This would be subject to detailed design and decisions by the new council and is intended to provide a basis on which partners, residents and businesses can develop an informed view on the unitary proposals and help shape their conclusions.

The new council would build on existing strengths and bring together the best elements of the eight councils, achieving benefits of scale to reduce bureaucracy, transform and sustain important services, and have a strong local voice and democratic accountability.



Vision for Future Nottinghamshire

Our vision is to provide twenty first century local government services that takes advantage of technology and are locally focused to deliver what people and businesses in Nottinghamshire require.

We want to ensure that Nottinghamshire is the best place it can be for everyone; is healthy, vibrant and inclusive; aspirational and ambitious; where people want to live, visit, learn and work; where ambitions are achieved and there is increased prosperity for residents and businesses.



AIMS

Under the proposed model the new council would deliver five key aims:

Aim One

A stronger local voice for residents

Strong mechanisms for listening to local communities and giving residents a real say on local issues. This includes councillors who are responsible and democratically accountable for all decisions in their community, in a simplified structure that ensures people always know who to turn to in their local area.

Aim Two

A single strategic voice speaking up on behalf of the area

Speaking with one voice to Government and all local strategic partners, giving Nottinghamshire the ability to lobby for major new investment. Providing the strategic capacity to understand and tackle complex problems across the County and the powers, local discretion and willingness to take bold and farsighted decisions on behalf of residents, communities and businesses.

Aim Three

A more prosperous Nottinghamshire

A coordinated approach to economic growth that delivers the best for the area along with joined up and improved strategic planning to stimulate the economy and achieve economic growth on a countywide scale.

Aim Four

Improved health and wellbeing for communities in Nottinghamshire

The people of Nottinghamshire want health, care and wider local government to join up to better meet their needs. Joining up modern public services will enable every community to have access to consistent and coordinated support over which they have more influence and control.

Aim Five

Better services

Building on best practice and a wealth of expertise to improve services to meet the changing needs of Nottinghamshire people in a financially sustainable way. Creating the right conditions to innovate and transform public services at speed and drive a commercial approach to ensure best value for money.

Underpinning all of these aims is an improved customer experience for residents and businesses in the County, through better and more joined up access to services and simplified customer journeys.

Customer experience

The way in which residents and businesses are able to access council services plays a major part in their overall quality and wider customer satisfaction. The customer service landscape in the County is currently fragmented, causing confusion over who to contact for which problem and how. Whether it be making a planning application or waste disposal and collection, there is no one point of contact for all services.

Over the last 12 months, more than 20,000 customers called the wrong council number in Nottinghamshire, contributing to longer wait times for callers, delays and frustration as customers are directed elsewhere. Although best practice exists amongst each of the eight existing councils, the reality of the two-tier system prevents a clear, consistent and streamlined customer experience.

A move to a unitary council could provide opportunities to reduce duplication and take best practice from County, district and borough councils to provide a comprehensive and consistent customer experience for all services across the County.



Local services

A wide range of services would continue to be provided to local residents across the whole of the County. This includes services delivered from schools, libraries, children's centres, youth centres and from local offices. This would also consist of face-to-face contact points for the public.



One website

A one stop shop for all key information shared in a consistent way with a range of self-service options so that customers can report, apply and pay for services online when and how they want.



One contact number

This would end confusion for residents and businesses about which council they need to contact.



One digital communication approach

Using technology to ensure important information is accessible to all, shared quickly and tailored to meet local residents' needs.

Improved involvement and experiences of residents interacting with council services using the expertise currently spread across the eight Nottinghamshire councils.

The following sections detail how a new unitary council could deliver the five aims listed on page 47.

AIM ONE: A stronger local voice for residents



A single unitary council for Nottinghamshire would serve a population of more than 800,000 and would ensure a strong mechanism for listening to local communities; responding to differences in need and ensuring that strong local identities are valued and protected.

The new council could give local people, a greater influence over their services; ensure that community events and activities that matter to local people are continued; act on their concerns, and deliver greater transparency and accountability.

There are currently 353 councillors across the eight existing councils. Member divisions would be decided by the Boundary Commission but 132 members with single member divisions are assumed.

The development of a unitary council provides an exciting opportunity to design a new local model, which builds on current good practice, but goes much further in responding to the appetite amongst residents, county and district/borough councillors and town and parish councils for a greater say on local issues.

The new council could deliver this through the following approach:

- **A new devolution proposal for town and parish councils** – offering flexible opportunities to enable them to run services and assets currently run by the county, district and borough councils where it is cost effective to do so, with packages tailored to local ambition and priorities;
- **The ambition to see the creation of new town and parish councils across all areas of the county** that are currently 'unparished';

- **Area Planning Committees** – enabling local councillors to take decisions on local planning issues impacting their community;
- **Community events and activities** – ensuring that those that are important to local people and currently supported by county, district and borough councils are continued.

Town and Parish Council Devolution Proposal

Town and parish councils have a critical role to play in supporting and strengthening local communities and their influence on local services. They will be key partners in ensuring that local services are provided closer to the people that use them and there is improved local accountability.

There are existing examples of delegation already in place across the County. A best practice model could be created to support communities to deliver local services.

The success of this model will depend on communities taking on the role they want in the services that matter to them, not being given accountabilities that they do not want and assets that they do not need. This will require a confident strategic council that is as comfortable delegating decision making and resources as it is with managing its own strategic responsibilities.

Case Study – Newark Town Council

Town and parish councils in Nottinghamshire have taken on some powers from the county and district and borough councils through devolution to deliver locally driven services which are more responsive to the needs of individual communities. Newark Town Council is a successful example that has flourished as a result of this.

Newark Town Council currently receives a delegated budget of £400,000 per year from Newark & Sherwood District Council to deliver a range of local services. These include car parks, street cleaning, and the maintenance of Newark market, public parks and public toilets. Newark Town Council has the power to decide how its delegated budget is spent, meaning local people are empowered to better shape their community by focusing spending on local priorities and ensuring that local services deliver what is needed.

In agreeing a devolution proposal the new Council could support town and parish councils by providing:

- Support and advice with a dedicated project team working with individual town and parish councils and communities according to their circumstances;
- A capacity building scheme for town and parish councils, including initial support with clerking, for up to a two year period.

