

SERVICES IN A UNITARY STRUCTURE

ECONOMIC GROWTH AND DEVELOPMENT

Introduction

1. Consideration of a possible unitary structure for Leicestershire presents an opportunity to consider whether to redesign how services are delivered by local government, and if so what form the redesigned structure should take. The focus is on how better outcomes can be delivered for residents, local business and partner organisations, and how local government can best work with those organisations recognising the challenging times ahead as a result of public sector finance restraints. This appendix, and other appendices prepared in part to facilitate discussion at scrutiny bodies, set out the opportunities that a unitary structure could afford to each service, as well as some examples of best practice from the county unitary councils established in 2009.
2. This appendix should be read alongside the analysis of options in the Cabinet report. In the 'Opportunities' section and case studies which follow, it is logical, however, to presume that some changes offer the greatest benefits in a single unitary structure.

Background

3. This paper covers the growth agenda and includes within its scope economic development, planning (including the strategic planning of future housing provision), and strategic property and housing services.

Economic Development

4. The County Council takes a corporate approach to supporting the economy recognising that all services have an impact on the county's economic performance. As an employer and purchaser of goods and services the Council ranks as an important organisation in the county. It is, however, in its roles as service provider that the Council makes the largest impact. The provision of transport infrastructure (E&T), the rollout of superfast broadband (Chief Executive's), influencing educational provision and standards (CFS), investing in and managing workspaces (Corporate Resources) and the provision of adult learning services (A&C) are all examples of service provision supporting economic growth. The Council's economic priorities are set out in the Enabling Growth Plan and activity is supported and coordinated by an Economic Growth Team in the Chief Executive's Department and overseen by a corporate Enabling Growth Board.
5. District Councils are also employers and purchasers of goods and services. District Council services which contribute to economic growth include planning (specifically in relation to the allocation of sites for employment and housing growth and the processing of planning applications from businesses) and environmental health. Most District Councils have either a small economic development team or a dedicated economic development officer, and activities supported include town centre regeneration, jobs fairs, tourism,

broadband promotion, workspace provision and business grants and networking.

6. A Local Economic Development Officers Network (LEDON) including the City and County Councils, Districts and the Leicester and Leicestershire Enterprise Partnership (LLEP) meets to share information on economic growth matters. Both the County Council and District Councils are represented on the LLEP Board and its various sub-groups.

Planning

7. District Councils are responsible for most local planning matters, with transport and minerals and waste planning being functions carried out by the County Council.
8. Each local planning authority is required to produce a Local Plan which sets out local planning policies and identifies how land is used, determining what will be built where. Currently, each District Council in Leicestershire is required to produce a Local Plan. The County Council produces a Minerals and Waste Local Plan.
9. District level local plans are underpinned by extensive transport modelling work carried out by the County Council. This modelling is essential to demonstrating that local plans are robust and deliverable in terms of the infrastructure needed to support the growth.
10. Both tiers collaborate on strategic planning matters through the Members Advisory Group and its supporting officer groups. Information sharing is conducted through a Planning Officers Forum.

Property and Housing

11. Each authority selects its own property development strategies and this can lead to competition for commercial tenants by separate estates teams across the county all trying to promote their own sites at the expense of other authorities.
12. Each council applies for funding for property initiatives independently of each other to bring forward schemes which sometimes are in conflict/competition with property proposals other authorities are promoting. There is a certain amount of coordination via the Leicester and Leicestershire Enterprise Partnership.
13. In terms of housing services the District Councils are local housing authorities. At present there is some duplication and a mix of roles across the county of the administration and property management of the housing functions and stock. There are currently three districts with their own housing stock (Charnwood Borough Council, Melton Borough Council and North West Leicestershire District Council). Although not a local housing authority the County Council has identified affordable and quality homes as a priority

outcome and many County Council services have a direct impact on housing provision.

