

DEVOLUTION REVIEW

Consultative Review - The Devolution Debate

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Submission by the Green Party

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Appendix: Quick Analysis Table: Executive Summary

The Government is seeking to reorganise local government into more efficient units of administration and clear democratic accountability structures. With this in view consultations with the various local authorities in Oxfordshire have commenced to establish a unitary format to the delivery of services.

From this consultation process two distinct proposals have emerged a single County wide unitary and an alternative proposal from the District and the City Councils that suggest four (perhaps three) unitary authorities within the existing boundaries of Oxfordshire. The District/City bid also sees an Oxfordshire Combined Authority that would deliver services that are best organised on a larger scale.

Two logical approaches to the reorganisation are to ask which structure is the most appropriate administrative cohort for efficient, economic and effective delivery of the services that will need to be delivered and secondly which structure provides the most accountable democratic structure and to which people can relate.

Taking the range of services that will need to be delivered by the new authority it is clear that because of external changes resulting from national policy changes many of the key services at present administered at County level such as Education, Pensions, and the Fire Service will move away from local government control in the next few years. Equally there is clearly a desire by central government to establish a separate County wide (or even beyond) body for economic planning and investment. Changes to the process of clinical commissioning for health services provision also seem to cast doubt on future direct control of Adult Social Care on a County basis and forcaste a much wider footprint.

Although no doubt the County scheme can make a claim to save the most money as a result of economies of scale and maximising transition in any review of the services that will remain two or three unitaries within the County boarder will also deliver substantial savings via rationalisation to larger units.

It is also clear that many of the services such as Planning, Children's Services, Licensing, Environment, Waste Disposal, Housing, Leisure, Culture, Births Deaths and Marriages plus Leisure Services could be relatively easily restructured into two or three unitary units of organisation given their present logistical structure. District/ City structures would also reflect the fact that Oxfordshire has an almost unique structure with one very dominant City with its urban issues surrounded by small market towns with more semi-rural concerns.

Given the geography of Oxfordshire it would seem that the most logical solution is a three part unitary division of Oxford City with a South and North Oxfordshire. Divisions focused on reflecting that geo-political reality would seem more appropriate than the single large distant local government structure offered by the County.

No doubt he County will seek to incorporate devolved structures within its proposal but these cannot compensate for the fact that people would wish to see a directly elected Council for their City or Township. If the District/City bid can clarify the role of the Combined Authority and its influence over Economic Planning, Transport, perhaps Adult Social Care and other services that clearly need a County or wider focus that is the structure that would seem the most acceptable.

Note:

In June 2016 this report and its analysis was given to the Consultants (Grant Thornton for the County and Price Waterhouse Cooper for the City/Districts) hired at great expense (Over £300,000) by both sides of the debate in an effort to influence their final report and conclusions.

In early July 2016 The consultants gave their reports each contending that their paymaster was the best form of reorganisation and setting out a case as to why.

A clear stand off was reached with each side holding their ground.

In late July Green County councillor circulated this report to all County Councillors, City Councillors, District Councillors and the clerks of the Parish councils in an effort to bring the sides together.

In August 2016 Both the City/Districts and the County authorities agreed not to submit their schemes separately to the Local Government Minister in September As originally planned . Central Government accepted this expecting both sides to continue a constructive dialogue which it was hoped would come to a consensus decision some time in 2017.

In November 2016 the Green Group moved a motion in the County Council suggesting that both sides enter into a deep public on line consultation asking for their views on four possible options: A single County Authority, the two unitary solution based on the City and a second of all the market towns all around, three unitaries- North South and the City plus a fourth option of four unitaries.

Labour and Conservative voted the motion down(the Lib Dems abstained). Labour said that it was an issue that people were not concerned with and the Conservatives described it as a 'frivolous' motion.

The stalemate continues.

1. Background

- (i) In 2015 the Government embarked on a major reform of local government. This was not proceeded by a Royal Commission as in 1970's but is being approached authority by authority. However, the changes are no less profound than those introduced in 1973.
- (ii) It is very clear that the final decision will be made by Government Ministers after consultation with stakeholders. The debate with local Councils in Oxfordshire began in September 2015.
- (iii) Clearly one objective is to rationalise local authority provision and in the process produce a more efficient and economic service delivery model locally. There is also a political agenda of more contractualisation to the private sector, more direct funding and delivery via QUANGOs, reducing the range of local government influence and diminishing democratic accountability.
- (iv) What is becoming clear is that Central Government is seeking to avoid any reforms that involve the need for primary legislation as this would cause delay. This is having a significant impact on the design of plans submitted.
- (v) 'Agreements' are being announced each month and each 'deal' is bespoke to a particular area.
- (vi) Lord Kerslake former Head of the Civil service has described what has been agreed so far as 'inconsistent and incoherent' (*April 2016*) . Local government is certainly now becoming a confusing array of various structures. There is little doubt that the Civil Service have taken notice of Kerslake's criticism and one theme that has crystallised recently is that the Government consider the ideal size of unitary as around 300,000 people. Slowly a vague pattern is emerging of what the Government want to see.
- (vii) In Oxfordshire there is general agreement amongst all local communities that the present two tier (*in some areas three tier*) system is democratically confusing and probably inefficient. There seems general agreement that money can be saved by economies of scale.

