



CABINET – 6TH JULY 2018

REPORT OF THE CHIEF EXECUTIVE

**EAST MIDLANDS STRATEGIC ALLIANCE AND UNITARY
GOVERNMENT IN LEICESTERSHIRE – TIMETABLE FOR
CONSIDERATION**

PART A

Purpose of the Report

1. The purpose of this report is to advise the Cabinet, following the decision of the Conservative Group to agree in principle that the County Council should develop proposals for a unitary structure for Leicestershire, of the timetable for consideration of these matters.

Recommendation

2. It is recommended that -
 - (a) The Chief Executive and Director of Corporate Resources be requested to work with counterparts in the region in the development of a Strategic Alliance for the East Midlands;
 - (b) Work be undertaken on the development of a unitary structure for local government in Leicestershire;
 - (c) The following timetable for consideration of the above be approved:-

Cabinet	16 th October	to consider outline proposals and agree to engage with stakeholders on options
Scrutiny Commission	14 th November	to comment on the outline proposals
Cabinet	23 rd November	to consider the outcome of stakeholder engagement and the way forward
County Council	5 th December	to debate the proposed way forward recommended by the Cabinet.

Reasons for Recommendations

3. To provide a framework and timetable for consideration of proposals for a unitary structure for Leicestershire in the context of a Strategic Alliance for the East Midlands.

Timetable for Decision (including Scrutiny)

4. The Leader has discussed with the Leaders of the Opposition Groups the question of scrutiny consideration of the proposals and it has been agreed that they will be considered by the Scrutiny Commission and the scrutiny committees. As per the proposed timetable in paragraph 2(c) above, it is proposed that the Scrutiny Commission consider the proposals at its meeting on 14th November 2018 with the timetable of meetings for scrutiny committees to be considered further.

Policy Framework and Previous Decisions

5. In November 2015 the Cabinet considered a report on the proposed establishment of a Combined Authority for Leicester and Leicestershire, comprising the County Council, Leicester City Council and the seven district councils. The proposal was submitted to the Government in December 2015. Despite widespread local support, this proposal was considered 'unambitious' by the Government, which indicated that it was looking for an arrangement which would make a greater impact on regional economic growth as advocated by some MPs and representative bodies of commerce and industry.
6. A letter has been sent from the Leaders of Leicestershire, Nottinghamshire, Derbyshire and Lincolnshire to the Secretary of State, seeking a meeting to discuss the proposed East Midlands Strategic Alliance.

Resource Implications

7. In 2013 the Council commissioned Ernst and Young (EY) to report on unitary local government. All members of the County Council and the District Council Leaders were provided with a copy of that report. The cost of that work was reported to the Council in February 2014 as £45,000. The Leader asked officers to review the EY report and the consideration which has been given to unitary status by other County Councils. That work was undertaken within existing budgets. Further work will now be undertaken on this matter with a view to reporting the outcome to the Cabinet in October. It is anticipated that work will be undertaken within existing budgets.

Legal Implications

8. Matters now under consideration are deemed to be 'Executive Functions' and therefore for the Cabinet to determine. However, given the significance of the decision it is advised that the matter should be referred to the full Council for consideration and debate, as is the wish of the Leader of the County Council.

The Director of Law and Governance has been consulted on the content of this report.

Circulation under the Local Issues Alert Procedure

9. As this is a matter which will affect all areas of the County, a copy of this report is being circulated to all members of the County Council.

Officer to contact

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PART B

Background

10. The Leader of the Council has advised that at a meeting of the Conservative Group on Tuesday, 26th June 2018 a decision was taken to agree in principle that the County Council should develop proposals for a unitary structure for Leicestershire. This was in the context of developing a Strategic Alliance for the East Midlands to counterbalance the growing power and influence of the West Midlands Combined Authority.

Next Steps

11. At the request of the Leader, officers of the County Council will work with counterparts in Derbyshire, Nottinghamshire and Lincolnshire County Councils to develop a Strategic Alliance and the powers it would be seeking as part of a devolution agreement with the Government. The three unitary cities in the East Midlands will be consulted along with other stakeholders including MPs and the LEPs. With regard to proposals for a unitary structure officers will now build on the initial work undertaken and draw up proposals for consultation. The outcome of this work will be reported to the Cabinet in October.

Equality and Human Rights Implications

12. In developing the proposals for a Strategic Alliance and proposals for a unitary structure, officers will need to have regard equality issues and how the proposals might impact on those groups with protected characteristics.

Background Papers

Media release Friday, 29th June

<https://www.leicestershire.gov.uk/news/right-time-to-start-'new-council'-conversation>

Report to the Cabinet 18th November 2015 - "Combined Authority" and minutes of that meeting

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MID=4232>