

Power in Place: devolution and districts driving our recovery



SUMMARY

We are at a pivotal point in our nation's history; the coming months will define our future for generations to come. The Devolution and Local Recovery White Paper must move quickly for jobs and growth, empowering the existing local capacity and partnerships that can best deliver fast.

District councils represent the best of local government – they are innovative and collaborative, they are strategic leaders and trusted deliverers, they are rooted in community and connected into every business, they drive growth and support some of the most vulnerable, they are pragmatic focusing on outcomes, and they are deeply embedded in the fabric of the communities, towns and cities serving 20 million people across the country.

Devolution should back the success of districts in delivery. It should not distract from the local recovery effort or reduce delivery capacity through forcing reorganisation into a less local, less agile, less responsive local government pushed by interests wanting county unitary councils everywhere. Local governance is a local matter, places must be free to decide how to organise services and to progress any kind of reform only where there is significant local agreement.

Without doubt, our future national and local prosperity will rely on a route forward that is defined by local, regional and national collaboration around a focus on the residents and businesses in places; and at this point they need delivery not debate.

The Government's Devolution and Local Recovery White Paper should:

1. Deliver genuine devolution that moves quickly to drive local growth

Right now, there's a crisis in our national and local economies and huge challenges facing public services. Jobs and growth must be priority ambitions for devolution; levelling up towns, cities and communities, and ensuring everyone benefits. It should focus on how districts and partners can help deliver best returns from the whole-state effort in our places by granting them new powers, targeting and joining up services and investments, and setting out a clear framework for how this will be taken forward. It should not get tripped up and bogged down in debate on local government reform, consuming significant resources and distracting from the urgent task at hand.

2. Retain and build on the local capacity to deliver

Devolution should empower district councils' existing local delivery capacity with the tools and funding to deliver growth,

rather than remove it through reorganisation. District councils have been at the centre of the sectors' successes across the Covid-19 pandemic; delivering the most business grants the most quickly, rapidly accommodated rough sleepers, mobilising and coordinating the community effort, stepping in to help shielded and non-shielded vulnerable groups, keeping waste collections running, the planning system going, and more. Devolution should empower districts because they deliver solutions, not problems.

3. Empower real-world economies

District councils reflect the towns, cities and communities in which people live and businesses operate. They are embedded in the catchment areas for high streets and football teams, the travel areas for work and leisure; they know their local economies and hold a range of levers to get growth going. A district level response is key, evidence suggests the pandemic's impact on jobs and growth will vary between district areas within county areas more than between county areas and core cities. And so, devolution must empower district councils and partners around the economic areas of our future; celebrating our historical ceremonial counties rather than being held back by them.

4. Continue to anchor local government in local communities

English local government is amongst the most centralised in Europe, and devolution must not centralise further again. With populations nearing the size of Northern Ireland and landscapes several times larger than Greater London, county unitary authorities would resemble regional, not local, government. The average size of a new county unitary council would be 122 times larger than the average council in Germany, 14 times larger than in Denmark, and 5 times larger than the current average for all councils in England. Covid-19 revealed resilience, strength and power in our communities, they must not be pushed away; when asked in referenda, the public consistently vote against creating new unitary counties, and they should be properly involved any future debate.

5. Reject false arguments that bigger local government is better or cheaper local government

The primary case for county unitary councils focuses on achieving scale and savings. However, as a House of Commons briefing for MPs summarised in 2019, all the evidence is clear that increasing scale is no guarantee for increasing efficiency or improving public services. Although there might be some benefit of delivering some services at different levels, including having some services more local,

evidence points to other factors playing a more influential role in service delivery and efficiencies, such as political and officer leadership. Meanwhile county councils have promoted questionable projected savings from county unitary proposals, which focus on removing delivery capacity and do not come close to resolving the funding challenges facing local government; evidenced by the significant financial challenges facing recently created unitary councils. In fact, rooting services in locality could be most effective in achieving long term financial sustainability.

6. Support strategic leadership across wider functional economic areas

District councils are the natural administrative building blocks across wider geographies and are already coming together to provide leadership on wider strategic issues connecting towns and cities. Devolution should further enable this by equipping district councils and partners, like Local Enterprise Partnerships, to lead strategic issues such as infrastructure, transport and inward investment across wider economic areas; potentially coming together in mayoral combined authorities only where places want them. County unitary councils would not work well within such models; creating strategic leadership tension between a small number of large organisations, meanwhile reducing the local delivery capacity to get things done.

7. Introduce an upper limit for the size of new unitary councils, in line with the principle of electoral equality

Local governance should be determined locally, reform should only take place where there is significant local agreement that it is the right thing for their residents and businesses. However, the government should make clear that any future reform should follow the principles of electoral equality as a cornerstone of democracy, as set out in the Conservative Manifesto and now in primary legislation as part of the boundary review. In doing so, it would mean indicating that a preferred population size for any new unitary council be in line with existing unitary councils, a population of around 250,000 people, and introducing an upper limit of 500,000 to prevent an unacceptable divergence from the principles of electoral equality.

NEXT STEPS

The route forward must be defined by collaboration around a focus on the residents and businesses. We encourage all district councils to continue local discussions with each other, and with their county council, their town and parish councils, their MPs, their local businesses, and with the whole range of public services in their place; retaining their focus on delivering for communities.

CASE STUDIES

Cambridge City Council action plan to support rough sleepers into longer term accommodation

Since the start of the Coronavirus lockdown, the council and its partners in the community have found safe accommodation for more than 140 people who had been sleeping rough or were at risk of homelessness. These people were given self-isolating accommodation at properties owned by the council, hoteliers, colleges and some private landlords.

The council has since been working with a range of organisations to find longer term solutions for these people and has already been successful in a number of cases. Now it is implementing a plan to continue this support that includes:

- conducting assessments of individuals' support and accommodation needs and assessing the help partners can continue to offer;
- continuing help for people with a range of needs, some of which are extremely complex, to make the most of the accommodation options that are available including hostels, pods and housing association leased pods.

Sevenoaks District Council launch the Care for our Community Scheme

The council took forward an idea generated from within the community to provide a service to verify and provide ID badges to a team of 1,500 volunteers across the district. A website was developed and a customer solutions team engaged to receive requests from residents.

Operating 7am to 7pm for 16 weeks and linking to community leaders in towns and parishes across the district, more than 1,500 requests for support from vulnerable and locked-down residents were managed, from food shopping and collecting prescriptions to walking dogs and critically befriending services. The council is now focussed now on creating a legacy that retains this incredible volunteering effort for the benefit of our District and are doing so in partnership with local community organisations.

Lancaster City Council has launched a new Business Support Hub

The council launched support for businesses as part of a £1 million plan to sustain and strengthen the local economy in the wake of the coronavirus pandemic.

The aim of the hub is to support businesses that need advice on how to combat the pressures they may have found themselves under during the lockdown.

The support package is designed to be flexible and focus on individual requirements, which will be identified during an initial business review.

