

REPORT TO:	COUNCIL	AGENDA ITEM: 7
DATE OF MEETING:	5th NOVEMBER 2020	CATEGORY: DELEGATED
REPORT FROM:	CHIEF EXECUTIVE	OPEN
MEMBERS' CONTACT POINT:	FRANK MCARDLE frank.mcardle@southderbyshire.gov.uk 595702	DOC:
SUBJECT:	VISION DERBYSHIRE (NON-STRUCTURAL REFORM)	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE:

1.0 Recommendations

- 1.1 That Council note the progress and work that has taken place with Derbyshire Councils on the development of Vision Derbyshire – a new collaborative approach to deliver non-structural reform across Derbyshire.
- 1.2 That Council note the Government's future plans to publish a White Paper on Devolution and Local Recovery and the potential implications for local government reform in Derbyshire.
- 1.3 That Council note the announcement (set out in paragraph 3.14 of this report) the Secretary of State for Housing, Communities and Local Government made recently in relation to local government reform.
- 1.4 That Council note the potential offered by the proposed White Paper to secure a devolution deal for the East Midlands and the resultant potential benefit to Derbyshire Councils.
- 1.5 That the Council approves the principal of Vision Derbyshire, as outlined in this report together with its background papers, as the Council's preferred option for local government reform at this time.
- 1.6 That Council endorses the policy direction set out in the Vision Derbyshire 'Case for Change' and 'Proposition to Government' and notes the emerging governance proposals as drafted at this stage.
- 1.7 That Council authorises the Leader, the Chair of Overview and Scrutiny and the Chief Executive to engage in further discussions at local, regional and national level to support and enable the full development of Vision Derbyshire as the preferred option for local government reform in Derbyshire for further consideration by the Council.
- 1.8 That Council asks the Leader, the Chair of Overview and Scrutiny and the Chief Executive to prepare regular update reports for the Council on Vision Derbyshire, the

Government's White Paper on Devolution and Local Recovery, when published, and on details of any alternative proposals as they arise.

- 1.9 That Council authorises the Leader, Chair of Overview and Scrutiny and the Chief Executive to participate in discussions with other Derbyshire Councils on any alternative proposals that may emerge to the Council's preferred option and to report back to the Council for further consideration.

2.0 Purpose of the Report

- 2.1 To provide an update on work taking place with Derbyshire Councils on non-structural reform known as Vision Derbyshire and to approve the Council's future participation in the proposed non-structural reform.

3.0 Detail

- 3.1 Price Waterhouse Cooper were commissioned to support the development of the approach and programme of work which has been undertaken in two phases over the last eighteen months, as follows:

- 3.2 **Phase 1** - All ten Councils in Derbyshire – the County Council, City Council and eight District and Borough Councils – worked together during the first phase to identify shared priorities and agree to strategically collaborate on the improvement of outcomes for people and places. This phase aimed to identify and explore the existing level of ambition and appetite of stakeholders to progress non-structural reform in Derbyshire and resulted in the development and agreement of:

- **Principles for collaboration** to guide future working such as improve outcomes, speak with one voice, better coordination, provide a visible alternative to unitarisation and delivery to be sustainable
- **Areas for future collaboration** to provide a potential focus for future working such as climate change, tourism, skills and employment, social mobility and economic prosperity
- **Critical success factors** to drive a step change in approach/ways of working to accelerate a truly different model of local government in Derbyshire, including working at pace and building on momentum, working as a collective in a different physical and mental space from business as usual and strengthening and role modelling collaborative and collective leadership behaviours.

- 3.3 The work undertaken as part of the first phase marked a statement to develop a fundamentally new way of working together, to deliver differently for the people of Derbyshire and following successful completion of Phase 1, Councils agreed that further work to turn the vision and ambition into a viable alternative to structural reform through a second phase, was required. Derby City Council, who participated in Phase 1 of the approach, declined to participate in Phase 2, although the opportunity to work collaboratively on the further development of the approach has remained open.

- 3.4 **Phase 2** - Phase 2 of the programme, which commenced in March 2020, which was the subject of recommendations approved by this Council at its meeting on the 28th February 2020, has subsequently resulted in the development of an ambitious approach to non-structural reform – Vision Derbyshire - and the development of a

case for change and proposition to central government focused around four key ambitions as follows:

- **Seize innovation** - pioneering skills and technologies for a sustainable future economy
- **Establish relentless ambition** - creating opportunities for everyone in Derbyshire and making these visible
- **Build proactive communities** - harnessing the energy in Derbyshire's communities and empowering people to make change
- **Live and work sustainably** - committing to a zero-carbon footprint in our tourism, wider economy and ways of working.