- (viii) In reviewing what has been agreed so far the Government are clearly seeking to establish 'Unitary' authorities as these are deemed to save money and seeking to have economic development organised via a business friendly hub. The message in terms of what is deemed an appropriate size of administrative unit is clearly not absolutely identified and rather elastic plus a definition of what democratic accountability model is most appropriate is not clear.
- (ix) The Government seemed to back proposals for Elected Mayors but locally there has often been strong opposition to this structure (*as in Oxfordshire*) but so far no devolution agreement has been agreed without one. (*e.g. Cheshire & Cambridge*)
- (x) Where there has been general agreement by the local authorities in an area as to what structure the reforms may take (*including an Elected Mayor*) the proposals have been fast tracked (*e.g. Manchester*). Where there is disagreement the rate of progress has been slower (*e.g. Cambridgeshire*) In Oxfordshire there is clear disagreement.
- (xi) The decision on the new structure for Oxfordshire has been targeted for November 2016, with formal submissions in Mid-July.
- (xii) So far the Government seem not to have imposed a settlement that was not outlined and supported by the majority of important local stakeholders. (*i.e. major employers/ academic groups/leading politicians/local public bodies/ faith groups/existing councils/relevant QUANGOs etc*). However they have the power to 'knock heads together' and have accepted that they may have to do that especially if there are deeply divided opinions locally.
- (xiii) Clearly in early Autumn the Government will launch a series of consultative meeting with the local authorities (*September/October TBC*). Given normal Civil service procedures this will be an initial critique of the submissions cross referencing facts and exploring the arguments. Later with a view to seeking a compromise they may return with a suggested compromise of their own.

No doubt before announcing what the new structure will be the government officials will check out their own preferred option using the agreed database of information and statistics. The provisional date for the final announcement is the (*11th of November 2016 TBC*) However in almost all the cases to date the provisional date for a final decision has been moved back by a number of weeks at the request of the Government.

- (xiv) Whilst the new structures are being discussed locally central government have launched a series of reforms nationally that will over the next few years alter the range of services delivered via local government.

The changes will see moves to centralise the funding of particular services, hive off services to new QUANGOs, move delivery to other more regional local authority providers and further integrate provision via NHS Commissioning. Although a new unitary structure may be agreed the external

legislative changes that are in train will dramatically impact on what that new unitary will have responsibility for.

Almost all the moves that have been suggested so far are moves that will impact on services at the moment administered via the County.

It is not clear at the moment when these services will move and exactly how this will be organised. There is little doubt that this factor will be taken into account by the civil servants and the Government Minister when the final structure is announced for they will seek to establish a structure that will sustain for subsequent decades.

(1) The Present Context

- (i) In debating what proposal should be considered the various local authorities in Oxfordshire do not seem able to come to a consensus decision.

As a result, two outline statements of intent were submitted to Central Government in February: One from the County Council (*C.C*) and a second by a consortium of the four District Councils and the City Council. (*D/City*) These were broad outline proposal with a full detailed submission to follow. These outline themes were effectively to illustrate who would be submitting bids.

- (ii) The County offered a review body to conclude an independent objective review and suggest a new structure. This was rejected by the City/Districts. Rejecting such an offer will not go down well with any subsequent government review of the issue.
- (iii) Both groups have agreed a memorandum of understanding about sharing information and data of their respective proposals. They are also sharing agreements about timing and procedures.
- (iv) Respected accountancy companies were hired by both sides to research the issues that are involved in the devolution bid. Grant Thornton for the County (*GT*) and Price Waterhouse Cooper (*PWC*) for the District/City consortia. Both Groups established their initial findings in late June in an initial report to their sponsors. Both groups have been in consultation with senior officials in the Department of Local Government. Both groups have issued invitations to local stakeholders to comment. (*Hence this document*)
- (v) At the start of June 2016 PWC had a clear steer from Central Government that the initial D/City proposal which included taking areas of other neighbouring authorities (Northamptonshire and Gloucestershire) was unacceptable as it would require primary legislation to change the boundaries. This meant a major rethink by the D/City promoters.

- (vi) It also became clear that Central Government was starting to focus on a figure for a local authority of around 300,000 rate payers per unitary authority. This hit both the County potential submission (*too large*) and the concept of 4 unitary authorities (*far too small*).
- (vii) Given that the concept of cross County incorporation was not a possibility for the moment the D/City bid for four smaller units now looks in doubt and may have to be revised to three. (*However as of the 22nd of June 2016 it still remains at 4 small unitaries*) In fact on the 15th of June the D/City group launched promotional videos that still suggest 4.
- (viii) Once the research into what structure would be most appropriate for the delivery of the range of services that would need to be delivered by the respective accountancy firms have been concluded (*late June*) the respective sponsors must formulate their submissions.
- (ix) If they decide to continue with two separate bids no doubt a PR campaign will commence from the two sponsors to win public and government support.

(3) The County Proposal

- (i) The County proposal submitted to the Government in February is one Unitary Authority that is County wide (*on existing borders*). It has simplicity of purpose and economies of scale on its side.
- (ii) A single authority could perhaps save money but could lose definition in terms of reflecting an area. Existing service provision in numerous areas has been shaped by delivery via a County wide service and breaking the service into smaller units could be disruptive and perhaps result in a less efficient service.

Expanding the geographic area covered by an existing City /District structure could save money due to economy of scale.

- (iii) The role of the Parish and Community Councils is not clear so far (*22/6/2016*) but it seems the County would enhance their role and have a degree of devolution of numerous services to more neighbourhood accountability.

This could be done in two ways: If the County suggest that the whole of Oxfordshire is 'Parished' (*i.e. Area Committees established*) that would no doubt go down well in creating a more democratic structure to the County Bid.

Alternatively, they could suggest that Area Committees of the County Council Councillors (*e.g. A Formal Group for the City*) are established based on Townships. These could be focused on particular areas and reflect the very different needs of each town.

- (v) The important aspect of this is that specific and clear responsibilities could be identified with the two structures. For example, Planning could be devolved successfully to very local Community/ Parish structures whilst Housing may be ideal for a County Group model.
- (vi) A third and perhaps better alternative would be if there were very local elected/nominated parish/Community council structures and County Council Township Groups. Each with a suitable range of devolved services.