The Creation of New Town and Parish Councils

New town and parish councils could be created through Community Governance Reviews undertaken by the new council in areas of the County that are currently 'unparished'. A Community Governance Review could be triggered by either the new council or by the community, through the submission of a petition which reaches a minimum number of signatures.

Area Planning Committees

Planning decisions would need to be taken by a formal committee in accordance with the law unless delegated to officers (minor, non-controversial applications below set thresholds). In a single unitary council, some planning decisions would be taken by Area Planning Committees and some by a Strategic Planning Committee.

Area Planning Committees would be determined based on best fit with natural communities and the appropriate size for the effective functioning of the committees. The Area Planning Committees would carry out some of the functions currently carried out by the district and borough council planning committees, as well as determining planning decisions which the County Council currently takes on issues such as the approval of new schools and extensions of existing schools.

The Strategic Planning Committee would take decisions that have wider strategic implications or a significant impact beyond a specific local area, whilst still taking account of local views. The thresholds for decision-making on planning would be set out in the new council's constitution.

Support for Community Events and Activities

Local community events, activities and schemes that are important to local people would be prioritised, as would a Local Improvement Scheme to provide targeted financial support for community organisations to deliver the new council's priorities, and help shape local places.

AIM TWO:

A single strategic voice speaking up on behalf of the area

One single council could give Nottinghamshire a stronger voice speaking on behalf of all residents, businesses and partners on local and national issues to get the best for the area. It would be a powerful advocate for Nottinghamshire and have a better coordinated and strengthened voice when compared to the current eight, often competing, local government voices in the County.



The new council would have strategic accountability and a single voice to set the place-shaping agenda across the whole of the County.

On a **regional, national** and **international** level the new council would be responsible for:

Providing one strong voice when working with government, the region and business

Having one coordinated and strengthened voice would enable the new council to focus on strategic priorities for the local area, shape the regional and national agenda, and put the needs of the County first.

Being a new, powerful advocate for growth opportunities in Nottinghamshire

One council would be better placed to address barriers to growth and attract national investment to ensure that all areas of the County, including rural areas, benefit from growth opportunities.

Maximising opportunities for devolution and investment to give greater local control and influence

A single unitary council would provide a strong platform to argue for further powers and funding. This would strengthen engagement with other local and regional partnerships such as the Local Enterprise Partnership, Midlands Engine and Midlands Connect.



On a **local** level the new council would be responsible for:

Representing Nottinghamshire residents and businesses

Listening to the needs of residents and businesses and implementing a single coordinated vision for the County, undertaking bold and strategic decisions to meet future needs.

Creating a joined up, whole area strategic framework for planning, transport, regeneration and housing, skills and jobs

A coordinated countywide approach to strategic planning and infrastructure provision would ensure communities are well planned with housing developed in the right place according to need, with the right infrastructure (roads, transport links, schools, etc.) in place.

Creating the right conditions for a strong local economy and for businesses to thrive

A single unified approach to economic development, would allow the County greater influence and a better chance of attracting significant Government and business investment by acting as one voice instead of eight, often competing, voices.

Forging alliances to coordinate place based strategy and investment

One council would enable the County to maximise infrastructure funding opportunities and prevent the current situation of councils competing against each other for funding. This would also ensure that funding is spent where it would give the most benefit or meets the greatest need.

Developing more effective and improved partnership working to meet Nottinghamshire priorities

A single council would create a streamlined platform for partners when working with local government. The council would use its consolidated influence to broker opportunities and influence the spend of other organisations for the benefit of the area.

Making streamlined and responsive decisions

A more streamlined and agile leadership and governance structure would enable strategic decisions to be made quickly and effectively, reducing bureaucracy and red tape. Fewer, more empowered councillors would be more accountable for making decisions relating to all services within their community. This would create a simpler process for residents to contact their councillors regarding the issues that matter to them.

Developing the momentum and driving integration across the public sector to meet the demands of a changing population

One council would allow transformation work with partners, such as health and social care integration, to be fast paced, aligned with countywide priorities and developed in a simpler way by reducing the number of organisations involved.

AIM THREE: A more prosperous Nottinghamshire



Local councils hold many powers to help unlock the potential of the local economy. In a two tier area, these powers are fragmented and split between the County Council and District/ Borough Councils. As a unitary authority, the council would have considerably stronger unified powers to create the conditions for businesses to locate, invest and grow in Nottinghamshire.

Economic growth matters because it delivers sustainable and productive businesses that provide employment for local people, drives prosperity for individuals and families and helps improve living standards, and the health and wellbeing of communities.

Businesses

Businesses need confidence that their investment will generate a profit. Local government can help bring that confidence, offering a stable environment in which businesses can invest and grow.

Two tier local government means businesses need to know which council does what, how to work with different organisations, what their priorities are and how to navigate a complex system of local public services. With a single unitary council, there is one Leader of the Council, one Chief Executive, one planning authority and one point of contact. This brings clarity and reduces complexity.

Good quality housing

Good quality housing helps to ensure that families and children grow up in safe, healthy homes in attractive environments. In the County there are currently seven different local planning authorities. Each district and borough council has its own separate local plan, with different thresholds for housing development, different policies to be followed by developers or investors and different priorities for local district and borough councillors.

In the County, we are not short of space for development, but we lag behind in terms of housing delivery. Currently, we have:

- One local planning authority that is subject to Government intervention;
- One local planning authority that has withdrawn its local plan;
- Four planning authorities that do not have a five year forward supply of land for development at this time.

This means Nottinghamshire does not have full coverage of sound plans setting out the future growth and development of local communities.

By creating a single unitary council, the County could plan the growth and development of housing across the whole of Nottinghamshire more effectively. Currently, the seven individual planning authorities are effectively each in competition with each other to attract developers to build housing to meet stringent Government targets.

A single unitary council covering the County would be able to plan more strategically with developers to ensure that growth is in the right place and of right quality. This would enable better planning to deliver new infrastructure such as roads and schools to support the new development.

Fully realise technological innovation

A single council will have the ability to fully realise the potential of technological innovation by developing areas in the County to test new technology. Its planning powers could also digitally future-proof the entire County by ensuring new developments are installed with a full fibre broadband connection as standard.

