

PERFORMANCE SCRUTINY – 9 March 2017

Proposals for the Future Organisation of Local Government in Oxfordshire

Report by Assistant Chief Executive

Introduction

1. At its meeting on 13 September 2016, Performance Scrutiny considered independent reports into the future of local government in Oxfordshire prepared by Grant Thornton (commissioned by the County Council) and PwC (commissioned by Oxford City Council on behalf of all Oxfordshire Districts).
2. Performance Scrutiny welcomed the reports and recommended to Cabinet that officers should be directed to investigate thoroughly proposals for a single county-wide unitary, including proposals for maximising delegation of powers to local areas.
3. Following this recommendation, Cabinet resolved on 20 September 2016 to "ask officers to work with stakeholders, including the public, to develop proposals for a single Oxfordshire unitary council". Cabinet also recognised the need to develop a model for local devolution.
4. Between October and December, officers worked in consultation with key partners to develop draft proposals. A discussion document was published on 19 January 2017 to inform an extensive public and stakeholder engagement exercise.
5. A full presentation on the outcomes of the engagement process, including key areas where the revised proposals differ from the draft, will be made at Performance Scrutiny and a detailed report will be published prior to consideration by Cabinet on 14 March, and available to Performance Scrutiny.
6. In early February 2017, South Oxfordshire District Council (SODC) and Vale of White Horse District Council (VoWHDC) agreed in principle to join the County Council in submitting a joint bid to government.
7. Subsequently officers representing all three councils have worked together to consider and incorporate feedback from the public and stakeholders in order to improve the draft proposal. This work was overseen by a 'Leaders' Working Group' to which all council leaders in Oxfordshire were invited.
8. The Cabinet report, including the full proposal, will be available to Performance Scrutiny from Friday 3 March. This will be accompanied by a Service and Community Impact Assessment (SCIA).

9. Cabinet is then due to consider the revised proposal on 14 March where a decision will be sought on the submission of these proposals to the Secretary of State for Communities and Local Government.

Developing the Evidence Base and Agreeing the Preferred Option

10. In May 2016 Oxfordshire County Council commissioned Grant Thornton to undertake a review of future options for local government in Oxfordshire – including maintaining the status quo. The County Council developed criteria for the review in consultation with local and national stakeholders and with regard to guidance issued in previous rounds of local government reorganisation, taking into account the changed political and economic agenda. The criteria were as follows:
 - Service Delivery and Outcomes: reforms should improve local service delivery and outcomes, particularly for the most vulnerable;
 - Cost Savings and Value For Money: reforms should deliver significant cost savings and drive value for money and long-term financial sustainability;
 - Stronger Leadership: reforms should provide stronger and more accountable strategic and local leadership;
 - Economic Growth and Infrastructure: reforms should drive economic growth and meet the infrastructure challenge, and;
 - Local Engagement and Empowerment: new structures should engage with communities and empower local areas
11. Grant Thornton undertook this work between May and August. Their process including engagement with a range of key local stakeholders, and a public call for evidence. The terms of reference were agreed by an independent advisory group chaired by the Right Reverend Colin Fletcher, Bishop of Dorchester, and made up of stakeholders drawn from public, private and voluntary sectors who advised Grant Thornton on the review.
12. Grant Thornton's study was published in August 2016 and identified that a single unitary council covering the whole of Oxfordshire was most able to meet these criteria. It is available at <http://news.oxfordshire.gov.uk/review-of-future-options-for-local-government-in-oxfordshire>
13. During the same period, Oxfordshire's five district and city councils commissioned PwC to undertake a similar study, which is also available online at https://www.oxford.gov.uk/download/downloads/id/2820/pwc_review_of_proposed_unitary_authority_options_with_a_combined_authority.pdf
14. On 20 September 2016, Cabinet received both of these reports along with a recommendation from the Performance Scrutiny Committee. Cabinet agreed to take forward work on the preferred option of a single unitary council,

determining that officers should work with stakeholders including the public to develop proposals for the new council. In particular Cabinet directed officers to further explore models to ensure that local areas within the new unitary council could make decisions for their own area, within an overall budget and policy framework set at the strategic level.

15. Subsequently the Leader of the Council committed to publishing a discussion document outlining draft proposals in order to facilitate to the fullest possible extent public and stakeholder engagement in their development.