- (vii) Whatever model is chosen will be a critical element in winning public support. To be credible it is that there must be a constitutional settlement that establishes a clear and agreed funding formula. Without a secure financial base local devolved structures will be a mere sham to pass on cuts and centrally devised policy.
- (viii) The core strength of the Single County model is that it probably would save the most money. However how much that will now be is contentious. Certainly not the £30m originally envisaged by a review carried out by accountants Ernst and Young in 2013. Its weakness is its democratic deficit the County being distant from peoples' local loyalties.
- (ix) Research underpinning the County bid is now being developed by the accountancy firm Grant Thornton who have worked on this issue of single unitary authorities before. This is a very professional group who can be relied on to gather the facts objectively and to expose the weaknesses of the District/City bid in the process.
- (x) Officers of the County are also working to gather a prestigious network supporting the County bid which already looks impressive. Supporters include: Oxford University/Harwell Science Park/Cullum Science Centre/ Age Concern/ UNISON / The LEP/ Thames Valley Police/ UNIPART. Numerous others are in the process of responding.

It appears already the County will put together a more impressive list of sponsors than the Districts. This could be critical in influencing Ministers for it would suggest the local establishment of the good and the worthy are backing the County bid. Others being approached include: Oxford University Press /ISIS Innovation /The various Oxford Publishing Companies/ Begbroke Science Park/ BMW / The Ashmolean Museum et al.

As the County have always had much more money to distribute for historic reasons it has far deeper and sustained networks with the various good and the worthy institutions in Oxfordshire. Clearly too with certain organisations (*e.g. The LEP*) former County Officers dominate the executive cohort if not the Governing body)

However these are 'provisional supporters' as there is no official bid so far from either side and no doubt on publication some may want to wait to see what is actually being suggested.

Even so, it is thought (*At this stage 22nd of June 2016*) that the most impressive local stakeholders will back the County each having had a range of dealing with the County over the years.

4. The District and City Proposal

- (i) The initial proposal from the City and Districts suggested the abolition of Oxfordshire County Council, with its functions transferring to four new Unitary Councils. These changes would simplify local government into unitary authorities that would more accurately reflect local loyalties.

The Original Initial outline to Central Government Suggested:

- **A Southern Oxfordshire Unitary** - covering the area currently administered by Vale of White Horse and South Oxfordshire District Councils
- **An Oxford City Unitary** - covering the area currently administered by Oxford City Council.
- **A West Oxfordshire Unitary** - covering the area currently administered by West Oxfordshire District Council and part of Gloucestershire
- **A Cherwell Unitary** - covering the area currently administered by Cherwell District Council. Plus, an area of Northamptonshire.
- There would also be a **Combined Authority** that would be made up of nominees from each of the unitary authorities. This would take responsibility for adult social care bids for funding and relate to the LEP and other shared services.

(ii) However in June 2016 it became clear that 4 unitaries especially unitaries that cross County borders were unacceptable to Central Government. It was also clear that still keeping to four would mean unitaries that were far too small to be efficient.

Part of the PWC review is to inform the District City Coalition if a revised structure would be more efficient. PWC like Grant Thornton for the County are tasked with producing an 'independent' review.

It is unknown at this stage (*22nd of June 2016*) if the City/District authorities will accept that 3 unitaries would be the best option. However, it looks strongly as if PWC will recommend that if they still want their bid to have any chance of success that larger unitaries (3?) is the way to proceed.

This will be a difficult political decision for the D/City bid as it means another of their number must fall on their sword and in reality it must be one of the Districts not the City.

(iii) The issue of the Combined Authority would also need to be re assessed given the Central Government penchant for Elected Mayors.

(iv) It is now unclear what the final submission will be (22nd of June 2016) below the level that there will be Districts and the City unitary.

(v) A critical element for the District proposals is that it is said to have the support of **ALL** the local MPs including powerful figures such as Mr. David Cameron. However there seems some confusion from some of the MPs recently backing away e.g. Nichola Blackwood who has written to constituents saying she has an 'open mind' on the issue. David Cameron now insists he only said the City District bid was 'worthy of consideration'.

(vi) The Minister who makes the final decision will be Conservative and lobbying from within his/her own party could be very influential. 5 of the 6 local MPS are Conservative and of the 300+ councillors in Oxfordshire around 200 are Conservatives. Collectively there are over 300 Councillors involved in this reorganisation only 63 of them are County Councillor and some of them are double hatters holding County and District/City seats. The Districts/City have at least three times the number of Councillors. This could be important in terms of political lobbying.

(vii) The City and the Districts are, it is believed, seeking a sponsoring list. However, it is not clear so far who are backing their bid. What is clear is that certain organisations have refused to support the County such as The Oxfordshire Clinical Commissioning Group and Brookes University. However, this does not mean they will support the D/City bid. What is being suggested 3 or 4 unitaries also holds

back the D/City bid from generating support for unlike the County with is obvious mono solution what is on offer from the Coalition is still unclear.

- (viii) The proposals weakness is that there are probably fewer savings than a single C.C. bid. However, this can be exaggerated as the bulk of the saving envisaged are in the general transformation to bigger units and this will take place with the D/City bid.
- (ix) A more important weakness is that numerous unitaries may be too small for effective delivery of certain service. Yet when an analysis is carried forward as to what services will be sure to remain in local government hands the bulk of them are at the moment being delivered by administrative units smaller than those suggested by the D/City Coalition.
- (x) Taking the principle of subsidiarity (devolution to the lowest efficient unit of governance) the D/City level of administration fits more comfortably with a wider range of services than the single County monolith.
- (xi) The great democratic strength of the Coalition bid is that it reflects the geopolitical reality of an area dominated by a single City with a number of satellite market towns. People associate with the town - Witney, Bicester, Wantage, Didcot, Banbury, Oxford etc. far more than they do with the nebulous 'Oxfordshire'.
- (xii) Oxfordshire is unlike the devolution deals agreed so far in that its economic structure is almost unique in that it has an extremely dominant central City with very different urban political issues to the surrounding towns and villages semi-rural concerns.