Elements of support could then include coaching and mentoring, help to access funding, advice on financial planning, support for digital developments, and small recovery and resilience grants for those not eligible for government assistance.



1

DELIVER GENUINE DEVOLUTION THAT MOVES QUICKLY TO DRIVE JOBS AND GROWTH

“We are going to give greater powers to council leaders and to communities. We are going to give more communities a greater say over changes to transport, housing, public services and infrastructure that will benefit their areas and drive local growth.”

Boris Johnson, 27 July 2019, Speech at Manchester Science and Industry Museum

Right now, there’s a crisis in our national and local economies and huge challenges facing public services. Jobs and growth must be priority ambitions for devolution; levelling up towns, cities and communities, and ensuring everyone benefits. It should focus on how districts and partners can help deliver best returns from the whole-state effort in our places by granting them new powers, targeting and joining up services and investments, and setting out a clear framework for how this will be taken forward. It should not get tripped up and bogged down in debate on local government reform, consuming significant resources and distracting from the urgent task at hand.

Genuine devolution can provide the basis on which to revitalise public services as the relationship, public trust and satisfaction with local government continues to increase. Currently there is an unique opportunity to build a more prosperous future, “to connect with people’s identities and sense of community; to capture the energy and dynamism which have been hallmarks of our response to this crisis; to rebuild the economy so that it benefits everyone”¹.

The advantages of devolving decision-making, powers and funding are rooted in local leadership, ensuring services are more responsive to local circumstances at the right level and in joining them up in the most effective and efficient way in places. It should enable the whole range of services to reconnect with residents and businesses at a level that makes most sense, so they can see how local and national government are together delivering for them and the places they care for.

We must be more ambitious for devolution than in previous rounds. The government should bring forward a menu of options for funding, powers and flexibilities for places to move forward on, across infrastructure, skills, housing, employment and more (Box 1). It should provide absolute clarity for the process and timetables and focus on driving collaboration in places towards shared goals, rather than forcing places to have a series of bidding negotiations with different national departments and agencies.

As a minimum, local leaders should be able to bring together government departments locally to agree outcomes and plans to achieve them. This could be achieved quickly and efficiently. For instance, by better aligning how national agencies work in local areas, developing and deepening partnerships and joined up planning, designing and commissioning services, and/or devolving and pooling resources in partnerships. Partnerships could bring together Ministry of Housing Communities and Local Government, Homes England, Department for Transport, Business, Enterprise, Innovation and Skills, Jobcentre Plus and wider welfare system, and so on, all together in partnership with councils and partners in places.

The sheer complexity of existing services across places dwarfs the simple organisation of different services across two councils in shire areas. It’s imperative therefore that devolution does not get tripped up and bogged down in debate on local government reorganisation, it would be a huge distraction from the recovery effort and other priorities. District councils working

with partners should be free to decide how to organise themselves to best deliver different interventions at the right levels. Places need stability and confidence in their financial future in order to continue innovating and invest in services and in local economies. The next budget and the autumn spending review will need to take first steps to properly enshrine long term, locally led investment local government and local economies.

Furthermore, the government should consider the impact of pursuing reform on its wider policy ambitions. Creating

turbulence and discord within local government risks significantly curtailing what places can achieve through planning reforms, in building homes directly, in responding to the climate emergency, in promoting health and wellbeing, reducing homelessness and so on. Local government is at the forefront of resolving some the most pressing national issues.

Box 1: The opportunities and asks of devolution

- Growing local economies – districts are the building blocks for growth with the levers to make it happen and the connections into economies. Working together in clusters that reflect functional economic geographies, connecting towns with cities, they can create one vision and should have a lead role in shaping UK Shared Prosperity Fund and Housing Infrastructure investments locally.
- Revitalising our town centres – districts are lead authorities for the Towns Fund and Future High Streets Fund, already providing the leadership, partnership and local know-how and experience to remodel our town centres into thriving centres of community, leisure, and retail. We need to go further and faster in investing in our town centres as centres of community and have further powers to shape places including lowering of PWLB loan rates.
- Accelerating housing delivery – as planning authorities and increasingly as house builders, districts are already at the heart of this agenda. Devolution should pass further powers for districts to ensuring developers build out sites with permission, to ensure utility companies move at pace, to lead spending on infrastructure and support SME builders, to allow districts to set planning fees locally, to localise Right to Buy to build homes, and to invest in new social housing.
- Rough sleeping, homelessness and the private rented sector – as housing and benefits authorities districts want to end homelessness by preventing it in the first place, devolution must enable this by reducing complexity and pooling together all funding at local level in districts, and giving new powers for districts to ensure health, employment, welfare and justice partners collaborate around a strategy in places. Districts should be free to introduce licencing schemes without SoS approval.
- Shaping local labour markets with devolved skills and local delivery of the Kickstart Scheme – with

local payment mechanisms already in place, districts can make the case to the DWP to take on greater local responsibility for managing the entirety of local labour markets, and building on their relationships with employers well placed to leverage skills funding to help provide quality training linked to jobs, and learning from the Future Jobs Fund in delivering the Kickstart Scheme.

- Leading the journey to environmental sustainability – with their leading role on planning and the environment, districts are well placed to bring all partners together to deliver local priorities for the environment, sustainability, and community resilience. Districts should have powers to deliver zero carbon homes, and green infrastructure funding for sustainable places.
- Helping to put health and social care on a sustainable footing – districts are providers of key preventative services in communities, including housing, homelessness, leisure and environmental health. Devolution should empower prevention, cementing the role of districts in the local health system, revitalising leisure services for the future, and empowering health in the community.
- Fiscal freedoms responsive to local conditions – devolution should bring district councils a range of flexible and responsive fiscal tools to match local circumstances, which are common across local government in other countries. It will allow districts to respond to a whole range of policy issues in a way which meets specific local needs and priorities, and to be held to account locally for them.
- Setting out positive visions for public sector reform with communities at their heart – devolution could empower local leaders to set out bold proposals for improving local government within their localities, and to provide innovative solutions to local issues which command the support of the residents they serve.

CASE STUDIES

Gloucester City Council mobilising and coordinating the community effort to distribute food packages

The council realised early in the crisis that the most effective support and response base would be from neighbour to neighbour. The council partnered with Gloucester Community Building Collective to help connecting residents and growing community capacity.

Working together they provided information on practical ideas for supporting neighbours, they identified one resident street champion per street, and used the #viralkindness to connect neighbours and signpost onto council services such as picking up supplies and sending mail.

Working with local business leaders, the council also created a food consortium, which included repurposing an entertainment venue into a food warehouse as a central collection point for collecting and distributing food parcels.

Requests for food came through street champions or the County Council's Help Hub. These requests for food were triaged with options for free food parcels or paid packages, supplied through a range of partners, providing a lifeline for those shielding or self-isolating.

Many neighbours have built and sustained new relationships as a result of the schemes.

Stevenage Borough Council accreditation scheme helping local businesses re-open

The council has created a Covid Secure Status assessment programme for businesses. The scheme provides marketing support for businesses have been found as covid secure, and provides help and advice to those that did not initially meet the steps.

