

Local government reorganisation: between a rock and a hard place or the biggest opportunity in a lifetime?

Organisational change or restructure is inevitable, the biggest challenge this decade will be getting it right.

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Never has the debate around local government reorganisation raged so fiercely! The importance of this can be seen by the fact that the County Councils' Network commissioned PwC to produce a detailed report backing up the claim that unitaries along county boundaries would be the most cost-efficient way of reorganising local authorities. At the same time, the District Councils' Network published its own report claiming that the only way to ensure better services for citizens is to maintain the delivery through smaller councils.

So what is the answer going to be? Will two tier systems stay or go? Where is the middle ground that the two networks will be able to compromise on?

There can be no doubt that central government wants change: it views the larger areas with elected mayors, such as Birmingham, Liverpool and Greater Manchester, as a successful blueprint for devolution. There are also areas of England, where unitary authorities have demonstrated a successful transition to unitary status.

Something said in the District Councils' Network report cannot be ignored at the moment, and here at Browne Jacobson we are acutely aware of it too: the response to the Coronavirus pandemic has highlighted the importance of local delivery of services. It is also an opportunity to collect really useful data about previously unidentified needs within an area. Who is to say that local delivery of services can only be done by smaller, locally based councils? It is entirely possible to have a single larger authority with a strategy of responding to local needs through targeted support or local contact centres.

The numbers in the PwC report make fascinating reading. While there will be nuances within different areas of England, depending at least in part on the extent of current shared service working arrangements, instinctively I agree that savings can be made with a unitary model. The question, and one raised by the District Councils' Network, is how to find the balance between scale and savings, and high-quality delivery that meets the needs of every citizen.

My view is that organisational change or restructure is inevitable, the biggest, and arguably most exciting, challenge this decade will be getting it right. Here are a few thoughts on what council's in both tiers could be starting to plan for:

- **What should a new structure look like?** I disagree that it's simply an absorption of a number of district councils into 'their' county. This is a merger of two different types of organisation with their own services and it will be a case of taking the best of all of them and making something new
- **What systems will be needed to support a new local authority?** What due diligence can be undertaken now to work out whether something entirely new is required and how to merge different data sets, etc.
- **Where will services be delivered from?** Citizens want accessibility and in many cases that is an essential part of providing certain services. However, what we have seen from the pandemic is how well virtual democracy has worked. From access to zoom Cabinet meetings to online surgeries with local councillors, more people have connected with their local authority during lockdown. A balance

between in person and online will provide the best solution. It's also possible to consider again the use of multi-occupancy buildings such as fire and police, or even local colleges, so that services can be delivered on the ground at less expense

- **Employees all the way up to the leadership team will be concerned about job security.** What plans can be made now to consider what positions will be required and the extent to which a single officer may not be able to service a much larger (geographically or financially) local authority on their own – would you need a dual-CEO position for example? To ensure high quality decision-making statutory officers shouldn't be spread too thinly, but is the legislation there at the moment to allow a more creative approach to this? Does that need to change?

Over the next few months we will look at these issues, and more. If you would like us to focus on a particular issue arising from the discussion around local government reorganisation please let us know.

Contact



Anja Beriro

Partner

anja.beriro@brownejacobson.com

+44 (0)115 976 6589

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