(5) Other Suggestions

They include:

(i) An Independent Review

The County has suggested that an independent review is conducted by a leading Academic or LEP nominee and that the conclusions be taken into account. This offer has been rejected by the Districts and the City who said they were willing to combine the reviews but were unwilling to accept preconditions. For whatever reasons the fact that such an offer was rejected will not go down well with Government Ministers anxious for a quick consensus solution.

Professor Iain Maclean Oxford University's leading Public Administration academic has volunteered to undertake the task of Chair and he has identified a university fund to underpin this research that would suggest a new structure. This offer is still available but may be coloured by the University backing the County bid.

(ii) A Referendum

An alternative when there is a political split as to the way forward would be to hold some form of referendum/Consultation with a series of options. Should this be held it would appear likely that public anger with the County cuts may sway people to vote for one of the District options where there are few cuts. Local loyalties would also run strong in any referendum/consultation much to the advantage of the District/City bid.

However, a referendum would clearly be very significant in building support for a structure that people feel is just and related to their local needs.

There are no plans to hold such a referendum at this early stage. Only the Green Party Councillors on the County and the City are suggesting a Referendum/Consultation on this issue as a way of breaking the deadlock and making the decision the clear will of local people.

(iii) The Status Quo

It is possible that a suggestion is made to Government that the present structure should be retained. Given the momentum for reform this is least likely to be the outcome.

However it would be acceptable to certain groups and individuals with a personal vested interest in the status quo. (e.g. Councillors holding posts on a District and the County Council and certain very senior officers).

However, it seems obvious that having come so far doing nothing is not really an option and against the direction of travel. This is very unlikely to happen.

(iv) A Polo or Doughnut Structure

This would see a City unitary and the County keeps control of all around as a unitary with the Districts abolished. The City boundary would perhaps need to be expanded. This model would see the least disruption and the lowest redundancy costs. It is also perhaps the easiest political compromise. Most officers would retain their positions and the movement between authorities would be minimised.

This would seem the natural fall-back position of both camps. However, at this stage neither will admit it. It would certainly reflect the geopolitical/economic reality of Oxfordshire a County with one dominant city and a series of satellite market towns. A strong case for the most efficient and economic delivery of services could also be made for the two unitary solution. As a path through the political lobby this could also be attractive to a Minister seeking to avoid further hassle and establishing a compromise consensus.

(v) An Elected Mayor for the Whole County

One possible structure is a single directly elected Mayor for the whole County with total executive powers plus an elected scrutiny council (*the London Model*). It would mean the abolition of the County, the City and the Districts. It would see a dramatic reduction in the democratic accountability of services if they were all under one individual's remit.

There is strong opposition to an elected mayor locally but there is little doubt that Central Government still looks favourably on this option seeing it as business friendly structure that will sanction corporate development desires more easily.

Although put aside in the initial negotiations with Central Government (they were suggesting an elected Mayor and a County structure) this option is still not dead and could re-emerge as an Elected Mayor taking responsibility for the range of identified shared services that both options recognised will be needed. Given that has been introduced by the government in devolution proposals that have been finalised that is still a very strong probability.

However both bids could point to the business friendly activities of the shared responsibility layer (*Growth Boards etc.*) doing what the local business community want and the lack of a need for a single elected official. They point to the possibility of anti-growth candidates (e.g. a Green) being elected whereas a Combined Authority is likely to be far more establishment compliant.

6. The Submission to Government

There is a general recognition that the final submission to Government will be critical in the process and both sides are now preparing for a more detailed submission that they will forward at an agreed deadline.

Both sides will be able to mount a valid case. Both will be based on the Unitary concept.

All are aware that the Minister for Local Government will make the final decision. They are also aware that there may be an Autumn reshuffle and that Greg Clark the present Minister may not be in post come November.

There is also a recognition that central Government would welcome a consensus if possible but one based on savings.

There are considerable costs to preparing separate submissions to government with little change to the ratepayer out of £200,000 (*District City costs combined with the County*) plus the time of numerous designated senior officers in the authorities.

The rival submissions will no doubt seek to marshal support from prominent figures and leading organisations in Oxfordshire and have a detailed service review illustrating why their bid is the most efficient in delivering services.

Both sides 'aspire ' to submit the rival bids at a set date in the summer . The first outline of the respective 'independent' inquiries into who best to run the services bids should emerge in early June for approval by the respective Cabinet meetings in the local authorities across Oxfordshire.

7. Working from the Basis of Service Delivery

Although political calculation may come into the final decision ethically it would be wise to approach the reorganisation by approaching the issue via what structure is best for the most efficient delivery of the services that local government in the area will be expected to deliver over the next 20 years and what is the best democratic accountability structure to cover these services.

In most cases it will be clear which service fits best in terms of economy, efficiency and effectiveness with which model but in some cases it will make little difference or be open to a balanced debate. In such cases the principle of subsidiarity should prevail and balance come down to the smaller more local unit.

It would seem wise to look at the structure via service delivery taking each service in turn. This includes a degree of speculation as to what will happen to these services as a result of central government reforms and the general direction of change politically.

It will be important to ask what is the best democratic accountability structure for structure that don't relate to people's perception of their locality lose credibility. Equally it will be important to take out duality something most people regard as confusing and unnecessary.

It would also be wise to take into account demographic changes that are taking place in the population in Oxfordshire (*e.g. an ageing profile*) as these will dramatically impact on the services over the next two decades..

8. What the New Unitary Authority(ies) will have Responsibility for Service Analysis

The present division in terms of what the County and the Districts including the City have responsibility for are laid out in *Appendix One*. The new unitary body (ies) will combine these responsibilities but will also see these services diminished or taken from them by Central Government initiatives over the next few years.

The new unitary body(Bodies) will have the following services:

These are general Comments and it must be membered that the District /City structures would still have the option to deliver particular services on a joint basis.

(1) The Education Services

- (i) The Chancellor announced that all schools will become academies by 2022 and has given £1billion to enhance the transition. This will mean direct funding from Central government and policy and each school's character set by the Academy sponsors.

