

Full Council

January 2017

Exploring Options for the Future of Local Government in Poole, Bournemouth and Dorset

1. Purpose of Report

The purpose of the report is to present to Full Council the findings of the commissioned work into the exploration of options for local government in Dorset and to recommend a proposed course of action. This report has, where relevant, been considered by the Executive and Scrutiny Committees of the nine Dorset councils.

2. Recommendation

That this Council agrees:

1. That there has been a powerful public response acknowledging a compelling case to change local government structures in Dorset
2. 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.
3. That based upon the weight of public opinion and the financial and other analytical evidence 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.

4. That the Chief Executive be authorised, after consultation with the Leader, to agree the wording of the submission to the Secretary of State demonstrating our ambition for local government transformation and drawing on the evidence that has been presented to councils, to be made along with any other council that has agreed to support the same option for reorganisation.
5. That the Chief Executive be authorised, after consultation with the Leader, to work with other councils that support the same option for reorganisation to develop and implement appropriate plan and allocate

appropriate resources to progress local government change in Dorset and that a report on next steps be presented in due course.

3. Executive Summary

3.1 The Evidence Base

This Council together with the other principal councils in Dorset commissioned the following three key pieces of work to consider whether there is a case for changing the current structure of local government in Dorset;

- a Case for Change undertaken by PricewaterhouseCoopers LLP
- a financial analysis undertaken by Local Partnerships (joint owned by HM Treasury and the Local Government Association),
- a comprehensive public consultation undertaken by Opinion Research Services

Members from all councils received the final reports on 5 December 2016 and two presentations were made by the authors on 8 December 2016. All reports can be accessed on the Reshaping your Councils website

www.reshapingyourcouncils.uk

An extract from the executive summary from each of the reports is shown below. Members who requested hardcopy reports were given these on the 5th December 2016 and were requested to retain them.

3.1.1 PricewaterhouseCoopers LLP – The Case for Change

“Each of options 2a, 2b and 2c offer the potential to realise many of the benefits of reorganisation set out above. They also provide a much greater opportunity for transformation than option 1, as choosing any of them would allow for the creation of two entirely new unitary authorities designed to operate differently and more effectively from the outset.

While any of the options would offer some positives (though, in the case of option 2a, the positives for the conurbation authority would seem to be outweighed by the negatives for rural Dorset), some of these positive impacts could be considered to be more significant than others. The table below summarises the advantages and disadvantages of options 2a, 2b and 2c. For each disadvantage, we have included an indication as to whether we consider the impact to be ‘long term’ (and consequently relatively difficult to resolve), ‘medium term’ (more straightforward to resolve) or a ‘one-off’ issue associated with the transition (which could be resolved relatively straightforwardly).

The relative advantages and disadvantages of the options

Option	Advantages	Disadvantages	Impact
2a	<p>The administrative boundaries of the new councils would reflect Dorset's geography and the way in which it functions economically, <u>to some extent</u>.</p> <p>Under this option, none of the boundaries of any of the existing councils would be retained, reinforcing the view that entirely new organisations were being created.</p>	<p>This option would result in the establishment of a rural Dorset authority too small to be viable.</p> <p>Based on the Local Partnerships analysis, this option would deliver the least equitable split of savings between the future authorities.</p> <p>Disaggregation of the county council services currently provided to residents of Christchurch and East Dorset would be required, complicating the transition process.</p>	<p>Long term</p> <p>Long term</p> <p>Transition</p>
2b	<p>The administrative boundaries of the new councils would <u>most closely</u> reflect Dorset's geography and the way in which it functions economically (accepting that entirely new boundaries are not being considered).</p> <p>Based on the Local Partnerships analysis, this option would deliver the greatest financial benefit overall.</p> <p>Under this option, none of the boundaries of any of the existing councils would be retained, reinforcing the view that entirely new organisations were being created.</p> <p>This option would deliver the most balanced division of population and electoral divisions between the two unitary authorities (based on current boundaries).</p>	<p>Disaggregation of the county council services currently provided to residents of Christchurch would be required, complicating the transition process.</p> <p>According to Local Partnerships, the forecast surplus achieved would not be distributed equally between the two new authorities.</p>	<p>Transition</p> <p>Long term</p>
2c	<p>The administrative boundaries of the new councils would reflect Dorset's geography and the way in which it functions economically, <u>to some extent</u>.</p>	<p>Based on the Local Partnerships analysis, this option would achieve the least financial benefit overall.</p> <p>Under this option, because the boundaries of some of the existing</p>	<p>Long term</p> <p>Transition</p>

Option	Advantages	Disadvantages	Impact
	<p>Based on the Local Partnerships analysis, this option would deliver the most equitable split of savings between the future authorities.</p> <p>The transition process would be more straightforward as a result of not having to disaggregate the county council services currently provided to residents of Christchurch and East Dorset.</p>	<p>councils would be retained, reorganisation could be perceived as a takeover by two of the current councils.</p>	

While the relative merits of each option should all be considered during the decision making process, it is important to note, as we have indicated, that some of them might be considered more significant than others.

