

BETTER GOVERNMENT FOR CUMBRIA

EXECUTIVE MEMBER: Cllr Elaine Woodburn
LEAD OFFICER: Liam Murphy, Chief Executive
REPORT AUTHOR: Liam Murphy, Chief Executive

Summary: The report sets out the detail for the proposed joint submission with Allerdale, Barrow, Carlisle City, and South Lakeland District Councils in response to the Department for Communities and Local Government (DCLG) consultation on Cumbria County Council's bid for unitary status.

Recommendation: That Council:

- 1) approves the document for submission to the Secretary of State;
- 2) approves the model of local government described in the document as the basis of a future local government model in Cumbria through enhanced two-tier working should the County Council's proposal not be accepted; and
- 3) delegate authority to the White Paper Member Working Group to oversee and approve the definitive submission made with the other district councils and other work relevant to the Better Government for Cumbria project.

Impact on delivering Copeland 2020 objectives: Huge impact, as the document makes a clear principled statement on the Council's preferred position on the future of local government in Cumbria.

Impact on other statutory objectives (e.g. crime & disorder, LA21): None

Financial and human resource implications: The resources allocated to this project were £50k plus existing staff time.

Project & Risk Management: The work was overseen by a project board with appropriate project controls including a risk management schedule.

Key Decision Status

- **Financial:** Should the Joint Districts consultation submission fail to convince DCLG then the future of current locally accountable financial resources is uncertain.
- **Ward:** All wards are affected.

Other Ward Implications: None

1. INTRODUCTION

- 1.1 On the 16th March 2007, Council approved the local government model developed by the joint district council's group, Better Government for Cumbria. Better Government for Cumbria comprises the district councils of Copeland, Allerdale, Barrow, Carlisle City, and South Lakeland. The development of the model at that stage was to provide an indication of whether or not a strong alternative to the County Council's unitary status bid could be developed. Following approval, Better Government for Cumbria has further developed the model to provide an evidence base from which to assess the merits of the County's bid.
- 1.2 This report summarises the document that has been developed to form the joint district council's submission to the Secretary of State's consultation on the bid made by Cumbria County Council. The Council is required to approve the document as the basis for Copeland BC's response to unitary status for Cumbria. Council is also required to delegate to the Local Government White Paper Member Working Group authority to complete the process for submitting the response and to engage fully on the Council's behalf with the remainder of the Better Government for Cumbria project, e.g. campaigning, forward planning, etc.

2. BETTER GOVERNMENT FOR CUMBRIA – JUNE REPORT

- 2.1 This document has been designed to provide all the information necessary on the work undertaken by the Better Government for Cumbria group. The document contains a background section that exists purely for the purpose of this Council meeting and is not intended to be part of a submission to the Secretary of State; rather it provides an introduction to the work that has been undertaken.
- 2.2 The 5 substantive chapters of the report are structured around the 5 evaluation criteria of the DCLG's unitary status competition. Specifically, affordability, strategic leadership, neighbourhood engagement, cross-section of support, and service improvement. Each section has been written in accordance with the guidance received from civil servants as to what would be appropriate. While Better Government for Cumbria has developed a detailed model of local government in excess of the detail prepared by the County Council, the approach in the report has been to focus on a direct critique of the County's bid and then to further illustrate these points with reference to a better alternative.
- 2.3 The report is supported by 11 appendices that contain the outputs of the full programme of work undertaken by the joint districts.

3. AFFORDABILITY

- 3.1 The report claims that the financial section of the County's proposal is a conspicuously weak element. Analysis demonstrates that the County proposal is not affordable on its own terms. The assumptions underpinning the transition costs are not apparent and therefore the affordability is not apparent. The financial case does not stand up to sensitivity analysis [a test whereby slight changes are made to the figures to see if they still add up] and this demonstrates that it is most likely that the length of payback on the proposals would be longer than six years, not just over two. The County claims to make further savings through financing redundancies, however, the scale of savings they have committed themselves to indicates a probable scale of 800 – 1000 redundancies. The County bid also promises to save on council tax bills but this is initially paid for from savings most likely required to be paid back to Central Government; but also this promise flies in the face of the County's appetite for approving maximum tax increases. Finally, the County has ignored its own services and assets as a source of savings and has instead looked to draw primarily on district reserves.