Securing Infrastructure Funding from Developers

Developers currently pay section 106 (s106) (or the Community Infrastructure Levy (CIL) if one is in place) to offset the impact of a new development on local public services. This impact includes the pressure on school places, community provision such as libraries and health centres and highways from a new housing development.

In the County, planning responsibilities are split between the County Council and district and borough councils. Whereas district and borough councils are the local planning authority determining major planning applications for housing, the County Council manages the provision of key public infrastructure such as highways. As a result, difficulties and inconsistencies emerge in ensuring that the impact of a development is managed in a sustainable way and that appropriate funding is secured.

For district and borough planning applications, the final decision on a s106 agreement rests with the district/borough council, and the County Council is often not a signatory to the process. A district or borough council can decide to prioritise other matters that might not reflect local needs, or accept reduced or nil contributions from the developer because of risks that a development might not take place.

Case Study – Section 106 Funding

The ability of the County to secure and recover developer funding and sustainably provide the necessary infrastructure for new developments varies across Nottinghamshire with the process being inefficient and costly. Between 2013 and 2017 this varied from approximately 95% recovery of funds in one district compared with 40% in another.

A recent example of this in Nottinghamshire saw a development straddle two separate districts. Since the district councils had differing approaches to s106 contributions, one part of the development provided funding for the expansion of the local school whereas the other part did not.

A unitary council could collect s106 and CIL receipts and reinvest these holistically in strategic infrastructure that not only benefits local communities, but unlocks or brings forward further growth and development, generating a positive cycle of prosperity.

In a single unitary council, planning services will have the size and scale to better negotiate with developers and secure financial contributions to pay for important local services and facilities which mitigate the impacts.

Joined up plans to support infrastructure developments

Developers expect public services to assist in 'de-risking' the development. This means having a clear plan to support the development including: a highways network so people can get to and from their new homes; digital connectivity; sufficient school places; good public transport connections; and appropriate waste and environmental services. The planning and organising of these services is currently split across the two tiers of local government. A single unitary council could help to streamline the development process and ensure the integrated planning of housing-led regeneration in a way that meets the needs of local communities.

Investing in the infrastructure needed to support economic development is expensive. A unitary authority would be better positioned to make a more strategic, stronger case for investment of its own resources and those of Government.

Nottinghamshire as a place to invest

Unitary councils are able to offer a single point of contact that can bring together all of the support an investor needs to choose the County as their preferred location to invest. This would include a unified approach to inquiry handling, intelligence and data handling, planning, key account management and after-care, and place-shaping.

A single unitary council could also ensure that local people benefit from these opportunities by having an integrated approach to developing the skills local people need and acting as a broker to help people access new jobs.

Unlocking sites

Some large employment sites are unoccupied in the County despite being allocated and promoted by local district and borough planning authorities. A single unitary council could unlock these sites by bringing together the investment in highways and transport infrastructure, together with local planning powers.

More effective planning

A single unitary council could sustain a planning function that is able to combine the countywide, strategic perspective alongside the local perspective when considering the priorities for growth and development. Whilst the integration of planning powers could deliver significant benefits, a mechanism for local planning decisions would be retained to ensure local communities are able to shape their area.

AIM FOUR:

Improved health and wellbeing for communities in Nottinghamshire



The people of Nottinghamshire want health, care and wider local government to join up to better meet their needs and provide services in the right place at the right time. Joining up modern public services would enable every community to have access to consistent and coordinated support over which they have as much control as possible.

Together joined up modern health, care and wider public services help to:

- Ensure that people in every community enjoy homes, neighbourhoods and workplaces which underpin good health, independence and wellbeing;
- Prevent disease and long term conditions for as long as possible;
- Provide consistent care, support and treatment in local services;
- Identify people who need proactive co-ordinated care, and provide this through joined up healthcare and community services;
- Ensure inclusive neighbourhoods where people can live independently and contribute to the future of their communities;
- Give people more control over their care and treatment.

A single unitary council presents the opportunity to redesign the relationship between health and care providers, as well as the local commissioning landscape, to further improve health outcomes for local people.

By bringing together a single tier of local government, a new unitary would work alongside hospitals, primary and community health services; mental health; housing; and the community and voluntary sector in ensuring integrated prevention, care and treatment for local people.

Although Nottinghamshire is considered an exemplar of integrated health and care services, a single unitary council would further enhance progress towards an integrated care system.

Mobilising services that impact upon the wider determinants of health

A single unitary council would ensure better, joined up services for public health, culture and leisure. Currently, these services are fragmented and dispersed across the eight councils. A more integrated approach would ensure better use of assets such as country parks, leisure centres, green spaces and public rights of way. This could have a significant impact on health and wellbeing.

Improved health, social care and housing support

The unitary council would align social care for adults and children with housing. The new council would join up and speed up working across health, housing and social care to ensure people get the right help at the right time. Organising services in this way would deliver better quality care and support around the needs of the individual, their family and their carers. For example, by housing and social care working together people can be supported to live independently at home with the right equipment and adaptations which might avoid the need for more costly and intrusive interventions.

Strategic planning and commissioning through one authority would ensure fit for purpose accommodation that supports the changing needs of an ageing population, young people transitioning to adult services and the needs of people with disabilities.

A unitary council would ensure a consistent approach to safeguarding children and vulnerable adults across all local government functions and allow seamless support to be provided for people with multiple needs. Planning across all services on a countywide scale would mean a better response to the needs of care leavers, children and adults with a special educational need or disability, and families needing more support.

A consolidated revenue collection and benefits function would allow greater alignment with support services to ensure that people get access to the support they need. Customer journeys will be improved by joining up assessments, benefits and housing applications.



AIM FIVE: Better services



A single unitary council provides the opportunity for better integrated and responsive services that adapt to residents' changing needs and expectations and offer a better customer experience.

During the engagement phase, people highlighted the importance of local knowledge for service delivery, especially in planning for health, housing, social care, education and economic development, and raised concerns about losing district based knowledge. Most of these services are currently the responsibility of the County Council and are delivered locally by staff based in local offices or services such as adult day centres. A unitary council would blend best practice, knowledge and experience from each current council and build on existing developments to further exploit opportunities for the benefit of all residents and businesses across the whole of the County. It would focus on achieving transformational service improvements as well as ensuring services are sustainable and achieving greater value for money.

