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Review Manager
(Devon Review)
The Boundary Committee for England
Trevelyan House
Great Peter Street
London SW1P 2HW

Our ref: JT/CH

26th September 2008

Dear Review Manager,

Local Government Review

I write in response to the Boundary Committee's report published on 7th July 2008.

The Council strongly objects to both the Boundary Committee's proposal for a Unitary Devon authority, and to the further suggestion to create an Exeter and Exmouth Unitary, with a unitary authority for the remaining area of Devon. The Council's response has been shaped by an extensive public engagement process during the consultation period, and reflects the views of the majority of the public and local stakeholders.

The scale of a Unitary Devon would result in the creation of the second largest authority in population terms after Birmingham. The establishment of such a geographically large rural council conflicts with current Government policy to bring local government closer to the people it serves. Furthermore, the recommendation does not align with recent Government decisions regarding the structure and size of new unitary councils in Bedfordshire and Cheshire.

As an initial part of the process the Boundary Committee invited the submission of concepts. Only the County Council and Torridge District Council proposed a single Devon unitary as a concept. During the current consultation process, Torridge District Council has indicated its concerns about the Unitary Devon proposal. There is a strong majority view from the Devon district councils, most of the locally based stakeholder groups (rather than the strategic bodies such as the PCT) and local residents, that a Unitary Devon is inappropriate.

A key objection to the proposal is the resulting democratic deficit, both initially and once the new arrangements are in place. As a continuing authority the existing county council will determine the culture, budget and service delivery arrangements of the unitary. However the first elections are unlikely to be held until 2011, probably 12 months after the start of the new authority. During this transition period, the democratic deficit will also be significant. At most there will be eight existing county

Please see our proposals for a "rural South Devon and Dartmoor unitary" authority at www.southhams.gov.uk



Chief Executive - David Incoll



INVESTOR IN PEOPLE

councillors to represent this area during the taking of a range of key decisions affecting the South Hams, including establishing the culture, service delivery arrangements, and budget with a lack of a democratic 'district' based input.

Currently South Hams residents have one councillor for every 2,000 people at district level, supported by eight county councillors. Assuming 100 members are agreed for Unitary Devon, it would result in one councillor per 7,500 of population. This would result in the people of Devon having the worst level of representation in the country. The scale of the workload for a councillor in a large sparsely populated unitary area, engaged in the range of issues affecting a unitary authority, while also undertaking the time consuming but essential local representative role, would result in the need for full time professional councillors. This would undermine the diversity and range of individuals able to become councillors and result in a failure to achieve a representative cross section of the community.

When assessing either the Boundary Committee's recommendation or their alternative option, against the five criteria established by the Secretary of State, the Council believes that the proposals fail to sufficiently meet the criteria to justify the scale of strategic risk and disruption which would result from the proposed change.

In terms of attracting a broad cross section of support, the Council believes that there is very limited support for either the Unitary Devon proposal or the option for Exeter/Exmouth in South Hams, and based on the Boundary Committee's website, this appears to be a view held in many other areas of Devon. The majority view of local people is that local government in Devon is not broken and does not need fixing.

With regard to strategic leadership, the Council's view is that a new unitary needs to be large enough to have strategic influence but small enough to connect with local people. The proposal for a Unitary Devon creates an authority which is so large that, rather than improving strategic outcomes for the people of Devon, it will result in a democratic deficit, and create diseconomies of scale as the distance between the centre of the organisation and front line delivery increases. A single Devon, or the alternative large rural Devon Unitary, will not be sufficiently sensitive to the separate and distinct economies within Devon or respond to the locality issues.

Proposals for Spatial Boards, quasi-judicial sub-boards, and Community Boards are examples of how the scale of a Unitary Devon requires a series of additional structures to secure a connection back to local communities from a remote centre.

There is no evidence in the Boundary Committee's report that a Unitary Devon would more effectively achieve strategic leadership and respond to the challenges in our area than any of the unitary concepts submitted, but all were dismissed without a detailed assessment.

Community engagement is a key issue for the Government. A Unitary Devon would damage existing levels of local representation and reduce the ability of local people to influence events in their area. The further communities are away from the local authority centre delivering their services and collecting their Council Tax, the more disconnected people feel.

Community Boards are a centrepiece of the draft proposals. However there is no clarity on their future role, governance and funding arrangements. Furthermore there are no examples of successful implementation of such arrangements elsewhere in the

country. Indeed the Council concludes that the Community Boards will create another tier of local government without any clear benefit. The number of Boards will also create difficulties for key partner organisations to effectively engage at a senior level, such as health and the police, as well as excluding the involvement of the majority of rural parishes within the hinterland of the town that the Community Board is based on.

In terms of value for money, there is no clear evidence that the larger the authority, then the more efficient it is, particularly a local government organisation of the scale proposed. There is little focus by the Boundary Committee on this particular criterion in the report and it does not include a definition of the term 'value for money' for the purposes of the review. Perhaps of most concern is that there is no assessment of the value for money of either of the Boundary Committee's proposals as a comparison with the submitted concepts, or the retention of the existing pattern of local government. Clearly value for money is not the same as affordability, and there will be a cost to effective democratic representation which does not appear to have been taken into account.