Developing the Discussion Document

16. In order to ensure that as wide as possible an audience was able to participate in the development of proposals, it was determined that a discussion paper should be published at the earliest possible point on a “white paper” basis, with the draft proposal set out to promote and frame a public and stakeholder conversation.
17. After setting out the case for change and the blueprint for the new council, officers structured a document using the criteria established for the Grant Thornton study seeking to address how the proposed new model would meet the five criteria. A summary of relevant information about Oxfordshire and a summary of the options appraisal process were also included for context.
18. Throughout the development of the discussion document, the County Council continued to engage with members of the Stakeholder Advisory Group and other key partners in regular individual and group discussions.
19. The discussion document was published on 19 January and can be downloaded from <http://www.oneoxfordshire.org/our-vision>

Public Engagement

20. The engagement was designed to help improve and refine proposals ahead of a decision on submission to the Secretary of State. It included:
 - Commissioning a 500 interview representative door-step survey and an open online survey;
 - Holding well-publicised engagement visits to 42 libraries around Oxfordshire, and throughout the entire engagement period the libraries have had posters and response boxes with comment forms;
 - Continuing to work through the Stakeholder Advisory Group of key local organisations and holding a further formal meeting of this group as well as multiple individual meetings, telephone calls and presentations to groups and boards;
 - Writing to stakeholder organisations when the draft proposals were launched, and since. Our website and social media accounts direct visitors to a dedicated website;
 - Running digital and print media advertisements to raise awareness of the proposals;

- Engaging with town and parish councils on the detail of the proposal, including four formal events and attendance at individual meetings when requested, and offering articles to community newsletters and small local publications;
- Featuring on the proposals in council circulars such as [Your Oxfordshire](#) and the [Libraries newsletter](#);
- E-mailing over 30,000 Oxfordshire residents; and
- Holding deliberative workshops (one per city/district council area) to understand in detail residents' interests and concerns.

Working with District Councils

21. On 9 February a joint statement was issued by the leaders of Oxfordshire County Council, South Oxfordshire District Council and Vale of White Horse District Council.
22. In this statement they set out that *“Having looked at all the evidence, we are convinced that a single unitary council for Oxfordshire provides the best prospect for maintaining high quality services and securing badly needed investment in infrastructure”*.
23. As a result of this, joint work has been undertaken around a number of themes in the bid, in particular the localism model, to set out a proposal which commands support across both tiers of local government.
24. Unfortunately the City Council, West Oxfordshire DC, and Cherwell DC, have not been prepared to engage in developing a shared proposal, and have continued an active PR campaign, both jointly and individually, against proposals to reform local government in Oxfordshire.

The Revised Proposals

25. A range of outcomes from the engagement exercise are currently being used to finalise the revised proposals, which will be available to Scrutiny from 3 March. A presentation outlining the outcomes from this exercise will be made to Performance Scrutiny and a full report will be published prior to consideration by Cabinet. Engagement with the public and stakeholders will continue as proposals move from submission to implementation.

Legal Implications

26. The procedure for the creation of a unitary authority is set out in Sections 1-7 of the Local Government and Public Involvement in Health Act 2007. Under this procedure, the Secretary of State can ‘invite’ a proposal. In making any such proposal, the proposing authority or authorities must have regard to any guidance from the Secretary of State as to what a proposal should seek to achieve and the matters that should be taken into account in formulating a proposal (Section 3(4)).

27. The most recent guidance formally issued by the Secretary of State was *Invitation to councils in England to make proposals for future unitary structures* published in 2006. The Department of Communities and Local Government has also actively engaged in conversations and correspondence much more recently with various local authorities about potential submissions under the Section 1-7 procedure, including this Council and Dorset and Buckinghamshire County Councils.
28. For this Council, it is for Cabinet to determine and submit a proposal to the Secretary of State. This is a function of the Cabinet under Section 9D(2) of the Local Government Act 2000. Once a submission is received by the Secretary of State, the procedures under the 2007 Act say that the Secretary of State *may* seek the advice of the Local Government Boundary Commission on any matter relating to the proposal. The procedures also *require* that the Secretary of State may not make an order implementing a proposal unless he/she has consulted every local authority and such other persons as he considers appropriate. It is for the Secretary of State to determine whether it is applicable or not, in the present case, that Section 15 of the Cities and Local Government Act 2016 allows him/her to 'fast track' any of the processes under Section 1-7 of the 2007 Act.
29. For this Council, the normal procedural requirements are that any bid has had regard to guidance from the Secretary of State (which has been the case) and that Cabinet makes the bid to the Secretary of State. Other considerations, after the submission of the bid, are for the Secretary of State to determine as of course is the final decision on whether to implement a proposal.

RECOMMENDATION

30. **The Committee is RECOMMENDED to consider the presentation giving feedback on the public and stakeholder engagement process and the revised bid document and make any such comments to Cabinet as they consider should be taken into account before determining whether or not to submit the bid to the Secretary of State.**

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March 2017