This section highlights the benefits for the County of service integration, such as removing duplication, and more fundamental public service transformation which could be brought about by a single unitary council.

There are already examples of shared services between the current eight Nottinghamshire councils which can be built upon to create opportunities for further service improvement and efficiencies.

A single unitary council provides a real opportunity to:

- maximise joint efforts between county and district and borough services, such as waste collection and waste disposal;
- combine those services delivered by more than one council, such as community safety, into one function to deliver economies of scale and a consistent approach;
- transform and reconfigure services to ensure they are effective, efficient and financially sustainable by removing duplication and ensuring equity of service provision regardless of where people live or work.



Service Integration & Transformation

Council services are currently split between the County Council and district and borough councils. Whereas the County Council provides services such as waste disposal, highways, and social care, district and borough councils provide services such as waste collection, local planning, and leisure centres. The way in which these responsibilities are split represents a missed opportunity for residents to benefit from improved services by maximising the synergies between them.

The opportunities to transform services to benefit residents and ensure sustainability of services are greater through a unitary structure, where transformational change can deliver better value for money and efficiencies. Creating a unitary council would provide an exciting opportunity to re-design and re-think ways of working placing residents at the heart of planning and delivery of services.

Exploring and harnessing opportunities around digital technology and data analytics, adopting common policies and processes and creating an agile and mobile workforce would be an integral part of the design of a new council in order to drive innovation and maximise the resources available to add value to frontline services.

Reduction in funding for all local authorities has increased pressure to deliver more for less and necessitated the need to generate more income to ensure a financially stable future driven through stronger commercialisation. The new council would need to be entrepreneurial and seize opportunities for

commercialisation. It would adopt a strong countywide commissioning and robust performance management approach, and exploit new opportunities as a result of greater buying power, improved economies of scale, combined skills, and the assimilation of commercial operations.

There are a range of other opportunities a unitary council could secure through a more coordinated and transformative service offer.

One community safety team

This would focus on greater community safety by pooling funding, removing duplication, and forming one contact point for Nottinghamshire Police and other partners on community safety issues. This would also improve the support available to help local community and voluntary sector groups, through the pooling of available funding and expertise.

Greater consumer protection

By bringing together trading standards and environmental health services, a consistent countywide approach to protecting consumers and residents will be possible. More appropriate and seamless data and intelligence sharing between consumer protection services and social services would ensure our vulnerable residents are safe from exploitation through frauds, scams and other unsafe trading practices. Legitimate businesses would be able to access comprehensive support and advice about all of their regulatory and compliance needs.

One waste collection, disposal and recycling service

A new single council would have responsibility for collecting, disposing and recycling household waste. This would improve outcomes for residents by ensuring decisions on how waste services are provided are based on a single holistic operating model. Waste collection fleets are potentially under used, and collection rounds could be double shifted to reduce the number of vehicles required, and increase the utilisation of those that are retained. A unified approach would make better use of resources, enhance customer satisfaction and potentially improve recycling rates across the County.

A more unified and comprehensive highway services

Combining highway services to deliver a more joined up approach to street sweeping, highway maintenance and grass cutting with one point of contact for customers across the County could provide efficiency and responsiveness to highways issues and reduce confusion amongst the public about who to contact about each issue. This could also build opportunities for future transformation to maximise the use of technology. For example, some councils have begun fitting bin lorries with high-definition cameras to pro-actively identify defects on roads that could become potholes and automatically schedule the team to carry out the work.

Stronger emergency planning

Better joined up planning and an integrated service model would improve Nottinghamshire's resilience to emergencies. This would help protect communities and residents from flooding, transport accidents, and other major incidents.

Enhanced culture and heritage services

Combining the management and operation of country parks, leisure centres, and other cultural activities into one organisation would allow better planning of events and activities, and improved utilisation of sites and buildings to release capacity for other uses. In the medium term existing external leisure contracts could be consolidated to both improve provision and reduce costs. Releasing capacity is particularly relevant for libraries, where co-location with suitable partners could provide significant economies across estate management, whilst retaining and potentially enhancing the contact with the public. The unitary council could use its 60 library network to provide a wide-ranging network of public contact points, enhancing their role and securing their future.

Greater environmental protection

Combining district/borough council and County Council responsibilities could enable a consistent approach to environmental considerations, such as the limitation of emissions and waste in new developments, the transition to a low carbon economy in line with the Government's clean growth strategy, and the conservation of the county's wildlife. It would also enable a more coordinated land drainage responsibility to limit the threat of flooding.

Efficient use of property and assets

A unitary council that removes duplication could release parts of the existing local council property estate. This could be used as an opportunity to design new multi-purpose community buildings and flexible working spaces that would be shared with partners from across national and local government, voluntary, community and public sector organisations. As well as promoting the efficient use of public assets, this could further transform co-location of teams working in support of shared outcomes.

Sharing information, data and insight

By combining resources, local public service organisations can create strong shared business intelligence helping them to plan community services together. By adopting multi agency approaches to sharing data, services will be better able to anticipate, plan for and cope with demand as well as improve early intervention and prevention services. As a result, a unitary council could constantly develop its understanding of the communities it serves, learning from what has happened in the past to inform the future.

Chapter Four

Conclusion & Next Steps



Conclusion

This report analyses the case for changing the structure of local government in Nottinghamshire.

The externally verified financial modelling suggests that one unitary council for the whole of Nottinghamshire could deliver the greatest financial savings and provide local government with the financial sustainability it needs to respond to future challenges and continue delivering for communities.

The County Council believes that a single unitary council could also offer further significant benefits for Nottinghamshire if the aims outlined in the document are delivered.

These aims include a stronger local voice for residents, a single strategic voice speaking up on behalf of the area, a more prosperous County, improved health and wellbeing for communities, and better services with an improved customer experience.

Based on work done so far, the report concludes that a single countywide unitary council is the preferred option. However, the case for this preferred option is not complete and a further period of refinement and consultation is considered the appropriate next step.