In May 2016 the Government announced that they will not force the pace of academisation. i.e. no direct orders to convert and they would follow the original policy of focusing on schools that were rated as failing or only 'adequate' with financial incentives to move to academy status plus all new schools to be automatically academies or free schools. The £1b promised by the Chancellor is still there and would still act as an incentive to schools to convert.

- (ii) At the moment 45% (TBC) of Oxfordshire Secondary Schools are Academies and at the present rate of change it would be somewhere near 2028 before all schools became Academies in the County. There will be a General Election in 2020 but Labour are still committed to Academisation and private operators providing public services so little would change. Therefore, the Unitary would take over responsibility for an ever reducing number of schools perhaps over a 5-12 year period.
- (iii) It is probable that although schools may become Academies they will still seek to contract in to a collective central services such as payroll, maintenance and other services. There are certain basic legal residual functions a local authority will still need to provide and have responsibility for even after academisation. The 'LEA' service range (material supply, admissions payroll, in service training etc.) will continue even after full academisation as it is cost effective.

It is unclear exactly how this would sustain in the long terms in a free market system but looks likely to survive for at least another decade. The bigger the unit of organisation the more viable the attractions of a 'buy in' agency service would appear.

- (iv) However generally the concept of a positive active LEA directing and supporting educational development will have gone and the focus will be as a shrinking support unit for schools who may wish to buy in from a free market of local schools. The scenario for staffing would be a steady and sustained decline.

Conclusion: Fading Responsibilities over the next 5-10 years.

Saving: There would be a cost to breaking the present provision into smaller unitaries which would only hasten their decline.

Which Structure ? *The diminished LEA role could be delivered either by a County structure or a smaller unitary but may well be best placed as a County wide service as economies of scale would make it more cost effective as a support service.*

(2) Children's Services

- (i) After problematic years in 2015 (Bullfinch Report) and 2016 (Unfavourable Ofsted Inspection) when under the control of the County the Unitary authority(ies) would take responsibility for children's services. The County service was reorganised in 2016/17 with the establishment of Early Intervention Hubs and a further reorganisation into a number of Unitary units may be damaging to the service already under severe strain.
- (ii) It must also be recognised that although the service may have had a bad press recently actually it is still one of the best in the UK. However, breaking the service and making a new start in unitaries may be equally appropriate.
- (iii) The Children's Centres are due to close in March 2017. This was an important arm of the service which is now diminished. Social Services in its reformed mode supporting children in care will continue.
- (iv) There seems little prospect of this service in the short term being opened up as a 'business opportunity' because of the troubled nature of the service and the limited prospect to extract profit from the delivery of this service. However, this is still a possibility as was seen with the privatisation of the Probation Service.
- (v) Funding for Children's Services is still a major problem with needs increasing yet funding declining. Few businesses would take on such a risk factor in their business plan even if the Government would like it to be that way.
- (vi) The delivery of the service is already structured towards the City and specific areas. The underlying administrative structure based as it is on areas of deprivation would fit within a D/City structure as well as the present County.

Conclusion: Will remain a local authority responsibility but a diminished service with a damaged reputation.

Costing: There would be little difference between a D/City bid or a C.C. model in terms of efficiency.

Which Structure? *The responsibility could be delivered equally by a C.C. structure or a smaller unitary but a new start would seem to favour the D/City/ model yet stability of staffing may support a County*

wide structure. The advantage is difficult to draw but on the basis of subsidiarity it may be best placed in the D/City model.

(3) Adult Social Care

- (i) Significant changes to the nature of Adult Social Care are now in hand with government redrawing the boundaries of NHS Commissioning Unit to no longer be coterminous with the existing County but to expand the footprint to including Buckinghamshire and Berkshire. This will mean that local government involvement in the scrutiny panels of the local NHS would be at least diminished and may end. The service is also working towards a closer relationship with the Clinical Commissioning Group.
- (ii) Changes to the structure of Adult Social Care at County Level with a new consortium of stakeholders now taking the lead as to delivery are also in hand. These new wide ranging consortia already goes beyond the borders of the County and would not fit well to being replicated a number of times. It may well be that the new body could be a freestanding QUANGO. **It is very unclear what is happening and the pace of change.** However, under current legislation the service must remain under a local authority structure.
- (iii) Given that the direct of travel is to expand the geographic range beyond the County the suggest Combined Authority could take up this responsibility in conjunction with other local government structures.

Conclusion: Confused picture emerging with adult social care moving away from local government and into the hands of a move towards integration with Commissioning bodies.

Costing: Difficult to predict exactly but a clear advantage to the larger unit.

Which Structure? *If the system moves away to a consortium bigger than Oxfordshire, then neither local government option will fit and it will drift off into a self-contained regional QUANGO. However, if it remains with local Government then the County structure would be most appropriate or more likely into the shared service category.*

(4) Licensing

- (i) Licensing is unlikely to be contractualised there being little expertise in the private sector to take it on. Combining the licensing responsibilities between the Districts and City (Taxi/food vendors etc.) with those of the County (Film Locations etc). Would be relatively straightforward. This is likely to be one of the established services of the new authority(ies) as there are no plans to hive this off and its quasi legal status based on by-laws is integral to local government control.

Licensing is also a service that is very locally focused. The County however could counter with a devolved responsibility package.

Conclusion: Licensing likely to remain as primary function for the foreseeable future.

Costing: Marginal differences but there may be savings with a larger unit.

Which Structure? The responsibility could be delivered via a smaller unitary and would seem to favour the D/City model.

(5) Planning

- (i) County or the D/City unitaries could take responsibility for Planning. However, if this were a County unitary a high degree of local devolution would need to be established as the County itself is too far away from these very local decisions.
- (ii) Although central government may further erode local planning powers as they have done over the last 30 years it would seem unlikely that there will be privatisation of the service and it would seem this will become a core service for the new authority(ies).
- (iii) The new authority will no doubt have to take on board Central Government taking away certain powers they do not like local government exercising (*ie fracking decisions*) but that would apply to whatever structure is chosen.