- 3.5 The case for change is a collective commitment to strategic collaboration across Councils and is intended to improve outcomes for Derbyshire people and places. At this stage however, it is not a detailed business case or delivery plan.
- 3.6 The Vision Derbyshire case for change, which has recently been finalised, is attached at Appendix A for consideration by Council.
- 3.7 A new formal governance model to support effective decision making has also been identified in taking the approach forward. The new governance model would see the creation of a new Joint Committee for Vision Derbyshire attached at Appendix B.
- 3.8 A number of enablers to support and embed collaboration, such as leadership, culture, technology, workforce, customers and assets have been identified as key components of the approach and these will underpin the potential organisational and wider system benefits that could be achieved if the new approach were to be taken forward.
- 3.9 A number of asks and offers to central Government to support the realisation of ambitions have been identified. The asks request specific freedoms, flexibilities and resources to deliver identified priorities, whilst the offers outlined the role the partnership will play in delivering better, more ambitious outcomes for less resource.
- 3.10 With a shared commitment and strong governance across all Derbyshire Councils, the case for change argues that, collectively, Councils can rapidly transform the way they work together and what they offer to local people. At the heart of the case for change is the belief that strong commitment to strategic collaboration can improve outcomes and has the potential to realise financial efficiencies, delivering the benefits of reorganisation without the administrative burden, financial cost, time delays and political upheaval.
- 3.11 The Government announced its intention to publish a White Paper on Devolution and Local Recovery, as a means to 'level up' all parts of the country and reduce regional inequalities, during the final stages of Phase 2 of the development of the Vision Derbyshire case for change. Whilst the formal content of the White Paper is not yet known, it is expected that the Government will set out its proposals for local government structural reform in England along with setting out the role which greater devolution will play in national recovery.
- 3.12 Many councils across the country are currently exploring the potential offered by the proposed White Paper to secure a devolution deal for their areas. Any devolution

deal for the East Midlands would be likely to result in significant additional investment in infrastructure, skills, transport and housing in Derbyshire. In light of the continued pressure on public finances and the current and continuing impact of Covid19, such investment could be of vital importance in supporting the economy to recover from the pandemic for the benefit of local people.

3.13 The initial announcement of the publication of the White Paper, resulted in a sense of urgency and need to present the Vision Derbyshire case for change, as a viable alternative to local government structural reform, including the creation of Unitary Councils. Therefore a letter to the Secretary of State for Housing, Communities and Local Government, signed by all Derbyshire Councils excluding Derby City, requesting a meeting to discuss the approach was sent on 4th September 2020, attached at Appendix C to this report, with a meeting yet to be arranged.

3.14 However, Robert Jenrick, the Secretary of State for Housing, Communities and Local Government has recently announced that;

'Locally-led changes to the structure of local government, whether in the form of unitarisation or district mergers, can be an appropriate means of improving local accountability. However, restructuring is only one of the different ways that councils can streamline and make savings. Joint working with other councils and partners can take a variety of forms ranging from adopting joint plans, setting up joint committees, sharing back office services or special purpose vehicles to promote regeneration'.

'The Government will not impose top-down restructuring of local government and will continue to follow a locally-led approach for unitarisation where councils can develop proposals which have strong local support. This has been the Government's consistent approach since 2010, when top-down restructuring was stopped through the Local Government Act 2010. When considering reform, those in an area will know what is best - the very essence of localism to which the Government remain committed. However, the pandemic has rightly necessitated resources across Whitehall and in local government being reallocated to tackling covid-19 and on economic recovery, and this must be Whitehall's and town halls' No.1 priority at present'.

'There is no expectation that such restructuring is a Whitehall requirement'.

3.15 Subsequently on the 13th October 2020 the Leaders of all eight district and borough Councils in Derbyshire signed a letter to the Secretary of State for Housing, Communities and Local Government and to the Minister for Regional Growth and Local Government expressing shared concerns and an opinion that now is not the time for structural reform of local government in Derbyshire attached at Appendix D to this report.

3.16 At a meeting of the Vision Derbyshire Leaders and Chief Officers group held on 16th October 2020, there was consensus that the principle of Vision Derbyshire remained for consideration and that there was a need to progress the principle through Council approval routes to enable, if approved, engagement with government, local MP's and wider elected Members and officers.

3.17 Priority areas to accelerate delivery were also discussed at the meeting - initial thoughts centred on a strategic approach and 'collaboration at scale' aimed at; the visitor economy; climate change and social housing amongst others. The group also discussed the opportunity to consider putting in place a jointly funded resource/team

to support delivery. Outline plans would be developed and brought for consideration at a future meeting by each Council.

4.0 Financial Implications

4.1 Following the approval at a meeting of the Council on the 28th February 2020 a contribution in the sum of £17,000 was made to support phases 1 and 2 of Vision Derbyshire.

4.2 Any further costs would have to be set out in further reports for consideration, which identify actions the Council will need to undertake together with the resources and capacity required to participate in both the development and future implementation of proposals. This would need to include a full value for money assessment to determine whether any future proposals/actions are economical, efficient, effective and equitable for the Council.

5.0 Corporate Implications

5.1 To remain as the Council currently operates is an option. However, Members may take the view that this would be unlikely to produce the positive impact on the District that the Vision Derbyshire concept has the potential to deliver.

Employment Implications

5.2 None at this stage.

Legal Implications

5.3 To consider in detail the new governance model to support effective decision making which would lead to the creation of a new joint committee for Vision Derbyshire attached at Appendix B.

Corporate Plan Implications

5.4 The Council's vision to ensure the District remains a great place to live, work and invest is identified in the three key priorities of, our environment, our people, and our District. The potential areas of focus for the non-structural reform reflect the ambitions of a prosperous and healthy South Derbyshire.

Risk Impact

5.5 Low.

6.0 Community Impact

Consultation

6.1 Not at this stage.

Equality and Diversity Impact

6.2 There are no known negative equality impact issues at this stage.

Social Value Impact

- 6.3 To be determined in the event of the adoption of the case for change attached at Appendix A to this report.

Environmental Sustainability

- 6.4 To be determined in the event of the adoption of the case for change attached at Appendix A to this report.

7.0 Conclusions

- 7.1 The report seeks Members approval to the adoption of Vision Derbyshire as the Council's preferred option for Local Government Reform at this time.

8.0 Background Papers

Vision Derbyshire Executive Summary.