The evidence would suggest that the new administrative boundaries of the councils under option 2b would most closely match Dorset's geography and the way in which it functions economically.

Options 2b and 2c appear to offer a more viable case for change than option 2a, from a financial perspective (the Local Partnerships analysis indicated that option 2a would see a Small Dorset authority established which would not be viable). The Local Partnerships analysis indicates option 2b would deliver greater savings than 2c, while option 2c would deliver a more even distribution of savings than 2b. Option 2c would result in more council tax income being lost over a 20 year period than either option 2a or 2b.

Under option 2c, the fact that the boundaries of some of the existing councils would remain intact could result in reorganisation being perceived of as a takeover by some stakeholders (including some residents). Though this would be likely to complicate the transition process, and potentially require additional investment in change management, this issue could be addressed relatively straightforwardly.

Option 2b would offer a more even distribution of both the current and future populations of Dorset than either option 2a or 2c. Options 2b and 2c would see two new authorities created which would both serve populations within the DCLG suggested range. This could also be significant in terms of its implications for electoral equality. Option 2b would return the most even distribution in terms of the ratio of representatives to the electorate across the new councils. However, even if option 2a or 2c were chosen, a boundary review could be conducted to correct any imbalances in electoral equality.

Finally, while the complexity associated with disaggregating current service arrangements during transition would be a reality under either option 2a or 2b,

many organisations in other areas have resolved these sorts of issues successfully in the past.”¹

3.1.2 Opinion Research Services – The Consultation²

“The outcomes of this exercise are more consistent than is usually the case in complex statutory consultations; and the findings suggest that the restructuring of local government in Dorset is not generally a deeply controversial matter – though there are certainly some strong feelings in some areas.

Overall, across both the quantitative and deliberative means of consultation, there was clear and even emphatic support for moving to two councils.

The singular exception to that generalisation is Christchurch where the open questionnaire showed that the majority of respondents opposed reducing to two councils (54%) as well as opposed options 2a (67%), 2b (57%) and 2c (60%). However, in the more representative household survey in Christchurch support for two councils was much higher (63%) and residents also supported option 2b strongly (64%). Moreover, in Christchurch the shift from less positive to more positive views was particularly pronounced in the residents’ workshop, where nearly two-thirds of the participants ended by approving a reduction to two councils. The findings of all means of consultation are important, of course; but in this case the open questionnaire is a less than perfect guide to the balance of general public opinion across Christchurch.

In general, across all the areas of Dorset, there was an emphatic preference for option 2b as the fairest and most balanced of the three. In contrast, 2a was considered too unbalanced, unfair and unsustainable, whereas 2c was described by many as potentially creating a council that was ‘too small’.

The alternative options proposed during the consultation are interesting, but the councils will have to decide how practical some of them are; and their very diversity indicates the need to focus on clear and relevant options that will provide the desired efficiencies.

Despite the general consistency of the positive findings summarised above, the consultation does not mean that the local government in Dorset must be reformed, for the councils may have sound reasons for not proceeding. But equally, there is nothing in the consultation that should prevent them going ahead if (on the basis of all the available evidence) they are minded to do so.

¹ PricewaterhouseCoopers LLP, (2016). *Case for Change in Dorset. Local Government in Dorset Executive Summary*, pg 15

² Minor amendments to consultation report:

Paragraph 3.4: For clarification purposes in the open consultation questionnaire chapter the following text has been added “Throughout this chapter, where results are presented at the overall level, this includes all responses for geographical areas, including respondents outside of the overall Dorset area and those for whom the area is unknown”

Table 2: For clarification purposes the number of individuals who live outside of Dorset and from an unknown area has been added.

