

Council Meeting – 21 February 2006 – Item 10

Restructuring Local Government: Independent Group View

The problem facing any central government is that doing nothing is not an option. The danger is that we end up with change for the sake of change. In the case of the fairly vague proposals being touted about at the moment we now face a plan to pass some powers down to 'first tier' local government while creating new 'second tier' unitary authorities.

At its most dangerous this represents a heavy handed attempt to legitimise Regional Assemblies, which cannot find favour via the ballot box, in that they will become the strategic body providing the overlay under which the two local tiers will operate.

While the Independent Group would support in principle the idea of devolving powers down to the level at which they are most appropriate it is the lack of detail which causes concern and distrust.

Does the 'first tier' refer specifically to town and parish councils? Will current councils at this level need to be merged to achieve the 40,000 ideal size indicated in some quarters of central government? Will increased responsibilities be properly financed from central government or by diverting resources from the existing District and County Council budgets?

How will the 'second tier' relate to local communities if it is too far away geographically? What does this mean for accountability? Will this be a costly reorganisation exercise with brand new buildings or a make do exercise based upon what already exists? What real scope is there for economies of scale? Will it not in fact lead to diseconomies in public service provision?

The problem is that we have no answers to these questions as yet and therefore can do little more than address key principles.

Instinctively this restructuring smacks of greater centralisation under the guise of localism and modernisation. It seems to mean responsibilities currently held by the District Council being moved to an inappropriate level either financially or democratically. If it can be demonstrated otherwise then it might be worth serious consideration.

The Essex County Council position is that a very small working party under Lord Hanningfield will look at providing an argument to keep the three tiers as currently exist while examining the 'substantial' back office savings which can come about by amalgamating specialist back office staff so that they can serve the whole county. 'Back office savings' is the new buzz phrase and it needs to be demonstrated that these really exist. The one example provided by Lord Hanningfield was that Legal Services for the county could be run from a single location such as Witham and this would provide greater expertise at a significantly lower cost. The problem with such thinking is that it may not stand up to scrutiny either in terms of actual cost savings and more importantly effectiveness. Anyone who has had to deal with Essex County Council's Legal Services will have concerns about the time frames involved in legal dealings as legal officers become more remote.

Also by coming out strongly in favour of the two PCT's instead of the 5 PCT's model preferred by our own PCT we are left wondering if the District is about to be sold down the river in the same way with a last minute Essex County view that two unitary authorities is the best or 'least worst' option for the future of local government.

As things stand we are being presented with generalised principles which have not been tested by practical realities, and rumours for which there are no details.

All we are told is that there is a juggernaut coming our way in the form of local government restructuring, we need to respond positively and that the projected timetable is for this to be in place by 2009. This does not seem to put Epping Forest District Council in a position where it can expect to be adequately consulted or undertake detailed rational debate.

The Independent Group's position is to view such proposals with great scepticism. It almost seems to represent a return to a past structure at a time when the government's other ideas such as 'partnerships', 'local area agreements' and 'shared service provision' have not had much chance to work or fail in Essex.

By threatening the existence of District Councils the proposals bring the danger of making local government too remote concerning issues that really matter to local residents.

For now we must decide whether to play the game and try to influence/dilute wherever we can or look to oppose such changes. The second option might be premature given the lack of detailed proposals. Indeed this might explain the strategy of government so far in preventing outright opposition. But noises of discontent need to be made before it is too late. We are in real danger of being manipulated into seeming to tacitly agree to changes for which we have no sympathy.

We need to also focus on what are the implications for the assets of the Council if such changes occurred. Councillors are unlikely to want to stand by and watch the Council's assets be transferred to a bigger authority that will include councils with substantial debts. It makes sense to create a working party to investigate options available if worse case scenarios materialise. Members should hardly need reminding that Epping Forest PCT has loaned Uttlesford PCT £1 million and if the two PCT model is enforced then that £1 million is unlikely to be repaid ie a massive transfer of resources from Epping Forest to Uttlesford has occurred which was not the intention.