To gain accreditation the businesses are asked to demonstrate that they have

- carried out a Covid-19 risk assessment and shared the results with employees
- cleaning, handwashing and hygiene procedures in line with guidance
- taken all reasonable steps to help people work from home
- taken all reasonable steps to maintain a 2m distance in the workplace
- done everything practical to manage transmission risk where people cannot be 2m apart

The scheme has been welcomed by businesses, their employees, and customers, as well as helping reducing the risks presented by the pandemic.

Craven District Council taking the opportunity to drive a green recovery

The council has installed Electric Vehicle charging points in Skipton's High Street Car Park in partnership with Engenie. The initial cost of the installation was paid by Engenie, who will recoup their investment through the use of the charging points. This partnership has enabled us to accelerate our support for the transition to Electric Vehicle use, a key part of our Climate Emergency Strategic Plan.

Hinckley and Bosworth Borough Council work with local voluntary community to create food and wellbeing buddy scheme

The council established an Emergency Food Parcels delivery system, for people in need but not on the government's 'shielded list'. This was based on self-referrals to a new service called Residents Support Scheme, which were triaged to understand wider needs.

Once an Emergency Food Parcel had been delivered the council recognised some resident's required additional support regards access to food.

Working with local voluntary groups the council allocated a Food & Wellbeing Buddy to a vulnerable person who telephone the person to understand their food requirements.

Ongoing access to food is discussed and agreed with the person, recognising their needs and requirements. This could be something as simple as collecting via local Food Bank or could be undertaking a weekly shop utilising supermarket vouchers.



2

RETAIN AND BUILD ON THE LOCAL CAPACITY TO DELIVER AT PACE

“Local government will be at the heart of our economic recovery... when it comes to devolution, we’ll be building on what we know works... empowering local councils to lead the economic recovery.”

Robert Jenrick, 3 July 2020, Speech to the Local Government Association

Devolution should empower district councils’ existing local delivery capacity with the tools and funding to deliver growth, rather than remove it through reorganisation. District councils have been at the centre of the sectors’ successes across the Covid-19 pandemic; delivering the most business grants the most quickly, rapidly accommodated rough sleepers, mobilising and coordinating the community effort, stepping in to help shielded and non-shielded vulnerable groups, keeping waste collections running, the planning system going, and more. Devolution should empower districts because they deliver solutions, not problems.

In market towns and new towns, in cathedral cities, coastal communities and the countryside, devolution must capitalise on the capacity of districts to both be strategic, and to deliver, to know their community, and to move quickly; it must not remove local delivery capacity at such a critical point for our local economies and public services.

District councils are the strategic leaders of place. They are the conveners, enablers, and leaders, working collaboratively to provide the unifying place-based vision that mobilises local partnerships around the interests of businesses and residents.

As planning authorities, they create and deliver a vision for places, thinking decades into the future. As champions of growth they are working with partners to attract investment and shape the green economy, to support companies in growth sectors, to align skills with jobs, and to promoting health through housing, leisure, and place-making, the giants of prevention, keeping people out of expensive health and care systems.

And districts councils are trusted to deliver. As billing authorities, licensing authorities, housing and planning authorities, and

delivers of business grants, leaders of high streets, drivers of regeneration and development, districts deliver for business every day. Across the pandemic, districts delivered the greatest number of business grants most quickly (Table 1), supported businesses and visitor economies to adapt, enabled high streets to re-open investment, provided support and advice to small business, continued the planning system, and more.

And districts deliver for some of the most vulnerable in the local community, supporting them through tough times and spreading opportunity. As housing authorities, welfare authorities and homelessness authorities, districts are uniquely able to align local efforts for job creation with skills and employment and practical help for people to take and thrive in those jobs. Across the pandemic district councils accommodated and supported rough sleepers, delivered new support systems for shielded and non-shielded vulnerable groups, mobilised and organised the local community effort, delivered the hardship fund, and more.

District councils have also kept services going, throughout the stresses in their community and in their organisations; continuing waste collections, keeping parks open, the planning system moving, and so on. To achieve this they have been innovative in providing support, redeploying staff to help the vulnerable, harnessing the power of community to lead at the street level, and adapting services to respond to emerging challenges such as loneliness and mental health.

This agility in delivery is the hallmark of successful local services. As the country shifts to dealing with the local recovery local public services will have to succeed in both strategy and delivery; it must bring both leadership and vision, and local connectedness into every business, community and partner. Having one without the other limits what we can achieve for places.

Devolution must empower this delivery and strategic capacity, working with it to pivot the whole place effort towards growth and jobs driving our national recovery one economy at a time. There would be enormous risks for communities should the government seek to remove this local delivery capacity at such a crucial time for our local economies.

TABLE ONE Business grants paid out by 19 April 2020

	Number of businesses in scope, at 19 April	Number of grants paid at 19 April	% of payments made at 19 April	% payments made, 17 July
London Boroughs	231,920	109,980	47.42	92.12%
Metropolitan councils	408,796	177,840	43.50	91.44%
Shire districts	792,102	428,282	54.07	91.77%
Unitary authorities	495,528	252,230	50.90	91.20%



CASE STUDIES

Watford Borough Council harnessing identity through Watford Helps charities appeal

The council harnessed its sense of place to generate financial support for the local voluntary sector to continue with their essential work supporting residents.

Auctions, sponsored walks, raffles, donations from the business community and a weekly quiz hosted by the Mayor and football legend Luther Blissett raised over £156,000 which has been shared with over 40 local charities such as the Peace Hospice, homelessness charity New Hope, Watford Womens Centre, Watford Foodbank and many others.

A creative social media campaign used a host of stars with a Watford connection to support the campaign including rugby player Maro Itoje, 80s pop icon Limahl, England footballer Kelly Smith and actor Mark Bonnar.

Colchester City Council leading the town centre recovery

The lockdown galvanised the council and business networks which were established to develop Colchester's £25million town deal bid.

Within hours a Covid-19 website offered trusted sources of information to business. The Colchester Business Enterprise Agency was granted £9,450 providing crisis business support, delivering a 52% increase in appointments with companies of all life-stages and sectors.

A further £20,000 is supporting resilience, adaptation and recovery, aided by the expansion of Gigabit broadband enabling business innovation and free trials of 25 e-cargo delivery bikes to mitigate carbon footprint. A Town Centre Task Force created Covid-compliant spaces to provide access to the daytime and night-time economies.

Wychavon District Council has made new bursaries available to encourage young people to enroll in an apprenticeship

Apprentices can apply for help with the cost of travel, clothing and tools or equipment.

The following bursaries are available:

- Maximum of £50 per month for up to 6 months for travel expenses
- One-off grant payment with a maximum value of £75 for clothing
- One-off grant payment with a maximum value of £100 for tools or equipment

To qualify for a grant, apprentices will need to be aged between 16-24 years old, have a salary of £175 or less per week and live in Wychavon district.