Affordability is a key concern for stakeholders and the Council supports the drive to reduce costs; however there has been a very short period of time to undertake the review work, particularly any robust assessment of the financial case. The tight timescale has prevented financial comparisons of the savings which could be achieved from a pattern of local government based on other concepts submitted, or indeed the retention of the current system. While cost is important, an equal criterion for the review is community engagement and local accountability. The Council's view is that the Boundary Committee's conclusion should not simply be based on creating the easiest and cheapest solution.

The financial model has been published late in the consultation process and is based on a number of general estimates. High level assumptions have been made about future service delivery, service access arrangements and the size of the workforce. Rural sparsity may increase costs if a strongly centralised pattern of service delivery is established rather than a local delivery approach, as suggested in the Rural South Devon and Dartmoor concept.

The financial model assumes net savings of 3.5% per annum. However the Government already requires the existing two tier arrangement to achieve similar efficiency targets year on year. Experience of other large scale reorganisations has shown that actual costs are much greater than anticipated. Examples close to home include the increasing cost of the Cornwall Unitary compared to the initial business case, and overspends reported in the local media affecting the new Devon-wide PCT.

Assumptions within the financial model indicate that the county council anticipates that it will be a continuing authority with the district councils abolished. The establishment of a new unitary should be an opportunity to create a new culture with a comprehensively reviewed supporting structure and budget to set and achieve the new organisation's priorities. Without a significant cultural shift, which is a real risk in a continuing authority, there is a fear that savings will come from 'district' rather than 'county' services which are perceived to be unchanged as a result of reorganisation.

There is an enthusiastic commitment to 'Integrated Devon' by all councils across Devon and much had been achieved to improve services and reduce costs. Much more was planned but has been held in abeyance in the last few months due to the boundary review process. Devon County, South Hams, Teignbridge and West Devon Councils all have good reputations and could build on existing high performance and

customer satisfaction. The integrated arrangements already implemented were working and if they were to continue, there would be a huge saving in transition costs and inevitable disruption which would arise from the Boundary Committee proposal. The 'pilot' work being achieved in the south of the county would be easy to replicate in the east and north to secure quick wins.

The Council is not only concerned about both of the Boundary Committee's proposals; there is also concern about the process that has occurred to date. Effective public consultation has been prejudiced for a number of reasons, including the lack of information available to enable informed responses on key issues such as community engagement and affordability. Confusion has been caused about whether there is the opportunity for consultees to comment on other patterns of local government in Devon, including any of the concepts previously submitted or indeed the retention of the status quo. The Boundary Committee's publication of both the unitary Devon recommendation, and the Exeter/Exmouth option, has further confused the matter about the scope for consultation on options under the Committee's terms of reference. The situation is not helped by the publication of a consultation option for Exeter and Exmouth which did not have stakeholder support and little analysis of its benefits in the Boundary Committee's report. The consultation process has been further confused by DCLG's intervention on 13th August 2008 (half way through the consultation period running from July to September) that the retention of the status quo, should be part of the assessment if representations are received promoting the retention of the existing pattern of local government.

Having requested the submission of concepts, it is extremely disappointing that the concepts were not given an objective analysis with the outcome of that assessment published, particularly as there was strong local stakeholder support for the Rural South Devon and Dartmoor proposal.

A further major concern is the artificial timescale for undertaking the review. The timescale for meaningful assessment is very short and is occurring in tandem with a number of other reviews by the Committee. This is inhibiting a comprehensive review. The problem is exacerbated because the timescale for establishing unitary arrangements is unrealistic if a successful transition is to be achieved. There is only 19 months to go until the proposed start date of the new authority and yet there will not be a Government decision until 13 months before the commencement date, assuming the process proceeds according to current plans. As a consequence, it appears that the county council will operate as a continuing authority, rather than a new authority. There is a risk that this will result in a lack of ambition and cultural change in existing county services despite transferring to unitary status.

In the absence of a robust assessment of strategic risks associated with such high level proposals that are based on assumptions, it appears that the anticipated level of net savings of 3.5% per annum will be a high price to pay for the loss of local democracy and an existing pattern of local government, which has a track record of delivery and customer satisfaction across both tiers.

In summary the Council has no confidence in the Boundary Committee's draft proposal or the alternative option for Exeter and Exmouth, and expresses its disappointment that the Rural South Devon and Dartmoor concept has been dismissed without adequate reason.

In the absence of a clear case for a unitary Devon, and the Boundary Committee's reluctance to consider the Rural South Devon and Dartmoor option, then this Council

would recommend retention of the status quo which involves the authorities in Devon at all three tiers working together to improve services and reduce costs under the 'Integrated Devon' banner. Considerable progress had been made, and costs would have continued to be reduced without undermining local democracy and without recourse to disruptive reorganisation.

The Council's detailed response is attached to this summary letter. The Council hopes that the matters raised will be given careful consideration by the Boundary Committee when it considers its recommendation to the Secretary of State.

Finally, I would be grateful if you could acknowledge this letter and the attachments have been received within the consultation deadline.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'J. Tucker'.

Cllr John Tucker
Leader of the Council
South Hams District Council