

Appendices

NONE



**NORTHAMPTON**  
BOROUGH COUNCIL

# **COUNCIL**

## **7<sup>th</sup> March 2016**

**Agenda Status: Public**

**Directorate: Chief Executive**

<b>Report Title</b>	<b>LOCAL GOVERNMENT SIMPLIFICATION</b>
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### **1. Purpose**

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1.1 The purpose of this report is to seek Council support to the simplification of local government structures in Northamptonshire including a unitary council for Northampton.

### **2. Recommendations**

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It is recommended that the Council resolves as follows:

- 2.1 To work with the other Councils in Northamptonshire to seek to propose a simplification of local government within Northamptonshire to include the creation of a smaller number of unitary councils carrying out the duties of existing Borough and District and County Councils, including a unitary council for Northampton.
- 2.2 To work with the other Councils in Northamptonshire, to identify and plan for areas in which services will be best delivered through sharing capacity between or across unitary councils or through a combined arrangement.
- 2.3 To work with all Councils in membership of SEMLEP, and those of neighbouring LEP areas, to establish combined authority arrangements on matters requiring wide-area co-ordination and on which devolution proposals can be agreed with Government.
- 2.4 To commit resources as necessary from the Council's Improvement Reserve to support the development of a robust business case for these proposals and to gain the necessary agreement of Government to the proposals arising.

2.5 To authorise the Leader of the Council and the Chief Executive to take such steps as are necessary to promote local government simplification in Northamptonshire including a unitary council for Northampton.

### **3. Issues and Choices**

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#### **3.1 Report Background**

- 3.1.1 The Cities and Local Government Devolution Act 2016 achieved Royal Assent on the 28<sup>th</sup> January 2016.
- 3.1.2 This Act makes provision for devolution of powers from central government to local authorities or to combinations of local authorities. The legislative framework is permissive and aims to achieve arrangements for local authorities to work together to deliver better public services and growth. Devolution needs to be agreed with Government and Government in turn requires strong local governance at the right scale and sufficiently robust to deliver.
- 3.1.3 Across Northamptonshire, SEMLEP, and neighbouring areas there have been many discussions about potential ways to respond to this legislation and gain the benefits of devolution if this can be agreed with Government.
- 3.1.4 On the 25<sup>th</sup> February 2016, proposals were agreed between the Districts in Oxfordshire, Cotswold District Council, and South Northamptonshire Council to pursue a model of local government simplification as part of a devolution deal with Government.
- 3.1.5 These proposals are innovative and provide for the Councils to investigate a new model of local government based on a new structure based on District Unitary Councils, and a combined authority. The Combined Authority would have a strategic and commissioning role.
- 3.1.6 The Oxfordshire proposal has been regarded favourably by Government and is now proceeding from the initial concept to a plan with the intention to have a plan for consultation with the public later this year prior to submitting the final proposals to Government and seeking approval.
- 3.1.7 The proposal introduces joint working with the NHS to pool budgets and to commission health and adult social care in an integrated manner.
- 3.1.8 It is stated by the Leaders of the Oxfordshire Districts that the devolution deal associated with these changes would bring in significant investment in roads, schools and public transport in addition to providing savings through making more efficient use of resources through combining into unitary and combined authorities. The proposals would replace 8 Councils with four, and the preferred option involves a unitary Oxford City Council.
- 3.1.9 Following the publication of this proposal there has been significant communication between Council Leaders and Chief Executives and public statements from Northamptonshire County Council, MPs and others. The Mayor has therefore consented to this matter being placed on the agenda of the meeting as an urgent matter.