A recommendation to this effect will be considered by Nottinghamshire County Council on 13 December 2018.

If approved, a further phase of consultation and refinement will take place in early 2019. The outcome from this work will be reported to another meeting of the County Council in Summer 2019.

This chapter considers the next steps required to further develop the case for change.

Next Steps

The approach to developing the outline case for change for local government reorganisation in Nottinghamshire has been phased. This allows for clear and accountable political decision making to take place alongside the gathering of public and stakeholder views to inform the ultimate outcome. There are three phases envisaged.

Phase One

The first phase began following a County Council decision in July 2018 to instruct officers to continue their work preparing the formal case for local government reorganisation in the County. A listening and engagement period was undertaken by an independent social research company, Opinion Research Services (ORS), during October 2018. It involved:

- the circulation of an engagement document and questionnaire;
- focus groups with members of the public from across the county;
- meetings with town and parish councils, businesses and the voluntary sector;
- discussions with key stakeholders from across the county.

The County Council also held meetings with the district and borough councils to gain their initial views.

The findings of the engagement period have informed this outline case for change. The executive summary of the ORS report can be found in **Appendix 3** of this document with the full report available as a background paper.

Phase Two

If County Council approval is obtained in December 2018, the second phase of the development of the case for change would involve a formal public consultation exercise undertaken by ORS. Residents and stakeholders would have the opportunity to be consulted on the preferred option for local government reorganisation in Nottinghamshire, as set out in this outline case for change, as well as other options. Consultation would begin in January and include:

- a representative residents telephone survey;
- an open public questionnaire, available online with hard copies in Nottinghamshire libraries;
- focus groups with representative residents;
- workshops and interviews with key stakeholder groups such as town and parish councils, businesses the voluntary sector and other partners.

If a final case for change is presented to County Council in Summer 2019 it will take account of the public consultation.

Phase Three

Phase three would depend on the outcome of phase two, and a further decision of County Council. Broadly, there are three possible options at the end of phase two.

- i) The final case for change meets the Government criteria for local government restructuring, in which case it could be formally agreed by County Council and submitted to the Secretary of State for consideration.
- ii) The final case for change requires further refinement, in which case County Council could be requested to approve further work, prior to any decision to submit to the Secretary of State.
- iii) There is no prospect that the final case for change will meet the Government's criteria for local government reorganisation, in which case it would cease.

Delivering the new council for Nottinghamshire

Creating a new unitary council by bringing together eight existing councils with a combined budget of almost £1 billion represents a significant body of work which will need to be effectively managed to mitigate risks and ensure benefits are achieved. A combination of appropriate resourcing, experienced political and managerial leadership and thorough programme management would be the key to a successful transition.

It is important to note that this section presents outline proposals and that the exact details and arrangements of transition would be decided by the Government and any new council/s.

By speaking with recently formed unitary councils across England and learning from their experiences, the following suggested critical success factors for transition have been identified for the County:

1. Valuing the legacy of existing councils and incorporating best practice

The two-tier system of local government in Nottinghamshire has been in place since 1972 and, although changes have occurred since then, each council has developed a significant role and identity within the communities they serve.

2. Continuity of service delivery

With eight councils delivering a large and diverse range of services to over 800,000 residents it would be crucial that the process of transition does not negatively impact upon service delivery. Robust programme management is the key to a smooth transition for all council services and residents.

3. Valuing the contribution of council staff and partners

Council staff and partners across Nottinghamshire are instrumental to the successful delivery of local services. They have transformed these services so that they have been able to continue operating under the significant financial pressures of austerity. Their experience and expertise would be critical to a successful transition.

4. Democratic and accountable leadership

The process of transition must be open and accountable, with opportunities for members of all political groups, as well as residents and key stakeholders, to contribute and hold decision makers accountable.

Transition Planning

If this work continues beyond phase two, a transition programme would be required to enable the transition to a new unitary council/s for the County. This would primarily involve existing Nottinghamshire councils and the Secretary of State but other partners would also be encouraged to participate. The transition programme could be split into the following three stages:

Stage 1 Planning and Preparation	Stage 2 Transition	Stage 3 Transformation
Planning and preparation required to gain Secretary of State and parliamentary approval before establishing formal transitional governance arrangements. The focus would be to bring together key partners and develop a high level transition plan.	Develop a detailed transition plan taking into account the factors mentioned at stage 1 and implement the work required within the established workstreams before fully transitioning to the new council/s via local elections. The focus would be on service continuity to ensure there is minimal disruption while services are integrated.	Realise the full benefits of a unitary structure by transforming services so that they deliver better value for money, offer improved outcomes for residents, and incorporate the local voice of individual communities.

Any further work on transition depends on the decision of County Council on 13 December 2018. If the work on local government reorganisation continues into phase two (beyond 13 December 2018), more work will be undertaken on transition. Detailed plans would be set out at the end of phase two, in Summer 2019.

In the meantime, a dialogue would continue with local councils and stakeholders.

Appendix 1

Council Tax Equalisation

The modelling below illustrates the effect on a new single unitary council and Nottinghamshire residents of setting the council element of council tax for each Band D property at a notional £1,574.43. The model is designed to exemplify one scenario. All decisions about council tax would rest with any unitary council.

The council element of council tax is currently split between Nottinghamshire County Council and the district/ borough council precept. For a Band D property the charge currently ranges between £1,552.47 and £1,604.89. This reflects the variance between the precepts charged by the district and borough councils.

2018/19 Council elements of council tax for a Band D property

Local Authority	Nottinghamshire County Council Precept*	District Precept	Total Council Precept
Ashfield District Council	£1,419.43	£185.46	£1,604.89
Bassetlaw District Council	£1,419.43	£168.48	£1,587.91
Broxtowe Borough Council	£1,419.43	£161.85	£1,581.28
Gedling Borough Council	£1,419.43	£163.07	£1,582.50
Mansfield District Council	£1,419.43	£184.72	£1,604.15
Newark & Sherwood District Council	£1,419.43	£170.27	£1,589.70
Rushcliffe Borough Council	£1,419.43	£132.84	£1,552.27

*including Nottinghamshire County Council's Adult Social Care precept

Setting the unitary Band D precept at £1,574.43 for all residents would equate to the current Nottinghamshire County Council precept with £155 per Band D property replacing the variable district/borough council precept.

