

# Audit & Governance Committee

**Dorset County Council**



Date of Meeting	13 March 2017
Officer	Jonathan Mair, Head of Organisational Development
Subject of Report	<b>Emerging governance arrangements for new unitary authorities</b>
Executive Summary	<p>At the meeting of the Audit and Governance Committee on 16 January members added to their work programme: "Road map for governance arrangements in a new unitary authority – 13 March 2017"</p> <p>This report sets out the current position on the "Future Dorset" proposal to replace the existing principal local authorities in Dorset with two new unitary councils and describes the overall timeline and possible governance arrangements for the transition.</p>
Impact Assessment:	Equalities Impact Assessment:  None for the purposes of this paper. An Equalities Impact Assessment was completed for a paper to all nine principal local authorities in January 2017.
	Budget:  The financial case associated with establishing new unitary councils was detailed in the paper considered by the County Council in January 2017.
	Other Implications:  None at this time.

## Emerging governance arrangements for new unitary authorities

Recommendation	Members are invited to note and comment upon the emerging timetable and possible governance options for new unitary authorities and transition arrangements.
Reason for Recommendation	To enable the committee to comment upon the emerging governance arrangements.
Appendices	Timeline from the present to April 2019
Background Papers	<ol style="list-style-type: none"><li>1. Reports and minutes of the County Council when it has met to consider proposals to re-organise local government in Dorset.</li><li>2. Future Dorset proposals to the Secretary of State <a href="https://futuredorset.co.uk/">https://futuredorset.co.uk/</a></li><li>3. Future Dorset video <a href="https://futuredorset.co.uk/">https://futuredorset.co.uk/</a></li><li>4. Primary legislation including the Cities and Local Government Devolution Act 2016.</li><li>5. History and documents relating to the establishment of Cornwall Council <a href="https://www.cornwall.gov.uk/council-and-democracy/council-background/unitary-bid/">https://www.cornwall.gov.uk/council-and-democracy/council-background/unitary-bid/</a></li></ol>
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### 1. Background

- 1.1 At its meeting on 26 January 2017 the County Council considered a report by the Chief Executive on the future of local government in Dorset, Bournemouth and Poole. Chief Executives of all nine principal local authorities presented the same core report and recommendations to their councils.
- 1.2 The County Council, together with Bournemouth Borough Council, North Dorset District Council, The Borough of Poole, West Dorset District Council and Weymouth and Portland Borough Council resolved that a submission should be made to the Secretary of State for Communities and Local Government requesting that the existing nine county, district and unitary councils should be replaced by two new unitary councils and that the two new unitary councils should be based upon the following local authority boundaries:  
  
**Unitary A:** Bournemouth, Christchurch and Poole plus the services currently provided by Dorset County Council in this area.  
**Unitary B:** East Dorset, North Dorset, Purbeck, West Dorset, Weymouth and Portland plus the services currently provided by Dorset County Council in this area.
- 1.3 The Council meeting on 26 January gave the Chief Executive delegated authority, after consultation with the Leader, to agree the wording of a submission to the Secretary of State demonstrating the Council's ambition for local government transformation and drawing on the evidence that has been presented to councils, the submission to be made along with any other council that had agreed to support the same option for local government reorganisation. Delegated authority was also given to the Chief Executive, after consultation with the Leader to work with other councils that support the same

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option for reorganisation to develop and implement appropriate plans and to allocate appropriate resources to progress local government change in Dorset.

- 1.4 A Future Dorset proposal was submitted to the Secretary of State for Communities and Local Government Sajid Javid by the six councils supporting the proposal for change on 9 February 2017. Details of the proposal put to the Secretary of State, including the full proposal document and a video promoting Future Dorset can be found on the Future Dorset website. <https://futuredorset.co.uk/>

