



Reigate & Banstead
BOROUGH COUNCIL
Banstead | Horley | Redhill | Reigate

SIGNED OFF BY	Chief Executive
AUTHOR	Catherine Rose, Head of Corporate Policy
TELEPHONE	01737 276766
EMAIL	catherine.rose@reigate-banstead.gov.uk
TO	Council
DATE	30 July 2020
EXECUTIVE MEMBER	Cllr Mark Brunt, Leader of the Council

KEY DECISION REQUIRED	No
WARDS AFFECTED	All

SUBJECT	Local Government Reorganisation – July 2020
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RECOMMENDATIONS
<p>That this Council</p> <ol style="list-style-type: none">Supports further investigation into the future structure of local government in Surrey;Agrees that the Leader, supported by officers, should work with other authorities across the County to develop a proposal which is place-based, close to local communities and continues to provide residents with the support and services they need; andAgrees that the Leader establishes a cross party member working group to feed into the above work
REASONS FOR RECOMMENDATIONS
<p>To ensure that Reigate & Banstead Borough Council is able to contribute to the current debate about the future shape of local government in Surrey and to ensure that the interests of the borough and its residents are represented in any proposals that are developed.</p>
EXECUTIVE SUMMARY
<p>The Government has confirmed its intention to publish a Devolution and Local Recovery White Paper in the Autumn, setting out plans for expanding devolution, creating more elected Mayors in England and more unitary authorities with stronger town and parish councils.</p>

On 10 July, the Leader of Surrey County Council, Cllr Tim Oliver, wrote to Robert Jenrick MP requesting that the Secretary of State ask Surrey County Council to submit a business case setting out proposals for a single-county unitary council for Surrey.

There are clearly some merits of local government reorganisation, including economies of scale and the opportunity to combine collective resources and expertise to deliver high quality services in a cost effective way. However, these merits need to be balanced against other important considerations, including local democratic accountability, and ensuring service delivery takes account of local knowledge to maximise its effectiveness.

It is the view of senior leadership and management within this Council that the full range of options for the future of local government within Surrey should be properly investigated before any decision is made. This view is shared by other boroughs and districts in Surrey.

It is therefore recommended that this Council supports further investigation into the future structure of local government in Surrey, and agrees that the Leader (supported by officers) should work with other authorities across the county to develop proposals which are place-based, close to local authorities and continues to provide residents with the support and services they need.

Council has authority to approve this recommendation.

DEVOLUTION AND LOCAL RECOVERY WHITE PAPER

1. The Queen's speech to Parliament on 19 December 2019 announced that a forthcoming White Paper on devolution would set out the Government's plans for local government reform.
2. The Government has now confirmed its intention to publish a Devolution and Local Recovery White Paper in the Autumn, setting out plans for expanding devolution, creating more elected Mayors in England and more unitary authorities with stronger town and parish councils.
3. At the Local Government Association (LGA) conference, the Secretary of State for Housing, Communities and Local Government, Robert Jenrick MP outlined his objectives for devolution, including empowering local communities to lead the economic recovery and facilitating local government reorganisation where there is local demand.
4. At the same conference, the Minister for Regional Growth and Local Government, Simon Clarke MP indicated that the White Paper would connect local areas' recovery from the Covid-19 crisis with a 'levelling up' of opportunity and prosperity; and would help remove complexity from local government whilst reducing costs to the taxpayer.

SURREY COUNTY COUNCIL'S POSITION

5. On 7 July 2020, the Leader of Surrey County Council (SCC), Cllr Tim Oliver, announced the County Council's intention to work with Government ahead of the publication of the White Paper to develop a proposal for the reorganisation of local government in Surrey. He subsequently wrote to Robert Jenrick MP requesting that

the Secretary of State ask Surrey County Council to submit a business case setting out proposals for a single-county unitary council for Surrey.

6. It is understood that the preferred option of the County Council is to have one single tier unitary council, responsible for all the functions and services that are currently provided by the County Council and the eleven Boroughs and Districts. A report from the SCC Chief Executive to its Cabinet on 21 July suggests that the County Council intends to submit its proposal to the Secretary of State by the end of September.