Figure 53: The net score for Dorset County Council for option 2c was incorrect. The figure was previously reported as -17, but is -23

The evidence of the consultation is that there is widespread public support for the restructuring of local government.”³

3.1.3 Local Partnerships – Dorset Councils Potential Options for Reconfiguration of local Councils 24th August 2016

“The current configuration of councils under a No Change scenario are projected to have aggregate budget gaps in each of the years from 2019/20 to 2024/25 which would require total savings of approximately £30m to be found.

There is the potential to save annually circa £36 million by the creation of one Unitary Council and circa £28 million by the creation of two unitary councils. This is achieved by avoiding duplication on the costs of management, accommodation, systems and governance. We have, however, reduced these estimates by 35% to reflect the savings Councils will need to achieve by 2019/20 and which are likely to be in areas identified in our modelling. The transitional costs of the unitary options are similar for either single or two unitary configurations, estimated at circa £25 million. The savings from the exercise will therefore pay back these costs in a short period, albeit that the costs would need to be financed ahead of savings accruing.

It should also be noted that bringing services together under unitary authorities can be expected to present opportunities to remodel services to produce transformational savings that might not otherwise be achievable.

Overall, the Single Unitary option appears to be the most favourable in financial terms over the appraisal period but has a much greater exposure to lost Council Tax income. This is much less of an issue for the next most favourable option which is the Two Unitary Medium Conurbation/Medium Dorset (2b) configuration such that this would actually become the most favourable within a two or three year extension of the current appraisal period.”⁴

3.2 The Next Steps should the recommendation be resolved

Government Approval Process and timeline:

Process	Time
Proposals to Secretary of State	February 2017
Review and cross-Whitehall engagement	February / March 2017
Preliminary decision by Secretary of State and write around to Cabinet colleagues	April 2017
Pre-legislative scrutiny of draft Orders by Joint Committee for Statutory Instrument (JCSI) Lawyers	May 2017

³ Opinion Research Services, (2016). *Dorset’s Councils – Reshaping Your Councils Consultation 2016. Executive Summary*, pg 19

⁴ Local Partnerships, (2016). *Dorset Councils. Potential Options for the Reconfiguration of Local Authorities*. pg3

Seek consent of Councils to making Orders	May/June 2017
Lay Orders in Parliament	June/July 2017
Parliamentary process / Debated and Orders made	By mid-July and before summer recess

3.3 Delivering the Change

A formal programme was created in March 2016 to incorporate the work of Devolution, Combined Authority (CA) and Local Government Reorganisation (LGR) into a single co-ordinated structure, with a programme discipline applied to planning, delivery, interdependencies, risks and reporting. The role of programme Steering Group was undertaken by the Chief Executives Group and the role of Programme Board was undertaken by the Leaders & Chief Executives Group. This approach delivered all work streams on time and is considered to have been a successful first phase. Phase two scoping has been considered by Chief Executives and is shown at Appendix 1.

4. Background

4.1 In December 2015, 8 of the 9 principal Dorset councils resolved the following;

Members authorise the commissioning of Local Partnerships, supported by the Local Government Association (“the LGA”), in conjunction with all principal councils in Dorset, to examine the financial implications of the options outlined in this report for the future of local government in the sub-region.

Members authorise the development of a case for change in conjunction with all principal councils in Dorset, recognising the need to be pro-active in developing new solutions with the opportunity of devolution and the prospect of continuing austerity.

4.2 East Dorset District Council resolved the following in April 2016

The Council supports work to examine options for a unitary Council(s) to deliver services, which are financially viable, recognise the economic geography and meet the aspirations of the communities we serve.

4.3 The rationale for considering change was set out in the December 2015 report and is repeated below;

- Improving and maintaining frontline services through greater capacity
- Providing integrated and consistent leadership across a wider area
- Enabling consistent and efficient service delivery via a joined up approach
- Increasing the economic advantage of the area and creating a more direct and integrated focus on growth and prosperity
- Developing a more business focused Council based on the economic geography of the business community
- Creating a greater strategic presence and influence in the region
- Exploiting commercial opportunities

- Reducing management and overhead costs
- Reducing the costs of public sector provision via economies of scale and transformational change, and facilitating its long-term sustainability
- Avoiding unnecessary competition for key staff and role duplication
- Reducing the complexity of relationships across the wider public sector
- Enabling comprehensive place shaping in the area and therefore providing a catalyst for wider scale public sector reform
- Creating the opportunity for a more significant devolution deal with Government

4.4 The three pieces of commissioned work, the financial analysis, the public consultation and the development of the Case for Change, considered the following options;

- Retaining all councils
- Reducing the current 9 councils to 2 with the following options of which areas the new unitary councils could cover;