Opportunities presented by a Unitary Structure

Economic Development

14. Services could be better delivered by unifying the activities now provided by eight councils. Some of the main opportunities and advantages of this would be:
- Simplifying local government services provided to businesses, employees, trainees and those out of work in the county providing easier access to services;
 - Consistency of economic development policies and services;
 - A rationalised, resilient and effective economic development service would be created, facilitating the employment of more specialists (e.g. in relation to skills, or business support) in place of individual authorities employing generalist ED officers;
 - A more streamlined local government interface with the Leicester and Leicestershire Enterprise Partnership, the Midlands Engine, Government, potential investors and developers, and local businesses.
15. A unitary structure could also facilitate the following strategic opportunities:
- Increased prospect of significant devolution of funds and powers from central Government. Greater chance of governance arrangements being agreed which would enable effective strategic decision-making and investment prioritisation across the Leicester/Leicestershire functional economic geography.
 - Simplification of local business rate pooling and a more streamlined decision-making process to re-investing these funds in to council services and to support economic growth, in line with the Strategic Growth Plan and Local Industrial Strategy.
 - Coherent, unified place making strategies incorporating many elements currently delivered across several councils. Maintaining and improving existing key locations such as employment, retail and community centres as well as designing new growth areas which promote green and health initiatives and support the challenges of an ageing and growing population. A unitary structure would maximise the benefits of infrastructure and / or improvement schemes by considering a wider set of outcomes at the design stage.
 - A unitary structure would simplify the promotion of priorities for public funding to major funding bodies such as Department for Transport, Ministry for Housing, Communities and Local Government with equal resource and experience available across the area.

Planning Policy

16. Strategic Planning: Currently the Strategic Growth Plan to 2050 is being prepared by a partnership of 9 local authorities and the LLEP. A unitary

structure would create a much less complex and more resilient partnership working context. Closer alignment with the LLEP's Strategic Economic Plan/ Local Industrial Strategy would be facilitated.

17. Local Plan: Through a unitary structure, Leicestershire could see a reduction from eight Local Plans to a single Plan. This would include strategic and local policies, and incorporate the Minerals and Waste Local Plan. Data, research, preparation, consultation, publicity, submission, examination would all be streamlined. This would allow for a more strategic and integrated approach to be taken to providing the planning framework for the delivery of key infrastructure and development. A more resilient and effective local planning service would be created.
18. Development of Specific Sites: A unitary structure for Leicestershire would be able to plan more effectively for the development of specific sites by pooling resources and having a strategic knowledge of the requirements for the whole county.

Development Management

19. In the current two-tier system those making planning decisions at district council level are not responsible for the mitigation of many key impacts, for example on roads, schools and flooding. This disconnect, which has an impact on s106 negotiations, would be addressed in a unitary structure.
20. Heritage: A unitary structure for Leicestershire would be able to consolidate the database of all listed buildings, ancient monuments, conservations areas and heritage assets for the whole county currently held by the County Council, along with County Council expertise currently provided to the District Councils under a Service Level Agreement, with district council heritage officer expertise. Prospective developers or members of the public would be able to access pre application or general advice more easily rather than going to both the Local Planning Authority and the County Council, or the Local Planning Authority liaising with the County Council for information exchange and advice.
21. Environment: A unitary structure would be able to rationalise Tree Preservation Orders, biological records, landscape expertise and environmental projects, projects, as well as ecology expertise which is currently provided to District Councils under a Service Level Agreement. Again, this would enable prospective developers or members of the public to access advice and information from one organisation.
22. Transport: The County Council, as highway authority, is a statutory consultee and in that capacity submits comments on development proposals and applications. Where there is a difference of view between the upper and lower tier authorities this can lead to a perception in the community that one organisation is 'blaming' the other. The elimination of this aspect of the planning process through the establishment of a unitary structure would bring significant benefits to local communities and the planning process.

23. Community Infrastructure Levy (CIL) or Section 106 Policy: Currently there is no CIL in the County. All developer contributions are via s106 negotiations with all seven districts and developers. Under a unitary structure there would be only one planning authority signatory to any s106 (currently the County Council is enabled to be a signatory above all other infrastructure providers because it is a planning authority in its own right) thereby streamlining and speeding up the process for developers and communities who would benefit from any service infrastructure provision. CIL has not been introduced in any district to date. A CIL at a unitary level would be more cost effective to introduce (reduction in the number of managed systems from seven) and would save time and effort on s106 negotiation and be more open and transparent to communities and developers.