The effect of setting the Band D unitary authority precept at £1,574.43 on Nottinghamshire's residents can be seen in the table below:

Locality	Band D charge		Average Council Tax per Household	
	Current councils precept	Notional unitary precept	Current councils precept	Notional unitary precept
Ashfield	£1,604.89	£1,574.43	£1,262.03	£1,238.08
Bassetlaw	£1,587.91	£1,574.43	£1,305.62	£1,294.54
Broxtowe	£1,581.28	£1,574.43	£1,329.93	£1,324.17
Gedling	£1,582.50	£1,574.43	£1,392.81	£1,385.70
Mansfield	£1,604.15	£1,574.43	£1,242.69	£1,219.66
Newark & Sherwood	£1,589.70	£1,574.43	£1,382.32	£1,369.05
Rushcliffe	£1,552.27	£1,574.43	£1,585.77	£1,608.41

Setting the Band D precept at £1,574.43 would result in 85.5% of Nottinghamshire's households that pay council tax paying less.

As the majority of households would be paying less in council tax, the unitary council would generate less income than the current County Council and district/borough councils together.

If the new council decided to set the standardised council element of council tax at £1,574.43 for every Band D property, the new council would generate £2.495 million less in income than currently being generated across Nottinghamshire councils. This would need to be offset against the savings generated by the reorganization and therefore reduce the annual saving for one unitary to £24.568 million.

Locality	Council Tax generated by Nottinghamshire Councils			
	Current councils	£ millions	Notional unitary	£ millions
Ashfield		53.19		52.18
Bassetlaw		54.36		53.90
Broxtowe		52.89		52.66
Gedling		57.98		57.68
Mansfield		46.37		45.51
Newark & Sherwood		60.92		60.33
Rushcliffe		66.14		67.09
Total		391.84		389.35

It is anticipated that similar savings in council tax bills would also be achievable under a two unitary council model and this would also reduce the annual savings. However, under this arrangement the level of council tax would be set by each new council depending on their policy and strategic decisions.

Appendix 2

Sensitivity Analysis of Changes to Annual Savings and Implementation Costs

The modelling of estimated savings and implementation costs detailed in chapter 2 is based on number of assumptions. The tables below illustrate the change the annual savings, implementation costs and payback period should the actual savings or implementation costs differ.

Sensitivity Analysis of Savings achievable

One Unitary Council

Scenario	Total Savings Yr0 - Yr5 £ millions	Annual Saving* £ millions	Net Savings Yrs 0-5 £ millions	Payback Period Years
Baseline	107.983	27.063	88.764	2.56
Reduction of 5%	102.584	25.710	83.365	2.62
Reduction of 10%	97.184	24.357	77.966	2.68
Reduction of 25%	80.987	20.297	61.768	2.96
Increase of 5%	113.382	28.416	94.163	2.51
Increase of 10%	118.781	29.770	99.562	2.46
Increase of 25%	134.978	33.829	115.760	2.34

Two Unitary Councils

Scenario	Total Savings Yr0- Yr5 £ millions	Annual Saving* £ millions	Net Savings Yrs 0-5 £ millions	Payback Period Years
Baseline	65.573	16.434	45.604	3.23
Reduction of 5%	62.294	15.613	42.325	3.29
Reduction of 10%	59.016	14.791	39.046	3.36
Reduction of 25%	49.180	12.326	29.210	3.63
Increase of 5%	68.851	17.256	48.882	3.17
Increase of 10%	72.130	18.078	52.161	3.11
Increase of 25%	81.966	20.543	61.997	2.98

*post implementation

Sensitivity Analysis of Implementation Expenditure

One Unitary Council

Scenario	Total Expenditure Yr0 - Yr5 £ millions	Net Surplus Yrs 0-5 £ millions	Payback Period Years
Baseline	-19.219	88.764	2.56
Reduction of 5%	-18.258	89.725	2.51
Reduction of 10%	-17.297	90.686	2.45
Reduction of 25%	-14.414	93.569	2.29
Increase of 5%	-20.180	87.803	2.62
Increase of 10%	-21.140	86.842	2.67
Increase of 25%	-24.023	83.959	2.84

Two Unitary Councils

Scenario	Total Expenditure Yr0 - Yr5 £ millions	Net Surplus Yrs 0-5 £ millions	Payback Period Years
Baseline	-19.969	45.604	3.23
Reduction of 5%	-18.971	46.602	3.16
Reduction of 10%	-17.972	47.601	3.10
Reduction of 25%	-14.977	50.596	2.92
Increase of 5%	-20.968	44.605	3.29
Increase of 10%	-21.966	43.607	3.35
Increase of 25%	-24.961	40.611	3.53

The sensitivity analysis illustrates that under a unitary authority there is a high level of certainty that annual savings would be between £20.3 million and £33.8 million with implementation expenditure between £14.4 million and £24 million.

Under a two unitary arrangement there is a high level of certainty that annual savings would be between £12.3 million and £20.6 million with implementation expenditure between £15 million and £25 million.



Local Government Reorganisation in Nottinghamshire?

EXECUTIVE SUMMARY Report of Public and Stakeholder Engagement

**Opinion Research Services
December 2018**

Contents

ORS Project Team.....

4

Executive Summary Report

5

Background

5

The Commission

5

Listening and Engagement programme

5

Engagement activities.....

6

ORS report.....

6

Main findings

7

Open Questionnaire

7

Deliberative engagement.....

8

Conclusions.....