Option	Unitary council A	Unitary council B
2a	LARGE CONURBATION: Bournemouth, Christchurch, East Dorset and Poole, plus the services currently provided by Dorset County Council in this area	SMALL DORSET: North Dorset, Purbeck, West Dorset, Weymouth & Portland, plus the services currently provided by Dorset County Council in this area
2b	MEDIUM CONURBATION: Bournemouth, Christchurch and Poole, plus the services currently provided by Dorset County Council in this area	MEDIUM DORSET: East Dorset, North Dorset, Purbeck, West Dorset, Weymouth & Portland, plus the services currently provided by Dorset County Council in this area
2c	SMALL CONURBATION: Bournemouth and Poole	LARGE DORSET: Christchurch, East Dorset, North Dorset, Purbeck, West Dorset, Weymouth & Portland, plus the services currently provided by Dorset County Council in this area

5. Legal

5.1 The Local Government and Public Involvement in Health Act 2007 sets out the procedure for the creation of a unitary authority. Section 15 of the Cities and Local Government Devolution Act 2016 however allows the

Secretary of State to make regulations to modify the procedure where there is consensus between authorities. Where there is not consensus, the Act gives the Secretary of State the power to impose solutions, provided that at least one relevant local authority consents.

5.2 When considering the recommendations and in reaching a decision members should take into account the outcome of the consultation process and the issues raised, as contained in the detailed consultation report December 2016 which was made available to members on the 5th December and can be accessed via the following link www.reshapingyourcouncils.uk.

5.3 Assuming that there is broad consensus, the next step will be to draft the necessary regulations and statutory orders. These will include the regulations modifying the procedural requirements of the 2007 Act and the structural change order dissolving the existing principal councils and establishing the new structure. The drafting will be done by Department of Communities and Local Government (“DCLG”) lawyers in consultation with Dorset Monitoring Officers.

5.4 Once the structural change order has been drafted the final draft order will be considered by each of the principal councils prior to giving their consent to the order being made. It is anticipated that this would take place in early June 2017. Given the powers of the Secretary of State to impose changes the requirement for consent at this stage is largely a legal technicality and not a further opportunity to reconsider the principle of re-organisation. The structural change order and regulations modifying the 2007 Act will then be debated in Parliament and made if Parliament agrees, the order will be made probably before the summer recess.

5.5 Further orders may or may not be required in respect of the transfer of staff, property and other assets, rights and liabilities from the principal authorities to the new unitary authorities. The function of preparing for and facilitating timely transfer would be that an implementation body set up under the structural change order for each unitary authority. The implementation bodies would be made up of representatives from each of the relevant principal councils and continue in place until the first elections to the new unitary authorities in May 2019. It is likely that decisions on the setting up of the implementation bodies would be made at the same meetings at which principal councils consent to the making of the order.

6. Financial

6.1 Despite all councils becoming more efficient and making savings of over £142m since 2010/11 it has been identified that a further £82m would still need to be saved between 2017/18 and 2024/25. Approximately £52m would need to be found before April 2019 with the remaining £30m having to be

found in the period between April 2019 and March 2025. The need for change is therefore critical if current service delivery is to be maintained.

6.2 With this challenge in mind and in order to consider the potential opportunities that might be achieved from reorganising the current local government configuration in Dorset, all Councils commissioned Local Partnerships to undertake a review of the potential costs and savings that might be achieved from a number of unitary options. This work was undertaken in conjunction with all Chief Finance Officers in Dorset who have endorsed their report.

6.3 The executive summary and detailed report of the Local Partnerships work has been issued to members and can be found on the following link www.reshapingyourcouncils.uk and it is not the intention of this section to replicate that information. What the Local Partnerships report does show is that there are likely to be sufficient savings to justify the reduction of 9 councils to 2.

6.4 The Local Partnerships report sets out the assumptions applied to assessing the future funding gaps as well as those applied to identifying the potential savings, costs and harmonising council tax associated with reorganising the current local government structure. Whilst accepting the assumptions used and the methodology for disaggregating costs, the Chief Finance Officers recognise, and would advise members that these assumptions may not necessarily prove to be the case. That said, they consider they are realistic enough and can be used in comparing the relative financial position of one option against another. The Local Partnerships report sets out for each option the total potential surplus that could be achieved for each option in 2024/25, how this is split across each unitary option and also the potential council tax foregone over the harmonisation period.