CONSIDERATIONS AND RECOMMENDATIONS

7. Under current legislation, the Secretary of State may invite Councils to develop proposals for local government reorganisation, and then implement any such proposals (subject to consultation and Parliamentary approval). Recent proposals for new unitary authorities have been considered by the Secretary of State against the following criteria:
 - Improving local government and service delivery in the area
 - Having a good deal of local support; and
 - Having a credible geography
8. The Government has indicated that as a guideline, unitary authorities should usually represent populations of between 300,000 and 500,000 people per administration. A single unitary authority for Surrey (as proposed by SCC) would represent 1.2m people; equivalent only to the larger of metropolitan areas but with a vastly different geographical spread.
9. There are clearly some merits of local government reorganisation, including economies of scale and the opportunity to combine collective resources and expertise to deliver high quality services in a cost effective way. However, these merits need to be balanced against other important considerations, including local democratic accountability, and ensuring service delivery takes account of local knowledge and needs to maximise its effectiveness.
10. Our recent experience in responding to the Covid-19 crisis has highlighted the importance of localised, responsive decision-making and service provision, and of having local government that has a strong relationship with the communities that it serves.
11. It is the view of senior leadership and management within this Council that the full range of options for the future of local government within Surrey should be properly investigated before any decision is made. It is considered premature to conclude that a single county wide unitary council is the most appropriate structure until this has been done. There may be other models that would be equally or more appropriate in balancing the range of wide range of considerations (for example, options that are more consistent with the government's guideline size criteria).
12. The other Boroughs and Districts in Surrey have also expressed concerns about the principle of pursuing a single-unitary solution for Surrey when no business case has yet been presented and when other options have not been fully investigated.
13. On this basis, the Surrey Leaders Group has also written to Robert Jenrick MP outlining this position and requesting that – if minded to invite a submission from SCC

– he also invites business cases for one or more alternative models from the Boroughs and Districts of Surrey (Annex 1).

14. It is recommended that this Council supports further investigation into the future structure of local government in Surrey, and agrees that the Leader (supported by officers) should work with other authorities across the county to develop proposals which are place-based, close to local authorities and continues to provide residents with the support and services they need. It is proposed that a cross party member working group be convened to feed into this work.

LEGAL IMPLICATIONS

15. There are no specific legal implications arising from this report. The Local Government and Public Involvement in Health Act 2007 makes provision for the Secretary of State to invite proposals for the creation of single tier local government.
16. Legal implications will be considered as options for local government reorganisation in Surrey are explored in more detail.

FINANCIAL IMPLICATIONS

17. Work to develop proposals for the future of local government in Surrey will have resourcing and cost implications. Where possible, the Council will seek to work jointly with the other Surrey authorities to ensure that this work is progressed in a cost-effective way.
18. There is not currently any provision within the approved budget for this work. For now, it is assumed that it will be funded from a combination of existing reserves and budget contingencies for the remainder of 2020/21 and that a budget will be established as part of service and financial planning for 2021/22 onwards.
19. Initially, it is anticipated that a contribution of up to £10,000 from each authority will be needed to engage expert external support to assist in the assessment of options – it is proposed that this be funded from the Corporate Plan Delivery Fund.

EQUALITIES IMPLICATIONS

20. There are no equality implications arising directly from the recommendations in this report. It will be important that, in investigating options for the future of local government in Surrey, the implications for equality target groups is fully assessed and taken into account in any future decision making.

COMMUNICATION AND CONSULTATION

21. **Communication implications:** As well as local government reorganisation being of interest to councillors and council staff, there has been some local public interest in light of the statement by Cllr Tim Oliver earlier this month.
22. It will be essential that appropriate communication is undertaken over the coming weeks and months to both internal and external audiences, to explain and support the work that is being undertaken.
23. **Consultation:**

24. Discussions between the Leader and other Group Leaders has informed the content of this report.
25. Ongoing consultation and engagement with councillors, stakeholders, staff and residents will be important as future options are investigated. As a first step, it is proposed that a virtual seminar be arranged for members to consider the issues raised in this report in more detail.
26. Communications and consultation work associated with developing proposals for the future of local government in Surrey will have resourcing and cost implications. Wherever possible, the Council will seek to work jointly with the other Surrey authorities to ensure that this work is progressed in a cost effective way.

POLICY FRAMEWORK

27. The Council's corporate plan, Reigate & Banstead 2025, sets out the Council's priorities for its people, place and organisation. These priorities will continue to underpin the Council's work and will be an important consideration in assessing the most appropriate option for the future of local government in Reigate & Banstead borough.

BACKGROUND PAPERS

1. SCC Report to Cabinet, 21 July 2020, 'Recovery and Devolution White Paper: Opportunities and Benefits for Surrey':
<https://mycouncil.surreycc.gov.uk/documents/s68594/RECOVERY%20AND%20DEVOLUTION%20WHITE%20PAPER-Cabinet%2021%20July%202020.pdf>
2. Letter from SCC to the Secretary of State for Housing, Communities and Local Government, 10 July: <https://mycouncil.surreycc.gov.uk/documents/s68595/Annex%201-%20correspondence%20to%20SoS%20Re.%20Public%20Service%20Reform.pdf>
3. Reigate & Banstead 2025: www.reigate-banstead.gov.uk/rbbc2025