The scheme encourages more people to consider an apprenticeship as a viable career choice and help them overcome cost barriers, which are important for key sectors in the local economy.

North Devon District Council support for hospitality businesses reopening

The council introduced an advice programme for helping all local businesses understand how to safely reopen and to adapt their offer to grow their business – on everything from food safety, social distancing, to waste and car parking.

The council has launched this service alongside a campaign encourages residents to shop, buy and eat locally, thereby injecting money into the local economy to help it recover from the damage caused during the coronavirus pandemic.

This includes making lifestyle choices that will help protect the natural environment in North Devon; taking advantage of the shops, restaurants and leisure facilities on our doorstep reduces the impact on our environment.

The campaign provides a single strong brand which is promoted across the local economy and out into the community through the local groups and business forums.



3

EMPOWER REAL-WORLD ECONOMIES

“The days of Whitehall knows best are over. We will give towns, cities, and communities of all sizes across the UK real power and real investment to drive the growth of the future and unleash their full potential.”

Conservative Party Manifesto, 2019

District councils reflect the towns, cities and communities in which people live and businesses operate. They are embedded in the catchment areas for high streets and football teams, the travel areas for work and leisure; they know their local economies and hold a range of levers to get growth going. A district level response is key, evidence suggests the pandemic’s impact on jobs and growth will vary between district areas within county areas more than between county areas and core cities. And so, devolution must empower district councils and partners around the economic areas of our future; celebrating our historical ceremonial counties rather than being held back by them.

Districts are the champions of the towns, cities in which people live and businesses operate. They represent the administrative level that best reflects the catchment areas for high streets, the travel areas for work and leisure, the places of local friend networks and community clubs and pastimes. They are embedded in places, part of the community, holding a wide range of levers for growth.

Devolution must help communities, towns and cities stabilise and grow, levelling up across the country, because our national recovery will rely on success across local economies. While some levers are best held nationally, many could achieve more when brought together locally around the labour, housing and economic markets that have evolved over time. As illustrated in Figure 1 and 2, functional economic areas are based on patterns of one or more types of economic activity, reflecting travel to work areas, housing markets, and employment density².

District councils deliver at the administrative level closest to local markets, and are most able to come together as the flexible building blocks across wider economic geographies. Leading the collaboration around a single vision and single partnership through which departments and agencies of national government can engage with towns and cities. As large, polycentric historical administrative units, county council boundaries bear little resemblance to functional economic areas.

This is reinforced by the economic impact of the Covid-19 pandemic. Although it is too early to understand the full impact, early evidence demonstrates significant variations between district council areas. In fact, in comparing the impact of Covid-19 on jobs and growth between places, Grant Thornton concluded that the variation between district councils within county areas is not only more significant than between county areas but also between county areas and London and the Core Cities – connection into local economies at district level will be crucial to our national recovery.

Figure 3 sets out the significant variation in anticipated decline of GVA between districts within county areas. For instance, in Worcestershire the decline of GVA varied from 16.1% in Wyre Forest to 11.4% in Bromsgrove, by comparison the difference between all county areas and core cities was just 1%. Furthermore, county areas with the lowest overall GVA decline have the greatest variation, pointing to the risk that county-based approaches would mask underlying challenges at a local economic level.

2 <https://commonslibrary.parliament.uk/research-briefings/cbp-8619/>

It is a similar story when looking at the numbers of jobs at risk. For instance, in Leicestershire the percentage of at-risk jobs ranged from as high as 63.9% in Charnwood to as low as 39.8% in Blaby, by comparison the difference between all county areas and core cities was just 9%. And similar again when looking at claimant count. For instance, in Kent the claimant count ranged from as low as 4% in Sevenoaks up to 10.3% in Thanet. And the same again for earnings. For instance, in Surrey the difference between medium earnings between districts is as large as £23,290.

The report suggests the variation within county areas was due to their 'polycentric nature'³, in that they do not reflect functional economic areas, but large administrative boundaries. For economic growth and connection into businesses large and small, sprawling county unitary councils actually risk creating some diseconomies of scale.

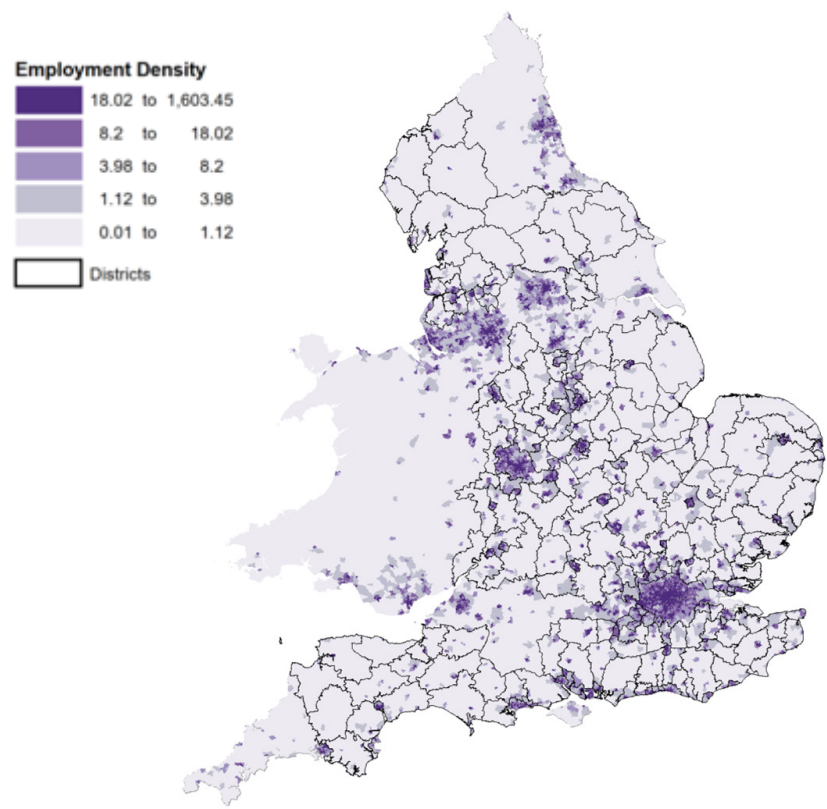
As housing and planning authorities, district councils understand and know these local economic areas intrinsically. For instance, they develop strategic housing market assessments to understand housing and economic trends, while connecting with every business as billing and licencing authorities. Devolution and the local recovery effort must put districts at the centre of delivery, focusing on growing our markets of the future while celebrating the wider ceremonial county, without getting held back it's out of date administrative boundary.

