

<b>Report title:</b> Local Government Reform – Update and Position Statement	
<b>Report to:</b> Corporate Scrutiny Committee	
<b>Report author:</b> David Finch, Leader	
<b>Date:</b> 24 <sup>th</sup> November 2020	<b>For:</b> Discussion
<b>Enquiries to:</b> Gavin Jones, Chief Executive	
<b>County Divisions affected:</b> All Essex	

### 1. Purpose of Report

To update Corporate Scrutiny Committee on ECC's position with regard to LGR.

### 2. Session aims

For the Corporate Scrutiny Committee to note ECC's position.

### 3. Summary

On 3<sup>rd</sup> July, the then Minister for Local Government, Simon Clarke MP, gave a speech to the LGA Conference setting out the Government's vision for local government – building on commitments made in the Conservative Party manifesto.

He confirmed that the Government would be issuing a White Paper on devolution and local recovery in the autumn that would set out plans for “many more elected mayors and more unitary councils following in the footsteps of Dorset, Buckinghamshire and Northamptonshire so that we can remove the complexity of governance and reduce costs to the taxpayer while making space for town and parish councils to be genuinely empowered.”

In a bilateral meeting with the Leader of Essex County Council, Simon Clarke expressed strong interest in Essex developing a local government reform (LGR) proposal and being amongst an early wave of potential LGR candidates.

Following this steer from the Minister both about national policy and about the prospects for Essex specifically, the County Council convened a meeting of Leaders from across the city, borough and the district councils and the two unitaries of Southend and Thurrock to discuss LGR. Cllr David Finch set out the case for LGR in Essex as follows:

*“Across Essex we have one of the most complex political and organisational geographies in the UK – 1 county council, 12 city, borough and district councils and 2 unitary councils. We all agree that a sustainable solution for Greater Essex is needed and the opportunity Local Government Reform presents us with can help us unleash our reform potential, deepen community engagement, have more control over funding and streamline processes for*

*residents. It is important that we act now and progress with developing proposals so that we are taken seriously by Government and aren't left behind and ensure that Essex is well positioned for future opportunities which see all residents and businesses benefit."*

Following the meeting of Leaders, some initial preparatory work was taken forward on LGR as a collaborative exercise involving all city, borough and district councils and the two unitaries. This was intended to explore the design options around LGR and the potential benefits for residents from LGR to enable Essex to submit an LGR following the expected publication of the White Paper. This preparatory work has included financial modelling exploring the potential efficiency savings from different unitary configurations across Greater Essex.

Since the summer, the Government's position on LGR has shifted and LGR has been relatively deprioritised. The promised White Paper has been delayed and the Secretary of State for Culture and Communities, Robert Jenrick MP, recently indicated that only three areas – Somerset, Cumbria and North Yorkshire – will initially be approved for unitarisation.

Essex County Council continues to support the principle of LGR for Essex on the basis that it can deliver a simpler, more transparent and more cost-effective form of local government than we have now. However, we have not yet reached a conclusion, either internally or with our partners, about the optimum design of LGR for Essex that would maximise benefits for our residents.

In view of the Government's deprioritisation of LGR, we have paused our preparatory work on LGR and we are focusing resources on the pressing public health, economic and operational issues arising from the resurgence of Covid-19. We believe that collaboration with partners in Essex should be focused on these pressing issues for the coming months rather than on structural reform. However, we remain open to resuming work on LGR in future should the Government come forward with a White Paper setting out a framework for LGR that we think is achievable in Essex and that would deliver benefits for our residents. And we remain interested in pursuing non-structural reform discussions with partners through the Essex Partnership Board and other mechanisms.

This paper reflects ECC's position. Partners across the county will have their own views as to the viability and relative priority of this work at this time and there is a continuing dialogue with Essex Leaders and CEOs on this matter.