Conclusion: Planning likely to remain as primary function but is best very locally delivered.

Costing: Virtually no difference between the models

Which Structure? The responsibility could be delivered via a smaller unitary and would seem to favour the D/City model. However, a devolved model within the County perhaps at Parish level may achieve the same accountability.

(6) Finance and Central Services

- (i) No matter what new structure is adopted the collection of the local government taxes, financial control and strategic planning plus a range of core services such as HR, legal advisory and IT support will continue. Whichever structure is adopted there would need to be amalgamation of staff at present delivering these core central services.

- (ii) The least disruption would come with a single County wide unitary and the large administrative unit would generate the largest potential efficiency savings.
- (iii) However all proposal see rationalisation of staff into larger units so saving would accrue from whatever structure is adopted.

Conclusion: The collection of local taxes and core service support will always remain at the heart of any new system

Costings; Very clear advantage to a County wide service on the basis of economies of scale.

Which Structure? *Although the services could be divided into core services for a number of unitaries it would seem that these services would be at their most efficient in a County wide structure.*

(7) Transport

- (i) Coordinating Transport strategies would be a difficult service to privatise as it requires a need for control and coordination. The service would not be enhanced by delivery via a number of authorities especially with regard to planning (bus routes etc.) as the flow of traffic is a County wide issue. Road repairs and maintenance would benefit from a larger organisational unit.
- (ii) However, many of the services such as Parking CPZs etc. could be delivered via either format as they are focused locally in their operation.
- (iii) Roads are in reality a jointly runs service now and division of an existing core of officers at the moment housed with the County could be disruptive but possible.
- (iv) As route planning goes beyond the District City borders the suggested Combined Authority could take on this responsibility.

Conclusion: The larger the unit of administration the easier for planning on a wide scale and service contract delivery. Parking could be local but transport coordination needs a bigger model.

Costings; Clear advantage to a C.C. Model for setting contracts

Which Structure? *Although the services could be divided into core services for a number of unitaries travel to work networks suggest a larger unit would be more efficient therefore a County structure may be the most applicable or even better given to the Combined Services Authority*

(8) Environment

- (i) The Districts the City and the County have their responsibility for Environmental issues. Who is responsible for what Green places is historic and relates very much to endowments and purchases that have been made over the last 200 years.
- (ii) There are clearly no plans to privatise this area with few potential providers.

- (iii) There will be little difference as to who manages these sites if either structure is adopted.
- (iv) There will be a legal issue of the transfer of assets. The County wildlife service now hardly exists and the City and Districts is little better.

Conclusion: Environment likely to remain as a responsibility.

Costings: Marginal either way

Which Structure? *The service could operate as effectively via the D/City or the C.C. . On the principle of subsidiarity the D/City models may be the most appropriate.*

(9) Waste Disposal

- (i) At present this is organised via the City and the Districts with the County controlling the recycling centres and organising contracts for further disposal via landfill and incineration.
- (ii) Private sector operators already extensively work within the County and have effectively secured the profitable contracts with industry commerce and various organisations. This mixed economy leaves the local authority to collect mostly domestic waste a situation that seem likely to continue with few pressures to contractualise the services which are generally seen as adequate and already devolved to a number of local depots.
- (iii) The long term viability of Ardley incineration is in doubt as recycling slowly gathers pace. Incineration never being a long term solution.

Conclusion: Waste Disposal is likely to remain as a responsibility.

Costings; The local structure would mean there is little advantage to either structure.

Which Structure? *The service could operate as effectively via the D/City or the County but would face the least reorganisation under the D/City model. On the principle of subsidiarity this may well be best delivered through a more local system.*

10) Birth Deaths and Marriages Plus Archive Records

- (i) Operating quietly and efficiently for decades Birth Deaths and Marriages has been a well-respected County service.
- (ii) The service is already divided into local offices one in each major township. Although smaller units the service would be relatively easily divided with minimal loss of efficiency especially if there were larger unitary groups.

Conclusion: Birth Deaths and Marriages will remain as key responsibilities.

Costings; There would be little difference in either system taking responsibility.

Which Structure? The service could operate as effectively via the D/City or the C.C. but already having numerous local offices would seem to face little reorganisation under the D/City model. On the principle of subsidiarity this may well be best delivered through a more local system.

11) Cultural Services and Libraries

- (i) Cultural Services including libraries are focused locally and could be organised via any of the structures suggested. Few grants to cultural events relate to the County as a whole and those that do very often draw from both tiers at the moment. There would be little difference to the service which local authority is in control.
- (ii) There is a minimal statutory obligation to provide a library service but no legal guidelines as to size or capacity of that service. Whatever is suggested would meet the legal requirements.
- (iv) With inter library service and mobile libraries declining the service is becoming increasingly localised. There would be small advantages in a larger unit from economies of scale in book purchases and the book fund.
- (v) The amounts that would be dispensed are likely to continue to decline as the Governments of all persuasions have been reducing funding of the arts for the last 20 years. The prospects for this service look bleak generally no matter what structure is established.

Conclusion: It would seem that Cultural Services and Libraries will be there as local authority services but continue their slow and steady decline.

Costings; Either system would be cost effective.

Which structure?; Given the increasing localism of the service balanced against the advantage of economies via the book fund the service could operate as effectively via the D/City or the County model.

(12) Mineral Extraction

- (i) The County administers mineral extraction at this time. There are in fact few licenses granted. However, the Government seem to want to restrict local authorities ability to turn down fracking operations and may be considering this responsibility in the future with greater central authorisation.

Conclusion: Mineral Extraction likely to remain as a responsibility but certain licenses may be taken away.

Costings: Minimal savings either way.

Which structure?: The service could operate as effectively via the D/City or the C.C. model . On the principle of subsidiarity this may well be best delivered through the District/City model.