FIGURE 1 Travel to work patterns across all modes



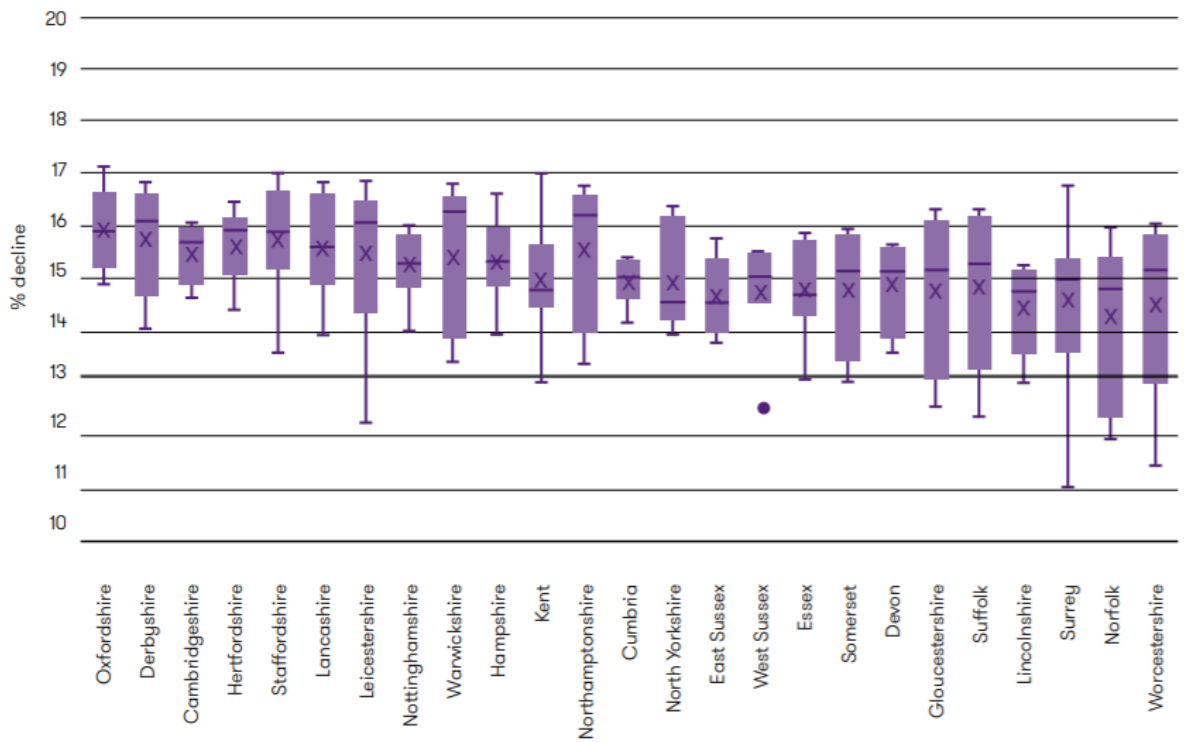
Source: Alasdair Rae, ONS

FIGURE 2 Employment density on district council boundaries



Source: Transformation in localities, Grant Thornton, 2018

FIGURE 3 GVA decline as a result of Covid-19 pandemic, variation within county areas



Source: Place-based recovery, Grant Thornton, 2020

CASE STUDIES

Epping Forest District Councils co-designing the health recovery

The council has engaged 350 residents living in estates where the impact of Covid-19 has been most significant, placing them at forefront of co-designing initiatives to support local recovery.

Socially distanced doorstep conversations were undertaken to hear residents' own stories.

The experiences of residents, including the availability and ease of access to key services, were shared with strategic stakeholders from across the whole system. Key themes identified included; deteriorating mental health, physical inactivity, poor community resilience and dissatisfaction with the neighbourhood environment.

The community themselves will work alongside agencies to reimagine services moving forwards.

Gedling Borough council leading the local humanitarian response

In March 2020 the council rapidly established a new Giving for Gedling service was in place in response to the Covid-19 pandemic. The team was comprised of redeployed staff working together to provide support to vulnerable residents.

The Council's conference centre became the main headquarters for the local humanitarian response to the coronavirus outbreak. It became a super food bank, guided in its set up through partnerships with local Food Banks and Church Leaders. Since the Hub opened in March 2020, local volunteers and staff have dispatched 1267 food parcels. Fresh food has been produced on-site for inclusion in each parcel by local catering company.

Alongside this the council established a volunteer registration portal on its website which saw 520 volunteers registering, offering assistance with food parcel packing and delivery and telephone befriending.

Harborough District Council promoting good health across the lockdown

The council adapted its exercise referral programme to serve those residents who are more at risk due to COVID with a large majority being required to shield, by developing a self-help page, and developing a programme of online sessions supporting people to stay connected and active.

The council also worked with hospitals and health partners to adapt its targeted intervention programmes for getting cancer patients fit for surgery and supporting cardiac patients. Working with health-based instructors, they have to put in place a safe and progressive strategy to keep individuals

active during this time, often providing advice/support around home-based exercise through video calling. Moving forwards, the council are now in a position to be able to start slowly encouraging individuals back into activity and will be working with our instructors to provide outdoor based closed group sessions.

Stroud District Council shaping a new future for market towns

The council is working in close partnership with parish and town councils and local chambers of commerce to promote safe visits to our main market towns across the district, boosting business and helping economic recovery.

The council is just completing a highly successful six week 'shop local' campaign, in partnership with local businesses, which has generated huge interest on social media. And is now building on the relationships made to develop a comprehensive market towns strategy with partners, helping to re-define and boost vitality of our market towns and support the transition to a low carbon future.



4

CONTINUE TO ANCHOR LOCAL GOVERNMENT IN LOCAL COMMUNITIES

"I do not believe that, when the people of the United Kingdom voted to take back control, they did so in order for that control to be hoarded in Westminster. So we are going to give greater powers to council leaders and to communities."

Boris Johnson, 27 July 2019, Speech at Manchester Science and Industry Museum

English local government is amongst the most centralised in Europe, and devolution must not centralise further again. With populations nearing the size of Northern Ireland and landscapes several times larger than Greater London, county unitary authorities would resemble regional, not local, government. The average size of a new county unitary council would be 122 times larger than the average council in Germany, 14 times larger than in Denmark, and 5 times larger than the current average for all councils in England. Covid-19 revealed resilience, strength and power in our communities, they must not be pushed away; when asked in referenda, the public consistently vote against creating new unitary counties, and they should be properly involved any future debate.

The Covid-19 experience has reignited interest in the local community, revealing its power and resilience. People do not want local district council services – such as waste, housing, planning, environmental, licensing, parks etc – to become more remote, to move into offices hours away, and to be less responsive and representative to what is happening in their village, town and community. We know this is true, because public consistently votes against proposals for unitary councils in referendums and they should be properly engaged in decisions, through referendums⁴ and other routes, on any future change.

County councils represent populations averaging 843,000 and up to 1.6 million, almost equal to Northern Ireland, and covering vast landscapes that can take hours to cross by car, even longer by bus. This may work well enough for the delivery

of some services, however the case for having county unitary councils accepts a huge centralisation of intrinsically local district services into units more akin to regional government.

England already has the largest local government in Europe⁵ (Table 2). County councils have been clear they want to create county unitary councils everywhere. With an average population of 843,000, this would create councils 468 times larger than average councils in France, 122 times larger than average councils in Germany, 24 times larger than average councils in Sweden, 14 times larger than councils in Denmark, and almost 5 times larger than the current average of all English councils. Our residents and businesses deserve better.