10

ORS Project Team

Project management and reporting

Dale Hall

Kester Holmes

Trevor Baker

Angus Campbell

Alys Thomas

Focus group recruitment

Robyn Griffiths

Amy Bone

Max Davies

Forum and focus group facilitation

Dale Hall

Trevor Baker

Data analysis

Richard Harris

Matjaž Bone

Sheng Yang

Peter Maggs

Executive Summary

Background

The Commission

- 1.1 Nottinghamshire County Council is aware of the need for governance, structures and processes to deliver value-for-money local government services effectively and democratically. It is considering possible options to replace the current two-tier structure with a single-tier or unitary structure, in which one or two unitary councils would provide all local government services for the county. Any such proposals would not include or directly affect the current Nottingham City Council, which became a unitary authority in 1998.
- 1.2 In this context, the County Council commissioned ORS to carry out a conscientious and independent initial (pre-consultation) ‘listening and engagement’ programme, to understand residents’ and stakeholders’ perceptions of a wide range of issues, including:
 - Current awareness of the number and structure of councils covering Nottinghamshire
 - Understanding of local government finances and council tax precepts
 - Perceptions of the merits of unitary and two-tier structures in principle
 - People’s assumptions and reasons in supporting two- or one-tier local government
 - Relative importance of the criteria for considering the future of local government across the county
 - The information that people might require to inform their consideration of the issues
 - Attitudes towards the creation of one or two unitary councils for Nottinghamshire (not including the City)
 - Possible options for the division of Nottinghamshire into two unitary council areas
 - Other options (including cross-border ‘mergers’ and shared services).

- 1.3 The listening and engagement period ran from October 1st to 31st during which time residents, stakeholders and staff were invited to provide feedback through a range of routes.

Listening and Engagement programme

- 1.4 The listening and engagement process should not be understood as a quasi-referendum or ‘popularity contest’, in which possible options must have majority support to be worthy of further consideration. Accountability means that public authorities should give an account of their ideas and take account of public views; but it does not mean that majority views should automatically decide public policy. The popularity or otherwise of ideas or options should not displace professional and political judgement about what is the right or best public policy in the circumstances.
- 1.5 In this case, as the listening and engagement has taken place at a very early and formative stage in the thinking of the County Council, and there have not yet been extensive and intensive public discussions. Therefore, the engagement reported here is best understood as studying the “starting point” in a potential public debate – to clarify, at this early stage, people’s awareness, attitudes, perceptions and

concerns about local government and possible reorganisation, rather than to determine their considered judgements in the light of detailed debates in the public realm. For example, the engagement was more concerned with people's awareness and understanding of the current structure than with a definitive assessment of their appetite for change; it was more concerned with understanding their concerns and likely reasons for supporting or opposing options than with establishing a definite way forward; it was concerned to clarify their 'mental maps' of the seven districts in the county, and attitudes towards possible combinations, rather than making firm proposals; and it also sought to clarify what further information people might need in order to consider the issues. Above all, at this stage, the County Council wants to identify what options it might consider in more detail (and why), rather than what proposals it should make.

- 1.6 In any case, it is important that both engagement and consultation are not primarily about *numbers* of supporters or opponents, but about the *cogency* of the arguments for or against options or proposals; and engagement and consultation findings have always to be considered alongside all the other evidence available.

Engagement activities

- 1.7 There were three main elements to the listening and engagement programme, namely:

An accessible Engagement Document explaining the main issues and options – which was judged to be 'easy to understand' by 53% of respondents (only around one-in-six disagreeing)

An Open Questionnaire that was primarily promoted for online completion, but with some paper copies available on request – which achieved a total of 2,926 responses from individuals and 22 from organisations

A programme of Deliberative Events and Interviews – in which the views of parish and town councillors, business people, voluntary sector representatives, and other key stakeholders were studied in forums or interviews; and in which randomly selected members of the public took part in detailed focus group discussions.

- 1.8 In all elements of the engagement it was stressed that the options under consideration did not include or directly affect the status of Nottingham City Council (which is a long-standing unitary council) in any way. That is, the issues and options considered relate only to the 'Nottinghamshire' county area.

ORS report

- 1.9 ORS does not endorse any opinions reported here but seeks only to portray them accurately and clearly. While offering guidance on the consultation methodology and its interpretation, we seek to profile the opinions and arguments of those who have responded; but we make no recommendations on the decisions to be taken. This short summary chapter cannot do justice to the detail of the findings, so readers should consult the full report – in particular, for the detailed findings many text comments in the questionnaire, and for the arguments and insights of the deliberative meetings.

Main findings

Open Questionnaire

- 1.10 Based on the informative engagement document, ORS designed an accessible online and paper open questionnaire featuring four main issues – whether change is needed, whether the number of councils might be reduced, whether unitary local government could be acceptable in principle, and whether Nottinghamshire might best form one or two unitary councils. Throughout the questionnaire there were open-ended or text questions in which respondents could explain their answers or make additional points.
- 1.11 Open questionnaires are not ‘surveys’; that is, their findings are not based on systematic or random samples of given populations, and so they cannot be certified as accurate with specified error margins at determinate levels of confidence. While open questionnaires are not representative surveys in that sense, they are nonetheless invaluable in being inclusive, in giving everyone who wants to respond an opportunity to register their opinions – and most consultations would be the poorer without their use.
- 1.12 Typically, the respondents to open questionnaires are more motivated to take part than average citizens, with stronger feelings on the issues in question; older people (say, 45 and upwards) are much more likely to participate than younger ones; and, therefore, the respondents to open questionnaires are not necessarily representative of the general population. In this case, for example, the great majority of open questionnaire respondents felt generally informed about local government matters, whereas most of the randomly selected members of the public who took part in three focus groups did not. Perhaps more significantly, the people aged 45 to 74 are less than half (48%) of the Nottinghamshire 16+ population, but those age groups account for two-thirds (67%) of the open questionnaire respondents; and people aged under 25 are under-represented by a factor of six times. Nonetheless, the findings of the open questionnaire should be taken seriously alongside the deliberative results and other evidence.
- 1.13 In terms of the criteria that should inform the design of local government, the open questionnaire showed that Quality of Services was ranked top, with Accountability and Access very close behind; Value for Money was only a little way behind, with Civic Identity clearly in fifth place.
- 1.14 Half of the open questionnaire respondents agreed that the eight two-tier councils need to make changes to respond to the financial and service challenges facing local government, while 40% disagreed.
- 1.15 On the other hand, only 37% agreed there is a case for reducing the number of councils, while a large absolute majority (56%) disagreed. Around a third of respondents agreed in Bassetlaw (31%), Ashfield (32%), Gedling (33%) and Mansfield (34%), while the level of agreement in Broxtowe (37%) matched the overall result. Views in Rushcliffe and Newark and Sherwood were quite evenly split (with 47% and 48% agreeing, respectively). Around half (49%) of local authority staff agreed.
- 1.16 Overall, in the open questionnaire, only three-in-ten individual respondents agreed with the principle of replacing two-tier local government with a unitary system, while more than six-in-ten disagreed. There was more support than average in Newark and Sherwood, and in Rushcliffe; but only about a quarter were favourable in the remaining districts. Local authority staff findings showed 42% supporting a unitary structure and 48% opposed.