6.5 The Case for Change which has been compiled by PwC contains the information produced by Local Partnerships regarding the potential savings and costs from reorganisation. In addition, the PwC report also provides an indication, based on their experience elsewhere, of the transformation savings and costs that could also accrue from transforming services during and after the reorganisation. They have shown a base transformation position as well as a stretch target. The potential range of transformation savings and costs identified by PwC, whilst acknowledged by the Chief Finance Officers, have not been endorsed in the same way as the Local Partnerships work has been. However, the base transformation position and the stretch target are considered to offer members a potential scale of savings and costs that might accrue in transforming service delivery through two new unitary councils.

6.6 It is important for members to acknowledge the significance of the potential change for 9 councils to 2 and the financial risk that this will entail. This financial information contained in both the Local Partnerships report and the PwC report are based on assumptions which it is very likely will be subject to change brought about by a number of unforeseen future factors. However,

Chief Finance Officers would advise that the status quo will not help to address the current and future financial challenges, particularly being faced by the upper-tier authorities.

6.7 A resolution to support a submission to the Secretary of State to reduce the number of councils from 9 to 2 will result in significant costs being incurred. Based on the Local Partnerships work the potential cost of reorganisation, not transformation, would be in the region of £25m. It is hoped that some, if not all, of these costs will be met by specific Government grant but the Government has, so far, refused to indicate that grants might be available. Consequently, Dorset Councils need to identify a way of financing these costs.

6.8 Local Partnerships have indicated that the costs of the transitional resources to manage the change will amount to £2.5m. It is proposed to meet these programme and project management costs from the resources of the nine current councils over the next two financial years. The remaining costs of implementing the transition, totalling £22.5m, will start to be incurred in 2018/19 and will be potentially financed from capital resources, as detailed below.

6.9 It is proposed to manage the creation of the two unitaries as one programme, with a number of projects feeding into it. The £2.5m to manage the programme and the projects will include the costs associated with disaggregating the costs, resources, assets and liabilities of the County Council, if option 2a or 2b is preferred and disaggregating the costs of the Christchurch and East Dorset partnership if 2b is preferred. All of these programme and project management costs will be met by the current councils, pro-rata to their populations, with the County Council and the Districts and Boroughs in the two-tier area sharing their costs equally.

Option 2b	Population	Percentage	2017/18 Share £000	2018/19 Share £000	Total Share £000
Bournemouth	194,500	25.40	254.0	381.0	635.0
Poole	150,600	19.67	196.7	295.1	491.8
Dorset County	420,600	27.47	274.7	412.1	686.8
Christchurch	49,100	3.20	32.0	48.0	80.0
East Dorset	88,700	5.79	57.9	86.8	144.7
North Dorset	70,700	4.61	46.1	69.1	115.2
Purbeck	46,200	3.02	30.2	45.3	75.5
West Dorset	100,700	6.58	65.8	98.7	164.5
Weymouth & Portland	65,200	4.26	42.6	63.9	106.5
Total		100.00	1,000	1,500	2,500

6.10 Although the above expenditure would constitute revenue expenditure, councils have the power to meet it from reserves or capital receipts, if they make a prior Council decision to do so.

6.11 The costs of implementing the transition cannot be managed as a single pot. The costs of implementing each unitary council need to be met by the specific unitary to which they relate. However, some costs will be shared, where it is equitable to do so such as redundancy costs in specific cases.

6.12 Local Partnerships have indicated that the costs of implementing the two new unitary councils will be in the order of £22.5m, excluding the costs of managing the programme and projects. Their analysis suggests these costs will be split as £12.6m to form the rural unitary and £9.9m to form the urban unitary. These costs are considered to be the minimum required to implement the reorganisation. The “case for change” prepared by Pricewaterhouse Coopers indicates that the costs of the transformation could rise to £53.7m if the new unitary councils decide to transform the way in which services are delivered at the same time as making the transition; generating savings of up to £66.3 per annum, between the two new unitary councils. The extent of the transformation will be dictated by each new unitary council and, to some extent, by the Implementation Executives which would be formed towards the end of 2017 and is dependent, in part, on their respective risk appetites.

6.13 Chief Finance Officers are aware the costs of implementing the new unitary councils can be financed from capital receipts, using existing legislative provisions. However, they consider the Government should be asked to finance some or all of these costs from grant. The Government should also be asked to issue Capitalisation Directions in respect of the costs of the transition, to the extent that these costs are not financed from grant. A separate application would have to be made on behalf of each of the two new unitary councils. The Capitalisation Directions would allow the costs of the transition to be from borrowing on behalf of each of the new unitary councils. Potentially, some or all of the borrowing could be repaid from the sale of assets because Local Partnerships believe capital receipts of up to £25m could be generated by the ultimate disposal of fixed assets no longer used by the new unitary councils.