### 2. Timeline

- 2.1 The appendix to this report sets out at a high level the timeline of activity leading to new unitary councils coming into existence on 1 April 2019.
- 2.2 The proposal is currently with civil servants and the intention is that they will report to the Secretary of State in time for him to make an “in principle” or “minded to” decision on or around 23 March 2017, ahead of the purdah period for the local government elections. If the Secretary of State does support the proposal then the expectation is that a firm decision will be made in May/June 2017 following the elections.
- 2.3 Through the remainder of 2017 work will be undertaken between civil servants and the Future Dorset Monitoring Officers on the content of legal orders to dissolve the existing local authorities, to set out the arrangements for establishing and transition to the new unitary authorities and to establish those new authorities with effect from 1 April 2019. The expectation is that parliamentary process will be completed in December 2017 and that formal implementation arrangements through which members will oversee the establishment of the new unitaries will be put in place in Dorset from January 2018.
- 2.4 The main options to be considered for inclusion in the legal orders for the implementation arrangements from January 2018 are either:
  - An “Implementation Executive” or
  - Shadow Authority with a Shadow Cabinet
- 2.5 It is likely that there will be an Implementation Executive for the Dorset area unitary and a Shadow Authority with a Shadow Cabinet for the Bournemouth, Christchurch and Poole unitary. The reasons behind the intention to have an Implementation Executive in one unitary and a Shadow Authority and Cabinet in the other are technical and relate to the shared geography of the Dorset unitary through the administrative boundaries of the existing County Council. The important point is that with effect from January 2018 the Secretary of State will establish new bodies for the area of each emerging unitary and those bodies will have the responsibility for doing all that is needed to ensure that the new unitary councils are in place and ready to take on their functions with effect from 1 April 2019. On this timeline the Implementation Executive and Shadow Authority/Cabinet will have some 15 months to complete the work of establishing the new unitary councils
- 2.6 Based upon Implementation Executive arrangements put in place to establish other unitary councils it seems likely that the Secretary of State will provide equal representation to the County Council and the district councils on an Implementation Executive for the Dorset area. When Cornwall Council was established the Secretary of State’s order provided for an Implementation Executive comprising 12 County Councillors and 12 District Councillors (two from each of the six Cornish districts). If this same approach was followed then we might expect an Implementation Executive to comprise 10 County Councillors and 2 District Councillors from each of the 5 district councils for the Dorset area unitary.

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### 3. Governance Arrangements ahead of January 2018

- 3.1 High level governance for the pan Dorset programme leading to the report considered by all nine councils in January 2017 has been provided by the Dorset Leaders Group and by the Dorset Chief Executives Group. As Christchurch, East Dorset and Purbeck councils have not supported the proposal to the Secretary of State high level governance of the programme is now being provided by the Future Dorset Board comprising leaders of the six councils who support the proposal and the Future Dorset Chief Executives.
- 3.2 Our work leading to the January 2017 report to all nine Councils has been undertaken successfully on a pan Dorset basis. The six local authorities who support the Future Dorset proposals continue to work successfully together on that same pan Dorset basis but it is apparent that in January 2018 the Secretary of State's Order will cause a formal divergence in the governance arrangements. At that stage councillors drawn from the existing local authorities in each of the emerging unitary areas will become responsible for the separate programs of activity needed to establish the two unitary councils. There will be overlapping areas of activity where the two emerging unitaries are likely to wish to work together but the governance is provided by and officer accountabilities will be to two separate member bodies, one for each emerging unitary.
- 3.3 If we are to maximise our opportunities not only to establish a new unitary council for the Dorset area but to do so in a way that enables services to be transformed and delivered differently then we will need more time than the 15 months between January 2018 and 1 April 2019. There will be a need to undertake preparatory work ahead of January 2018 and so each of the emerging unitary areas will need to give consideration to what arrangements they wish to put in place for oversight and governance between now and January 2018.
- 3.4 Within the County Council itself the Shaping Dorset's Future Board and its workstreams have provided a governance framework within which members have been able to shape the unitary proposals as they have emerged and to give early thought to key principles, for instance the approach to devolving powers to town and parish councils. Increasingly district councillors have participated in the Shaping Dorset Workstreams but it is still the case that Shaping Dorset was established by the County Council and there is a need for whatever governance arrangements are now put in place ahead of January 2018 to be owned equally by the existing councils for the emerging Dorset area unitary.
- 3.5 The Future Dorset Monitoring Officers are working on possible approaches to pre January 2018 governance and these are to be considered by the Future Dorset Board and Chief Executives. In line with our previous joint working the expectation is that agreement should be reached so that the same report and recommendations could be put to all of those councils concerned, perhaps the May/June 2017 round of council meetings.
- 3.6 Consideration will need to be given to the positions of those councils which do not support the Future Dorset proposals. By January 2018 governance arrangements will be prescribed but until that point unless there is any change in the positions of the councils who do not currently support Future Dorset they will sit outside of whatever governance arrangements the other councils put in place.

### 4. Scrutiny

- 4.1 As part of the proposals for pre and post January 2018 governance councils will need to consider what arrangements should be put in place to scrutinise the work of the Implementation Executive and whatever governance arrangements precede it.
- 4.2 It is suggested that whatever scrutiny arrangements are put in place should be on a joint basis, so that the councils which support Future Dorset conduct any scrutiny on a joint basis.

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- 4.3 As with other aspects of the governance arrangements it is important to note that the County Council has a part to play in the establishment of both unitaries. County Council services will be an important part of the Dorset area unitary but the inclusion of Christchurch and the disaggregation of services provided by the County Council in that area means that the County Council also has an important part to play in the establishment of the unitary council for Bournemouth, Christchurch and Poole.

**Jonathan Mair**  
**Head of Organisation Development**  
February 2017