Larger local government is less representative local government. With a national average of 3,300 voters per councillor, England is already substantially less locally represented than other countries (Table 2). Within this context, it is district councillors and local town and parish councillors that maintain the closest link between councils and communities with 2,000 voters per councillor, while counties have over 9,000 voters per councillor (Table 3).

In fact, the argument for county unitary councils accepts a significant dilution of local democracy. Taking the existing average numbers of voters per council seat, local representation on crucial district services such as planning, waste and growth would become 4.5 times less locally representative in a county unitary on average. That is 4.5 times less responsive to residents, to businesses, to MPs, to communities, to local partners. And in the largest county, a new

⁴ For instance, in 2017 84% of voters in Christchurch voted against the creation of Bournemouth, Christchurch and Poole unitary authority. And before that, 70% of voters in Shrewsbury and 86% of voters in Bridgnorth voted against new unitary councils in Shropshire, and 76% voted against a unitary in Durham County.

⁵ <https://districtcouncils.info/reports/effective-representation-for-local-communities-report/>

unitary at the county level would be seven times less locally representative on district matters.

County councils advancing unitary arguments have acknowledged this weakness, and in response promise to bolster the role of the thousands of local town and parish councils, but with little detail what will be devolved to them and how. There is a risk that this becomes a token gesture and local councils deserve better, they are crucial partners and should be supported to build on their strengths.

County unitary councils efforts to develop genuine proposals to recreate capacity in local councils would take huge time, effort and resources; ultimately working towards replacing a small amount of district council capacity through another new tier of local government which would emerge inconsistently across places. Instead, communities and their local councils would be best able to grow their added value working with principal authorities closer to them, building their capacity working collaboratively with district councils and local partners.

TABLE TWO Average Representative Ratios

Country	Population millions	Number of lower tier principle councils	Average population per council	Total cllrs ('000s)	Persons per councillor
France	67	36,500	1,800	515	130
Spain	47	8,100	5,800	65	720
Germany	83	12,013	6,900	200	410
Italy	60	8,000	7,500	100	600
Belgium	11.5	581	19,700	13	880
Sweden	10	290	34,400	46	220
Netherlands	17	390	43,500	10	1700
Denmark	6	98	61,000	5	1200
England	56	315	177,700	17	3,300*

Source: Council of Europe Committee on Local and Regional Democracy (CLRD) (2008) and CEMR/Dexia 2010, 2012 and 2013 (figures updated and rounded for ease of presentation)

TABLE THREE Population, council seats, voters per council seat by authority type

	Average population	Average electorate	Average number of council seats	Average voters per council seat
Unitary and Mets	250,290	187,800	60	3,130
London Boroughs	278,000	182,628	57	3,204
Shire Districts	114,000	88,536	42	2,108
County council	843,000	621,090	67	9,270

CASE STUDIES

Norwich City Council adapting support to community groups

The council has strong community links and had co-designed a web platform (www.lumi.org.uk) providing resources and support on undertaking community action, showcasing what was happening at a local level.

The site quickly added a Covid-19 section and officers worked with new and existing groups to ensure all services and adaptations to services were included. There was a section on developing new mutual aids with a dedicated officer to support and proactively contact new groups we heard about to offer help, and regular stories were shared to inspire others.

Residents and officers used the site to find suitable local support for those they spoke to, meaning far fewer needed interventions from the council directly. Many of these mutual aid groups are continuing to thrive and are being supported to continue into the future.

Hertsmere District council leading the social response and recovery

The council provided additional funding of £10k to communities through the Volunteer Compassionate Community Connector programme in response to Covid-19. The assistance is for people who are healthy and at low risk to volunteer to help others across the district.

The council also released 10 members of staff to support the register and vet potential volunteers. Volunteers were then matched with request for support from vulnerable members of the community. Practical Support requests include shopping, prescription collections, pet sitting, urgent supplies and newly created walking buddy scheme.

Alongside this the council worked with partners to establish health and social care hubs, providing free lifestyle support for individuals and their families covering mental health, physical activity, weight management, smoking cessation, health MOTs and nutritional advice.

Warwick District Council launched Community Economic Recovery Fund

The council has made funding available to help support community organisations through the 'recovery' phase, focused on enabling them to deliver essential services to vulnerable people most impacted by Covid-19 in keeping with Government guidance.

Grants of up to £3,000 are available to organisations who have a role in supporting the Warwick District community during this time. The new funding is targeted at not-for profit groups such as local registered charities, foodbanks and community groups who are experiencing short-term financial

hardship, have ceased operations or have had to adapt or increase their service due to the pandemic.

North West Leicestershire District Council create online business support hub

In partnership with the Business Gateway, the council has set up a growth hub helping businesses learn and exchange experience in dealing with the challenges surrounding Covid – including access to webinars supporting business and personal development amid the crisis.

Topics include introduction to pricing, the science of personal productivity, contingency planning, purpose and strategy, company values in a crisis, and online networking.

Looking ahead the initiative will offer free weekly webinars on building business resilience and a new programme of one-to-one sessions helping local businesses restart smoothly and successfully post Covid-19 crisis.



5

REJECT FALSE ARGUMENTS THAT BIGGER LOCAL GOVERNMENT IS BETTER OR CHEAPER LOCAL GOVERNMENT

"It's about strengthening and empowering local leadership and local institutions to be the drivers of future prosperity. Providing power back to local communities."

Robert Jenrick, 2 July 2020, speech to Local Government Association

The primary case for county unitary councils focuses on achieving scale and savings. However, as a House of Commons briefing for MPs summarised in 2019, all the evidence is clear that increasing scale is no guarantee for increasing efficiency or improving public services. Although there might be some benefit of delivering some services at different levels, including having some services more local, evidence points to other factors playing a more influential role in service delivery and efficiencies, such as political and officer leadership. Meanwhile county councils have promoted questionable projected savings from county unitary proposals, which focus on removing delivery capacity and do not come close to resolving the funding challenges facing local government; evidenced by the significant financial challenges facing recently created unitary councils. In fact, rooting services in locality could be most effective in achieving long term financial sustainability.

The experience in responding to Covid 19 crisis has proven that bigger is not always better. There have been important national interventions that protect economies; the furlough scheme, the eviction ban, and more. Some of the greatest successes across the pandemic have been delivered locally when backed by a national commitment; for instance, getting rough sleepers into accommodation, delivering business grants, and marshalling the local community effort.

The experience has reinforced existing evidence that bigger local government is not better local government. As concluded by a House of Commons briefing for MPs last year, 'the evidence around an optimum scale of local government

is equivocal'⁶, which referenced studies finding very little relationship between measures of performance or efficiency and population levels, stating:

'...it may be possible to show a link between population size and costs or effectiveness in some parts of some services, but the relationship is by no means all one way, and there are other factors which probably matter much more... the political culture and management style of a county, district or borough are widely accepted as being most important in determining how efficient and effective an authority is.'⁷

It is therefore more reliable to look at the scale for delivering different services; research has generally found that many services are better delivered at a scale smaller than many county areas⁸, but overall the evidence is not equivocal. In fact, looking at the scale of delivery for different services suggests that multi-tier systems (common across all countries in the western world) may be the preferred means through which deliver different services at the most appropriate scale.