7. Equalities

7.1 PricewaterhouseCoopers (PwCs) Case for Change report and Opinion Research Services (ORS) consultation report do not present any issues which would be considered unlawful from an equalities perspective.

7.2 The equalities group have undertaken a very high level assessment of potential equality impacts that might result from adoption of Options 2a, 2b or 2c and again have not identified any issues which would be considered unlawful from an equalities perspective.

7.3 As nothing has been identified as potentially unlawful the equalities duty has been met.

7.4 The full Equality Impact Needs Assessment is attached to this report at Appendix 2.

8. Risks

8.1 Risks associated with this work are being managed by the pan-Dorset programme and councils are working collectively to mitigate risk to an acceptable level. At this stage the most significant risks include:

- Councils are unable to reach agreement on the shape of any new authorities during the cycle of full council meetings in January 2017 and therefore a joint submission cannot be made to Government.

The consequences of this risk should it arise would be that Councils are potentially not able to keep to the proposed timetable and do not meet the deadlines for parliamentary time, having a knock on effect on the time available for implementation should change be supported.

The mitigating measures include that all Dorset councillors have been in receipt of the evidence on which to base their decisions, there has been the opportunity to attend a briefing session delivered by the authors of the reports and a chance to raise technical questions. Also prior to full council consideration there has been a period of time to allow discussions to take place locally and for each council to put in place the necessary democratic arrangements. There has been detailed planning of meeting schedules and a co-ordinated approach to dispatching papers in order to maintain momentum with the timetable proposed by DCLG.

8.2 The pan-Dorset risk register will be refreshed to reflect the most significant risks for the next phase should change be supported. Key risks will include:

- There is not adequate capacity available to deliver the programme as well as maintain business as usual up until go-live

The mitigating measures include the development of a comprehensive resource plan, including people, finance and assets, by the programme team to support work going forward should councils decide to pursue one of the options to change.

8.3 A more detailed review of the high level risks identified with transition are detailed on page 100, figure 45 of PwCs Case for Change report.

Appendix 1

A formal programme was created in March 2016 to incorporate the work of Devolution, Combined Authority (CA) and Local Government Reorganisation (LGR) into a single co-ordinated structure, with a programme discipline applied to planning, delivery, interdependencies, risks and reporting. The role of programme Steering Group was undertaken by the Chief Executives Group and the role of Programme Board was undertaken by the Leaders & Chief Executives Group.

LGR Phase 1 Concept and Approval.

This covered the following principles:

- * Dorset councils agreeing to investigate options for LGR including creating two new unitary councils
- * Financial analysis of the proposed options
- * Public consultation on the proposed options
- * Case for Change analysis of the proposed options based on the government's '5 tests'
- * Dorset councils agreeing a recommendation to submit to Government in February 2017

Phase 2 Purpose and Objectives

The purpose of phase 2 is to manage the LGR proposal from submission to Government through to establishment of the new authorities, including the set up and operation of the Interim Executive Authorities.

The objectives of this phase are to:

- * Ensure the appropriate parliamentary powers are in place and the authorities are set up correctly, with effective governance arrangements
- * To design a comprehensive operating model for the new authorities (one or two, with common elements), with review by Implementation Executive once in place
- * Prepare service and staff transition plans
- * Prepare for a smooth transition and go-live in April 2019
- * Ensure buy-in and engagement from staff, members and other key stakeholders
- * Ensure the governance arrangements incorporate the Combined Authority and devolution proposals

Scope

In Scope

- * Legal set up and governance and democratic arrangements
- * Implementation executive arrangements put in place (both members and senior officers)
- * Staff, member and other stakeholder engagement
- * Service, organisational and staff structures of the new organisations
- * Prepare for disaggregation of county council services (if necessary) and aggregation of district services
- * Prepare transition arrangements including assets, contracts, service delivery
- * Prepare branding, logos, awareness
- * Prepare service user impacts, customer contact
- * Prepare staff transfer arrangements
- * Combined Authority interim structure and other links and dependencies with Combined Authority and Devolution bid
- * Dissolve existing authorities
- * Implementation Executive to be responsible for setting up any new town councils

Out of Scope

- * Responsibilities, decisions and operations of the new authorities
- * Combined Authority operations