## 3.2 Issues

- 3.2.1 Northampton Borough Council has a proud record of joint working with other local authorities including the County Council, South Northants Council, Daventry District Council, and many of the Districts in SEMLEP. The Council has achieved a lot in delivering major improvement and growth in the last decade and has a stable financial position.
- 3.2.2 Looking ahead, this Council is not alone in facing a significant downturn in resources and in needing to continue to deliver higher than average levels of growth.
- 3.2.3 In order to meet the challenges ahead, as outlined in the Council's Corporate Plan, this Council needs to promote economic growth and work more closely in partnership including looking to options to combine further with other organisations.
- 3.2.4 The proposals put forward in Oxfordshire are considered to provide the opportunity for Oxfordshire to get the powers to drive growth more strongly through devolved powers and the opportunity to make significant savings to the public purse through the creation of unitary councils, combined commissioning, and more effective health and social care integration.
- 3.2.5 The Oxfordshire proposal is at this point a concept which needs to be planned out in depth and consulted upon but is a powerful proposal for change which could greatly simplify local government in that county and deliver a strong future for it.
- 3.2.6 If such a proposal were to be developed in Northamptonshire, similar benefits could be achieved to those in Oxfordshire. It is therefore considered that the Councils in Northamptonshire should now together develop this concept within the Northamptonshire context and a meeting has been arranged this week to discuss the possibility of doing so.
- 3.2.7 It is proposed that this Council should seek to work with other Councils to propose a simplification of local government within Northamptonshire to include the creation of a smaller number of unitary councils carrying out the duties of existing Borough and District and County Councils, including a unitary council for Northampton.
- 3.2.8 It is recognised that, like Oxford in Oxfordshire, Northampton is substantially different in character to the rest of the County. It is therefore an essential part of looking at this concept that there should be a unitary council for Northampton.
- 3.2.9 It is also proposed to work with the other Councils in Northamptonshire to identify and plan for areas in which services will be best delivered through sharing capacity between or across unitary councils or through a combined arrangement.
- 3.2.10 In relation to the prospects for a devolution deal with Government, it is believed that Government will be most willing to devolve strategic investment powers, for example in relation to major infrastructure and transport, to larger geographic areas with strong Local Enterprise Partnerships (LEP). It is

therefore proposed to work with all Councils in membership of SEMLEP, and seek to work with those of neighbouring LEP areas, to establish combined authority arrangements on matters requiring wide-area co-ordination and on which devolution proposals can be agreed with Government.

3.2.11 It is also proposed to provide necessary resources and delegation to enable the Council's engagement in this process.

### **3.3 Options**

3.3.1 It is increasingly clear that following the passing of the Act the 'two-tier' arrangement of principal local authorities will not be fit for purpose to meet the economic and governmental challenges ahead. It is therefore not considered that there is a viable 'no change' option.

3.3.2 The Council could express its willingness to investigate unitary arrangements which do not include a unitary council for Northampton. However Northampton is so significantly different in its needs and character as an area within the county that it is advised that this option would not be in the best interests of the town.

3.3.3 The Council could choose to defer a decision on this matter. However other key actors in this matter have already declared their position including the local MPs and the leadership of the County Council. Delay is therefore not advised.

3.3.4 It is proposed to seek to move forward on developing proposals for the simplification of local government in Northamptonshire, based on a pattern of unitary and combined arrangements similar to those in Oxfordshire subject to these including a unitary council in Northampton.

## **4. Implications (including financial implications)**

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### **4.1 Policy**

4.1.1 The Council is establishing new policy as outlined in the recommendations to Council.

### **4.2 Resources and Risk**

4.2.1 Initial costs in exploring and developing proposals, consulting the public, and carrying out necessary investigations and discussions can be met from the Council's Improvement Reserve which is there to support the costs of change.

4.2.2 There are no new risks in pursuing this proposal. There would be as many risks in taking no action or position on this matter as in seeking to move forward. Alternative proposals from other parties will also carry major risks

4.2.3 Proposals developed as a result of this proposal will be subject to risks relating to support from partners, risks of implementation, and there will be a full risk register if proposals are fully developed.

### **4.3 Legal**

4.3.1 The recommendations are legally compliant.

### **4.4 Equality**

4.4.1 There are no equality implications to mention in this report.

## **5. Background Papers**

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Local Government Simplification papers held by the Chief Executive

**David Kennedy, Chief Executive x.7726**