- 1.17 The open questionnaire respondents supported two unitary councils rather than one across all the districts. Overall, almost two-thirds favoured two, while just over a third favoured one. The views of local authority staff were somewhat more evenly divided: 47% preferred one and 53% preferred two unitary councils.
- 1.18 In total, well over a thousand respondents provided (sometimes multiple) textual comments. Not surprisingly, in the context of the data above, there was significant support for the status quo, with over 500 respondents stating their support for the current arrangements, and there were also around 115 comments in favour of increased partnership working. The open-text responses also showed a wide range of ideas about how Nottinghamshire might be divided into two unitary council areas (including, in some cases, recommendations that a southern unitary council should form around Nottingham City). Readers should consult the full report for a detailed account of the range of views.
- 1.19 The quantitative results reported above and in the full report differ markedly from the findings of the deliberative meetings with the public and important stakeholders – so it is crucial that the whole range of findings are interpreted together. Taken together, the questionnaire and deliberative findings show the “starting point” for a possible public debate if the County Council continues to consider the options for change.

Deliberative engagement

- 1.20 In summary, the deliberative elements of the programme were:
- Three focus groups with randomly selected members of the public (34 participated)
 - One focus group with business people (12 participants) and one with representatives of the voluntary sector (9 participants)
 - A large forum with parish and town councils (with 71 participants)
 - Interviews with seven key stakeholders
 - Five written submissions from key stakeholders.
- 1.21 In total, then, 138 contributions were made, most of them within the context of forums, focus groups or interviews in which a wide range of thoughtful opinions were expressed. Obviously, this number cannot be certified statistically as a representative sample of the Nottinghamshire population; but a third were randomly selected (for the public focus groups) and the others were well-informed and relatively senior stakeholders; so their views deserve to be taken seriously.
- 1.22 Overall, the deliberative discussions, interviews and submissions showed a good deal of support for a unitary structure – including:
- More than half of the representatives of Parish and Town Councils (they favoured a unitary structure with a majority of two-to-one); but there was no clear outcome on whether one to two unitary councils would be best
 - Almost half of those who expressed a view in the public focus groups (with a significant number of the others wanting more information before making up their minds); but there was no clear outcome on one versus two unitary councils
 - The great majority of the business focus group (with a majority of three-to-one); and with an even clearer preference for a single unitary council

Two-thirds of the voluntary sector focus group (who could accept a unitary structure if it worked well for their clients), but who were divided on whether one or two unitary councils would be best

Two-thirds of the key stakeholders interviewed who expressed an opinion (but with no consensus on the number of unitaries)

About half of the small number of submissions (with no consensus on the number).

- 1.23 Many of those who did not express a view wanted more information before deciding – including fourteen Parish and Town Council representatives, six out of nine voluntary sector representatives and ten of thirty-four in the public focus groups.
- 1.24 Most stakeholders were relatively open-minded about the structure of local government. They may see benefits in the existing two-tier structure, but do not object to a unitary structure in principle – as long there are benefits and ‘localism’ is not lost. They want decent services, local accountability, good joint working between statutory agencies and others, and an environment within which business, the voluntary sector and academia can thrive.
- 1.25 There were some clear messages about what is needed if a fair and reasoned case for unitary local government is to be presented for formal consultation with the public and stakeholders – including all the following:

Services and functions and quality are more important than delivery structure: if people get the right services they do not worry about where they come from.

Stakeholders need more information: they need to see a business case that includes: a cost benefit analysis, particularly the savings and transformation costs; reasons for the 300,000-population threshold; and evidence of how well other unitary authorities are working (particularly for cost savings, quality of service delivery and maintaining localism (local accountability and service delivery)); and the comparative unitary authorities should be relevant to Nottinghamshire.

Local accountability needs to be preserved: mitigations are needed to avoid inaccessibility and a remote bureaucracy with domination by an urban centre – and some form of area boards or committees (or similar) were suggested quite frequently.

Some participants saw a need for communication with the City and Districts: some felt that the review of structures would be strengthened by the support of the district and borough councils.

Some participants were concerned that the review should take the expansion needs of the City into account: some participants questioned the logic of omitting the City from the possible restructuring, irrespective of it already being a unitary authority

Many people wanted to be sure that district-based talents would not be lost in any reorganisation: there were concerns about the importance of local knowledge for service delivery, especially in planning for health, housing, social care, education and economic development; hospital discharge management and educational support for children were mentioned particularly.

Some people feared that funding for district services might suffer in a unitary structure, given the financial pressures on social services.

The future roles of Parish and Town Councils should be explained: some participants want a commitment that current supportive arrangements will be continued and reassurances that about the risk of double taxation for some areas.

- 1.26 There was no consensus on how the county might be divided in the event of two unitary councils. Some supported a north-south division (though there were variations on which districts should be included in each one, and on whether the City of Nottingham should be the ‘core’ of a southern unitary). Some supported a west-east division as being politically the most acceptable in recognising the interests and bases of the main parties; but some residents and other stakeholders thought such a division would create ‘single party’ councils and leave the western unitary relatively worse off. Many of those who supported a single unitary council did so because, while they recognised the differences between various areas within the large county, they felt a single council would be more sustainable financially, and also less disruptive to the existing structure of children and adult’s social services.

Conclusions

- 1.27 Listening and engagement programmes (and even formal consultation) on complex and controversial options for local government cannot be expected to achieve a consensus; they should not be treated as quasi-referenda; and in this case the deliberative findings contrast markedly with the open questionnaire responses. Any overall interpretation should take account of *all* the engagement findings as well as all the other evidence available. On the evidence reported here, there is nothing that means the County Council must go ahead to propose a unitary structure; but nor is there anything to discourage it from doing so.