(13) Fire Service

- (i) There is a government statement at the moment that they intend to transfer the Fire Service to the Police and Crime Commissioners responsibilities. The Police and Crime Commissioner is a single elected individual for the massive Thames Valley Area of which Oxfordshire is only a part. This would remove the Fire Service as a responsibility.
- (ii) The Government see potential savings in larger units and the much larger footprint of the Police and Crime Commissioners range would seem a viable new catchment. The move would help integrate emergency services and co working between police and fire and rescue.
- (iii) However a small number of Commissioners have objected to talking on this new responsibility and the deal has yet to be concluded. However it looks increasingly clear that the Government intentions are to remove this from local authority control some time in 2018.(TBA) However if it is to fit the area cover by Thames Valley police considerable internal reorganisations and amalgamations would be required and a date in 2020/21 seems more realistic.

Conclusion: It seems likely that the Fire Service could be taken away from local authority control within four years.

Costing: If the service is removed the money will go with it.

Which structure?: As the direction of change is to have larger fire service groups areas devolution to smaller units would probably not be unacceptable to the Government. The C.C. model would be the most appropriate as a residual body but it would only last for three, perhaps four years.

14) International Links

- (i) Although the County does not have international links via Twin town concepts the Districts and the City all have extensive twin town arrangements many of which have been in place for over 50 years.
- (ii) This cannot be privatised as there is no commercial value and the whole operation is delivered on a minimal budget almost totally reliant on volunteers.

Conclusion: Although amalgamating all the links into one is possible, the smaller unitaries would seem to have the best prospect for continuity.

Costing: The costs of reorganisation either way would be very small.

Which structure? ; It seems clear the links may best be preserved via the District and City model as the links would be more easily transferable.

(15) Pensions

- (i) The County provides the pension service for its employees the Districts and the City.
- (ii) However Mr. Osborne has announced that there will now be regional ‘Wealth Boards’ created which will amalgamate the investments of the various local authorities plus other public bodies. For Oxfordshire this will mean a new structure already identified as the **Brunel Trust** stretching all the way to Cornwall.
- (v) Ominously the announcement also seems to suggest that there will be more direct government control of the distribution of these local authority investment and the revenue they generate. It is unclear if he will have the power to cut local authority pensions or take money out into a central account. However so far no such control is on the table.
- (vi) If the Government want more direct control over public sector investment funds is open to question but there is no little doubt that the change will take place and yet another local authority service will move into the hands of an appointed regional QUANGO.

Conclusion; The pension fund responsibility will probably have gone by 2017/18 (TBA).

Costing; If the service is removed the allocation to administer the service will disappear.

Which structure? ; Neither structure could take responsibility by the time of reform.

(16) Housing

- (i) The new Unitary(ies) would take over responsibility for Housing.
- (ii) This would seem a service best delivered via the D/City model for there is little advantage of larger unit of organisation and there are very different pressures for different types of housing at local level.
- (iv) However, with the proposed sell off of Housing Association estates and increasing the subsidy for Council house sales public housing will continue to decline.
- (v) There are clearly no signs of a change of policy from the reliance on the private sector to provide housing stock from either of the two major parties.
- (vi) However Mr John Macdonell the Labour Shadow Chancellor has said that Labour will ‘create’ 100,000 units of ‘social housing’ over 5 year but even that figure will only slow the decline in public sector housing. Even so, he did give a clear commitment to the return of rent tribunals with real powers to regulate rent increases. That would give a new range of activities to local government. Most of the initiatives to stabilize rents and other attempts to control the private sector such a (e.g. private landlord licensing schemes) are locally based and best organised at a very parochial level. The Government are also moving to reduce the role of housing benefit and that payment will be phased out in favour of universal benefit in a few years’ time. This will reduce local government responsibility and transfer staff to the central civil service.

Conclusion: *What remains of public sector housing and rent control issues will be there for the new unitary but is likely to continue its slow decline.*

Costing: *The administrative unit of economy would seem to favour the D/City model.*

Which Structure?; *Housing is local service which is can best be organised in local frameworks to which the D/City structure would seem most appropriate.*

17) Leisure and Recreation

- (i) The districts and the City at the moment have responsibility for Leisure and Recreation and its substructure along local lines.
- (ii) Numerous private providers have been contracted by the City and Districts to provide services at local swimming pools and leisure centres. The degree of success of these contracts is open to debate but they exist and would need to be transferred to the new authority(ies)

Conclusion. *Best administered locally. Existing contractualisation to be taken into account*

Costing; *Marginal advantage to keeping it delivered locally.*

Which Structure? *Leisure provision is local service which can best be organised in community frameworks to which the District/City structure would seem most appropriate.*

18) Other Services

There are number of other minor services some of which are quasi-independent. e.g. Tourism. These are mostly grant related and could fit with either structure.

Economic Planning

Over the last 5 years there have been increasing moves with submissions to Government to establish economic development in the hands of a 'business friendly ' commercial focused QUANGO. In 2011 this crystallised into the Local Enterprise Partnership.

The LEP has Council reps from the County the Districts and the City + academic and business reps. Numerous Other spin offs e.g. The Growth Board have been established.

As staff have been transferred to the ever more established LEP from the City and the County this local Partnership has effectively taken responsibility for economic investment projects.

There is little doubt that keeping the LEP free from political interference is critical to Government support and no doubt the views of the governing body will be listened to directly by Central Government.

Having Strategic Planning and Investment as an element of a Combined Authority (perhaps with an Elected Mayor) may be an attractive option to Government as that would separate it from unitary influence.

Conclusion: *Control over economic growth is to be taken away from local authority networks that may slow approval down.*

Which structure?; *Both submissions see Strategic Planning as a service for shared services.*

Democratic Control

It will be important whichever unitary structure is chosen to have democratic elected councillors in place to ensure accountability. With the abolition of the existing two tier system considerable saving can be made in funding the democratic overview with fewer councillors overall .