4. STRATEGIC LEADERSHIP

- 4.1 The Government's emphasis in the white paper and in the current Local Government and Public Health Bill is on local authorities leading on "place shaping" and providing innovative approaches to local governance. The County proposal responds by offering proposals that are conservative and confused. The County's proposal is based upon a misconception of 'Cumbria' as a place, in that it has a compelling and essential homogeneity, and this in fact undermines the bid's proposals on neighbourhood management and its apparent cross-section of support. The County has failed to provide any substantive basis for its claims about the cohesiveness of Cumbria and consequently there is no strong case for strategic leadership. The County bid completely fails to address the key issues that would be created if the district councils are dissolved, namely: leadership and sovereignty; political leadership; and governance innovations clearly set out in a raft of existing Government reports.

5. NEIGHBOURHOOD ENGAGEMENT

- 5.1 The County Council's bid fails to recognise that the current two-tier structure provides an excellent mechanism for local accountability and delivery. Instead it assumes that two-tier is 'bad' and that anything that replaces it must be better. The County Council has completely failed to (a) justify why two-tier should be abandoned; (b) identify anything in the two-tier of value; and (c) explain how their own proposals are actually an improvement on two-tier. In turn, they offer a much greater centralised structure that removes all sovereignty from out of the community.

6. CROSS-SECTION OF SUPPORT

- 6.1 The Better Government for Cumbria report ably demonstrates that there is not a strong cross-section of support for their proposal. Most importantly, the general public have been excluded from the exercise. The joint districts have commissioned a MORI poll on local people's perceptions that will be fed into this report at the time of the Council meeting. In the County's bid there are a number of documents purporting to offer support to their proposals but in fact they are no such thing. While there is strong support for the notion of unitary councils, there is no strong support for Cumbria County Council's bid for unitary status.

7. SERVICE IMPROVEMENT

- 7.1 The bid put forward by the County Council provides no evidence that services would be improved. The bid amounts to nothing more than a notional punt on the presumption that Government policy is in favour of unitary local government and therefore to create a unitary authority is equal to improving services. This is considered to be considerably unlikely given that the County Council is a mediocre authority that has consistently propped up all league tables of county council performance that have been gathered.

8. THE APPENDICES

- 8.1 The appendices of the document provide the following information:
- 8.2 *January 2007 Critique* – this is the original 10 point critique of the County's bid.
- 8.3 *Letters to the Secretary of State* – this is a record of the formal communications sent from the joint districts.
- 8.4 *Better Government for Cumbria Alternative Model* – this is a full explanation of what the joint districts believe would be a better way of delivering the promise of the Local Government white paper.
- 8.5 *Governance Issues* – this is the detailed work on how constitutional governance would be managed in the alternative model.

- 8.6 *Local Service Forums*- this is the detailed working in how devolved services could work and be more inclusive.
- 8.7 *Service Analysis* - this is a significant piece of work on how services should be assessed for levels of accountability and authority. To our knowledge there is no other similar piece of work in existence within the UK.
- 8.8 *Shared Services* – this is another unique example of work that illustrates a robust way of managing and sharing services for improvement and efficiency.
- 8.9 *Financial Analysis* – this is in two parts (a narrative and a spreadsheet) and seeks to demonstrate how savings greater than those in the County’s bid may be generated.
- 8.10 *Outline Timetable* – this indicates that the Better Government for Cumbria is a realistic model that can be delivered and should be taken seriously as a preferred model for enhanced two-tier status.
- 8.11 *Carlisle Citizens Panel and Focus Groups* – this is one example of the survey work that has been commissioned to gauge the thoughts of the general public. More results should be available before the formal meeting of full Council.

List of Background Documents: Better Government for Cumbria Group – June Report

List of Consultees: Copeland Member Working Group
Better Government for Cumbria Group
Surveys of the General Public