So, the evidence suggests bigger local government does not necessarily mean more efficient local government. Nevertheless, counties have estimated savings from the process of creating new county unitary councils of between £23m and £29m per new unitary county on average. These assumptions are highly questionable for various reasons, for example:

- they do not consider the counterfactual savings that district and county councils might otherwise make through innovations and partnerships, which can

⁶ <https://researchbriefings.files.parliament.uk/documents/CBP-8619/CBP-8619.pdf>

⁷ Tony Travers, George Jones and June Burnham, The impact of population size on local authority costs and effectiveness, Joseph Rowntree Foundation, 1993

⁸ Population size and local authority performance, Communities and Local Government/ Cardiff University, 2006

be achieved without the management overheads, administrative upheaval, and distraction from delivery.

- they are savings focused on removing local government capacity to drive the local growth and jobs that generate the tax receipts that fund public services.
- the analysis assumes savings reducing 90 to 100 councillors in each new county unitary, but counties pursuing county unitary bids are proposing having many more councillors than that. There are similar uncertainties with the staffing assumptions.
- the costs of moving to new county unitary models do not include the large potential costs of growing the role of local town and parish councils which feature in the bids of county unitary proposals, genuine efforts to bolster the role of hundreds of local councils in each county would not be cheap.
- the savings indicated through models on spreadsheets are challenging to realise in practice requiring sufficient political and officer leadership and attention, which is difficult to guarantee given the simultaneous crisis in communities and challenges in public services.
- the drive for savings into county unitary councils will put at risk a range of discretionary services, currently provided by district councils, which are important

to residents and business in localities. The saving assumptions might already include the loss of these important services.

Even if the savings provided by county councils are to be accepted, they are modest in the context of the significant and growing financial challenges in local government – particularly across adult social care, children’s services, and services for special education needs and disability – and alone will not achieve long term financial sustainability.

This is illustrated by recently created unitary councils experiencing similar levels of financial challenges, and also by the indication that unitary councils created in the late 1990s might also be caught up in yet more reorganisation. In fact, as argued by the LGA and others, the resolution and integration of health and social care in communities might be the most crucial route to improvements and efficiencies in local government services across places⁹, and that this is best delivered at the local community level’.

This is supportive of other research which suggests that more local models of local government are most likely to achieve longer financial sustainability. This is due to having more accountable political leadership and community engagement, enabling councils to create new relationships with residents based on co-production and independent rather than paternalism and service provision¹⁰.



9 <https://www.local.gov.uk/about/campaigns/lives-we-want-lead-lga-green-paper-adult-social-care/towards-sustainable-adult>

10 https://www.aylesburyvaldc.gov.uk/sites/default/files/page_downloads/Strategic-options-case-for-modernising-local-government-in-Bucks.pdf

CASE STUDIES

Chelmsford City Council engagement with business on local recovery

In May the council sent a business recovery survey to over 3,000 SMEs, many of whom had applied for the Government funded business support grants. With close to 50% of respondents indicating that they did not expect to be trading in 12 months time, the council has used the responses to connect with its business support partners agencies (Colbea, BEST Growth Hub, and Back to Business) to match support to business need, as the local economy seeks to recover.

work on the Local Plan review, which considers everything from what employment and housing the area needs to tackling climate change and how special landscapes can be protected.

The council is now keen to hear how people think the experience and impacts of the Coronavirus crisis should influence the long-term plan, which guides council policies for the next 10 years and beyond.

Sevenoaks District Council establishes a business board to drive recovery

In response to the new pressures being faced in the local economy the council has launched a new Business Board. The board is attended by business leaders from businesses large and small, across a wide array of services and sectors and business young and old. Making use of remote meeting technology, the council has made a conscious decision to make the meetings 1 hour long. Each meeting has a single focus, just one question to answer. Contributions from attendees allow us to quickly identify their priorities and make a plan to take action. The response from businesses has been overwhelmingly positive and will shape our economic action plan now and in the future.

Malvern Hills District Council campaign to help young people build life skills

A new campaign was launched to encourage young people across the Malvern Hills District to gain valuable life skills.

Malvern Hills District Council has partnered with Malvern Youth Advisory Network to deliver 'Futureproof' which will run from 13 to 26 July.

The campaign is being championed by the council's new Youth Chair and Advisors and is aimed at 11 to 17-year-olds. It will encourage young people to build resilience and feel part of the community, as well as help them gain valuable life skills.

A range of different topics will be covered from budgeting and mindfulness to coping with exam stress and cooking healthy meals.

Futureproof will be promoted on a new webpage, as well as through videos, posts and activities on social media.

South Lakeland District Council launch consultation with residents and businesses to shape post-Covid future

Residents have been invited to have their say on a major plan that will shape South Lakeland's post-Coronavirus future.

The council is taking the opportunity to re-start its engagement

6

SUPPORT STRATEGIC LEADERSHIP ACROSS WIDER FUNCTIONAL ECONOMIC AREAS

“We remain committed to devolving power to people and places across the UK. Our ambition is for full devolution across England, building on the successful devolution of powers to city region mayors ... so that every part of our country has the power to shape its own destiny.”

Conservative Party Manifesto, 2019

District councils are the natural administrative building blocks across wider geographies and are already coming together to provide leadership on wider strategic issues connecting towns and cities. Devolution should further enable this by equipping district councils and partners, like Local Enterprise Partnerships, to lead strategic issues such as infrastructure, transport and inward investment across wider economic areas; potentially coming together in mayoral combined authorities only where places want them. County unitary councils would not work well within such models; creating strategic leadership tension between a small number of large organisations, meanwhile reducing the local delivery capacity to get things done.

Wider functional economic geographies are much broader than single district councils, or single towns and cities, but instead are connecting our places in wider economies. District councils are the natural administrative building blocks that can come together across large functional economic areas providing leadership on wider strategic issues, working with key partners such as Local Enterprise Partnerships.

District councils have always led the way in innovation with collaboration, partnership and shared services with a focus on outcomes. Drawing on engagement with partnerships across the country, previous work by Grant Thornton¹¹ has summarised how the best district-led collaboration is:

- built on the powerful tools that districts have always had at their disposal
- boundary-blind and driven by a place-based vision for success

- rooted in and responsive to a detailed understanding of locality, residents and businesses
- entrepreneurial, commercial and innovative
- focused on local economic growth to support the wider economy
- consensus-led and supportive of the aspirations of place-based

Moving forward, councils might want to follow in the footsteps of other areas that have developed combined authorities on strategic issues such as large-scale infrastructure and passenger transport, with district and unitary councils continuing as delivery the arms. They might span functional economic areas similar in size to existing combined authorities, which average at 1.5m population ranging from 700,000 up to almost 3m (Table 4).