However it will be important that the new unitary structures recognise that more work will develop for the councillors elected to the new bigger single tier unitary council(s),

Larger numbers than on the existing councils will be needed even though the total numbers will decline. This is best done by having smaller wards or divisions if it is to be single member representation than the existing County seat numbers.

Permission to organise elections using Proportional Representation may also enhance democratic involvement of the local electorate.

9. Conclusions

- 1) Oxfordshire is a unique reorganisation having an overwhelmingly dominant City with small market towns surrounding it. Finding a pattern to fit will be difficult.
- 2) The C.C. model is too big for local people to identify with. Most relate to their town or the City.
- 3) The Four Unitaries suggested by the D/City consortia are too small to generate saving of any magnitude and for certain services to small to be efficient administrative units.
- 4) Three Unitary authorities do fit a wider range of services and relate more to a viable political unit. The transition also offers more savings . Two would also be a viable structure.
- 5) The C.C. model probably offers the most saving from rationalisation and transition but how much is open to debate as the Unitaries would be bigger units too.
- 6) Although the County is the better unit for many of the big spending services some of these are to be removed over the next few years or will decline in their activities and responsibilities as a result of Central Government decisions. Almost all the District City services will remain. **This is critical factor.**
- 7) The majority of retained services are best delivered via the D/City unitary models if the unit size is approximately one third or more the size of the County. (ie 3 Unitary Authorities) that would seem the best option.
- 8) Certain responsibilities will need to be given to a County wide shared service authority such as transport, strategic economic development and probably adult social care.

- 9) Should the Districts and City not modify their submission to 3 or even 2 authorities the County option is the only feasible structure.

- 10) There is a need to clarify now what democratic accountability structures would be foreseen for the respective bids in terms of the number of Councillors and the expected governance structure. There is also the opportunity to introduce PR to Council elections. Analysis of the best service delivery structure is not the only criteria for choice.

10) Recommendation

Given that many of the County service will be taken from local government over the next few years and that those that remain are best delivered at a more local level it would seem that the District City unitary model may be more appropriate especially if we are to presume that the principle of subsidiarity should be applied.

This is on the proviso that a proper democratically accountability structure is built into the District/City bid.

The Combined Authority will be critical to the successful working of any District City bid for clearly numerous services do not fit well with a locally focused provision. Having an elected mayor for these defined services is an option that should be considered and may well be imposed anyway by Central Government.

However, a structure based on 4 unitaries would generate few savings in economies of scale and if that concept is to succeed the new structure would need to be at least 3 independent authorities. The only issue with that is that within that structure the only unit that generates a collective geographic coherence is the City.

The County may well seek to enhance democratic accountability by strengthening via devolution local representation but that would not equal the attraction separate elected authorities would generate.

We need to consider the political representation structure and to ask if the elections could be run under a Proportional Representational system. If it is to be a County structure the present 63 member group will need to be replaced by Council with much smaller divisions and a number on the Council approaching 100. The workload on the Councillors if the present range of District/City councillors is no longer in place will increase. If it is to be the District/City Unitaries again larger councils will be required to illustrate that new areas are to be represented...Councils of at least 80 for each of three unitaries .

Appendix

Quick Analysis Table

Service	To remain or hived off?	Efficient Delivery via the County?	Efficient Delivery via the City/Districts?	Democratic Advantage
Education	Gradual move away to academies and Central funding	Preferably County To retain larger Cost effective residual body	Could be City /Districts if 3 unitary units	Marginal difference but probably best with the County
Children's Services	retained	Could be County	Probably best City /Districts As heavily focused on the City	Marginal Advantage to the District/City bid
Adult Social Care (still unclear)	Unclear: Moving to a new QUANGO ???	Possible County link	Not suited to smaller unit	Advantage the County to mirror move to larger commissioning agent
Licensing	retained	Could be County	Probably best City /Districts unitaries	Advantage with the City /Districts
Planning	retained	Could be County	Probably best City /Districts or even more local bodies	Advantage with the City /Districts
Finance and Core Services	retained	Advantage with the County for Economy of scale	Could be City /Districts if large units	Marginal Advantage the County
Transport	retained	Advantage with the	Could be City	Advantage with the

		County economy planning for +	/Districts	County on the basis that transport strategy is clearly County focused. Best delivered via shared service authority.
Environment	retained	Could be County	Probably best City /Districts	Advantage with the City /Districts
Waste Disposal	retained	Could be County	Probably best City /Districts	Advantage with the City /Districts to bring together collection and disposal
Birth Deaths and Marriages	retained	Could be County	Probably best City /Districts	Advantage with the City /Districts as already Township focused
Culture and Libraries	Retained but declining	Could be County	Probably best City /Districts	Advantage with the City /Districts
Mineral Extraction	Retained but with reduced powers	Advantage with the County for economy planning +	Could be City /Districts	Marginal difference
Fire Service	To be moved to Police and Crime Commissioner		Best Residual body the County	Temporary Advantage the County
Pensions	To be moved to new QUANGO 2017		Best Residual body the County	Temporary Advantage the County
International Links	retained	Not suited to County.	Advantage with the City/Districts for historic reasons	Advantage with the City/Districts for historic reasons
Housing	Retained but with reduced influence and operation	Could be County	Probably best City /Districts	Advantage with the City /Districts as very different housing needs in different townships
Leisure Services	Retained but contractual	Could be County	Probably best City /Districts	Advantage with the City /Districts . Seen as local provision.

Economic Planning	Removed to the LEP	Shared service	Shared service	Advantage the County As a bigger field of operation but best delivered as Shared Service
Democratic Accountability	The total number of Councillors will be cut in any move to unitaries.	Moving to unitaries will require larger number of Councillors than exist on the County or existing City and District Divisions	Moving to a single County would cut the total number of Councillors but they may be more remote.	Democratic advantage with the District /City submission.

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