The government's manifesto has set out a clear preference for strong mayors. It might be that councils coming together in combined authorities would want a mayor across the wider geography attracting investment for strategic infrastructure and holding levers on other key strategic issues. In such an arrangement, it might be that it is decided that mayor would lead a board including the leaders from each of the councils within the combined authority.

Such an approach is not at all well served through increasing the number of large county unitary councils. County councils do not favour combined authorities and mayors. However should county councils be persuaded into a mayoral combined authority in return for becoming a county unitary, it would only

11 <https://districtcouncils.info/news-coverage/dcn-and-grant-thornton-transformation-in-localities-toolkit/>

realistically include one or two large councils creating tension and confusion on the strategic leaderships with the mayor, they would be too similar; whilst removing the critical local delivery capacity through a turbulent process of reorganisation.

TABLE FOUR Combined authority by population

Combined authority	Population
West Midlands	2,928,592
Greater Manchester	2,835,686
West Yorkshire (no mayor)	2,252,300
North East (no mayor)	1,945,000
Liverpool City Region	1,429,910
South Yorkshire (Sheffield City Region)	1,409,000
West of England	1,100,000
North of Tyne	880,000
Cambridgeshire and Peterborough	850,000
Tees Valley	700,000

CASE STUDIES

Wealden District Council promoting health in place beyond the crisis

The council is in discussions with the local CCG and the four GP practices serving Hailsham residents to provide a modern, more centrally located medical centre. The intention is to accommodate new post-Covid clinical approaches to primary care provision and expand the range of services to what is set to be the key growth town for East Sussex as a whole. Collaboration and innovation are essential pillars of this approach in conjunction with a wider regeneration programme led by the council to create a healthy, green, climate change friendly modern market town to act as a vibrant destination for visitors and local people. www.hailshamaspires.co.uk

Colchester Borough Council's Community Response Team mobilised quickly to support communities through the Covid-19 crisis

The team worked through Community 360 to provide dedicated support, advice and assistance to those who need it across the borough, bringing together the council, voluntary sector, police, health, education and business community. The programme moved quickly to:

- create a food package distribution network for vulnerable groups not included in the government's 'shielded group'
- co-ordinate and support an extensive volunteer response within communities
- provide support through the council's digital inclusion team for vulnerable people shielding to access the internet, for instance to shop for groceries and stay in touch with loved ones
- partner with 18 GP practices to receive referrals from the council's social prescription service
- adapt the community transport offer by conducting welfare calls with people on the scheme, providing signposting, support and company, as well as support to access pharmacies
- advice communities in how to access foodbanks, deal with utility companies, and stay well including looking after mental health

East Suffolk Council supporting older people to connect via technology

The council worked with local community response groups and American company Techsilver to get Grandpads – simplified tablets – aimed at older people across the District who were identified through our Home But Not Alone service as feeling lonely, isolated and disconnected from friends and family.

The recipients will be supported grow in confidence over the coming weeks and use their Grandpads to access health services and shop online as well as connecting with family and friends. As part of the monthly fee, which has been sponsored by the Council through its Covid funds, Techsilver provide 24/7 support and our first users are going from strength to strength.

City of Lincoln Council launched a telephone befriending scheme

The scheme matches council homeworkers with elderly residents who are at risk of becoming isolated due to their social networks collapsing amid the coronavirus pandemic.

The scheme contacted 18,000 residents and quickly became a vital service to support over 450 people in the most vulnerable sectors of society at a time when they are feeling particularly afraid and alone.

The council workers would provide company but also advice on promoting independence, for instance on accessing services, in using technology, and more.

Within days of launching the scheme, the council allocated more than 1,100 residents to 22 members of council staff, and maintaining consistency of contact across the lockdown.

7

INTRODUCE AN UPPER LIMIT FOR THE SIZE OF NEW UNITARY COUNCILS IN LINE WITH ELECTORAL EQUALITY

“We will ensure we have updated and equal Parliamentary boundaries, making sure that every vote counts the same – a cornerstone of democracy.”

Conservative Manifesto, 2019

Local governance should be determined locally, reform should only take place where there is significant local agreement that it is the right thing for their residents and businesses. However, the government should make clear that any future reform should follow the principles of electoral equality as a cornerstone of democracy, as set out in the Conservative Manifesto and now in primary legislation as part of the boundary review. In doing so, it would mean indicating that a preferred population size for any new unitary council be in line with existing unitary councils, a population of around 250,000 people, and introducing an upper limit of 500,000 to prevent an unacceptable divergence from the principles of electoral equality.

By following the principles of electoral equality, which are set out in primary legislation as part of the boundary review, the government should reduce its declared preferred population size for new unitary councils in line with existing unitary councils in terms of voters per council seat and number of council seats.

This will deliver broad consistency in representation across the country, ensuring our residents and businesses have fair local representation wherever they live. Based on the averages for existing unitary councils set out in Table 5, any new unitary should have a population of around 250,000 to best achieve electoral equality and more consistent local government landscape.

Of course, other considerations would be important, such as fit with functional economic areas, administrative boundaries, and physical barriers especially in national parks. But given the significance of reflecting electoral equality, and the lack of evidence that scale makes any difference for outcomes and efficiency, it would not be reasonable for new unitary councils to have a population over 500,000 people. Only 9 existing

councils have more than 90 council seats, which creates an upper limit in itself. Given the above following the introduction of the parliament boundary review, it would not be appropriate to create further county unitary councils introducing significant electoral inequality in ways that are difficult to justify to residents; undermining a cornerstone of democracy.

For instance, it would be unreasonable for new county unitary councils surrounding London with an average population of 1.4m and average 12,520 voters per council seat, neighbouring London Boroughs with average populations of 324,075 and average 2,910 voters per council seat. Voters in London would be 4 times better represented than in the surrounding counties.

Some county councils have suggested they would increase the number of county seats in a new county unitary. The leader of Hertfordshire County Council has specified 156 seats for the county, as retaining the local connection, but this still equates to 7,700 voters per seat, almost 3 times more than in London Boroughs.

And, as argued elsewhere in this paper, there is no good reason for having local government any larger than this, it is not more efficient, more effective, or more agile, but it is less, and unequally, representative.

TABLE FIVE Council seats and voters per council seat by authority type

	Average electorate	Average number of council seats	Average voters per council seat
Unitary and Mets	187,800	60	3,130
London Boroughs	182,628	57	3,204
Shire Districts	88,536	42	2,108
County council	621,090	67	9,270

NEXT STEPS

The route forward must be defined by collaboration around a focus on the residents and businesses that we are all collectively serving through this difficult time.

We would encourage all districts to have wide ranging discussions locally with their county colleagues, with their town and parish councils, with their MPs, with their local businesses, and with the whole range of public services in their place, from health, to employment, to housing, to transport.

We look forward to seeing the Devolution and Local Recovery White Paper and will continue to engage with debate into the future.



For more information visit

<https://districtcouncils.info/>

Contact us at dcn@local.gov.uk