Property and Housing

24. This section includes strategic property services which make a significant contribution to the growth agenda. Other property service activities are covered in a separate appendix.
25. Property development: More effective marketing of income-producing assets in an integrated way across the county would remove confusion, unnecessary competition and improve returns.
26. By having an effective, efficient co-ordinated approach to asset management, the potential exists to bring forward development opportunities from the combined portfolios in a manner that would maximise not only delivery of housing numbers and employment land, but would also provide opportunities to maximise both financial, economic and community benefits, ensuring that value for money would be achieved in the delivery and timing of essential infrastructure.
27. A robust asset management challenge would lead to a more streamlined customer-led profile that would maximise income, reduce operating costs through a co-ordinated repairs and compliance regime and, with the property portfolio being rationalised would release inefficient units for sale/redevelopment (for new housing for example).
28. Statutory Housing Function and Strategy: A single authority approach to the statutory housing function would allow a new unitary authority to determine how best to address county-wide issues and allocate scarce resources. This would also lead to a reduction in the administrative costs of providing housing services.
29. As noted above a unitary council for Leicestershire would create a single local plan to address the very significant challenge of meeting housing requirements without the complexity of separate plans and separate housing authorities.
30. The approach and delivery model for housing strategy and development duties currently varies across the districts. A unitary authority would allow for

adequate resources to be put towards a single dedicated strategy and development function.

31. Potential savings exist by incorporating one system for maintenance and repair costs, and there would be increased certainty when programming the future spend on major repairs.
32. A centralised choice based lettings system would be cheaper to administer than there being one in each district. It would also make the process easier for registered partners to deal with one authority rather than seven.
33. The residents of Leicestershire should have access to more properties to bid for and this is important for those in priority need in a district that has few vacancies and a clear priority waiting list can be consistently applied.
34. A countywide co-ordinated approach would ensure sites are assembled and bought to the market quickly to meet needs identified in the Strategic Growth Plan. Such an approach would both ensure that the distribution of housing best meets the needs of the wider community and the economy and increase confidence across the area that housing delivery would provide value for money and be brought forward in a timely manner. In addition the potential exists to achieve acceleration of housing delivery, helping to meet the housing need identified in the Strategic Growth Plan.
35. A countywide housing company/department would enable one organisation to provide a comprehensive range of new homes across all tenures. This would avoid the current necessity of each authority creating their own company and minimise overheads.
36. The New Homes Bonus could be used to accelerate site development. This would generate a receipt or revenue stream created through the delivery of homes that could be used for other services, whilst meeting local housing needs.
37. External Funding for Economic Growth: There would be growth in economic development through residential, office and industrial activity through the strengthened medium of a unitary council.
38. A single point of contact would make it easier to do business with a variety of external funders. This would increase the ability to lever in external funding from agencies such as LLEP, Homes England. Derelict land and accelerator funding would bring forward brownfield land for development more quickly and, through single ownership, a more effective strategic infrastructure implementation process could be achieved.

Existing Unitary Council Best Practice

Economic Development

39. Wiltshire Council: When Wiltshire consisted of four districts and a county council there was no economic development policy. There now exists a Wiltshire-wide approach to economic development, allowing the council and its partners to support economic growth and the development of key industries such as high-tech and life sciences and of medium sized enterprises. This improves the future prospects of residents and businesses. A unitary structure has also enabled it to more effectively implement government policy (health and social care integration, and the LEP/City Deals processes, for example).
40. Cornwall Council: A peer review of Cornwall Council concluded the following:
- Through the devolution deal the Council brokered, it has piloted the retention of 100% business rates, has a relatively good revenue and council tax base and is seeking to stimulate the economy and promote housing growth whilst attending to the key infrastructure requirements that make this sustainable. Additional investment in the £8m Local Growth Fund is helping to finance large scale enhancements to the bus network that are crucial to Cornwall's longer term economic growth ambitions.

Planning

41. Northumberland Council: Has developed a single local plan with consistent data and methodology for evidence gathering across the county. It has been possible to reduce the number of staff involved in making Local Plans by approximately 50 percent. Due to the evidence base being disparate at the time of unification and the different districts being at various stages in the development of Local Plans, a lot of work was needed.
42. Cornwall Council: Has protocols in place with parish and town councils and generally requires their agreement before planning application is granted. This is partly because of the large area that the council covers and partly because of the significant proportion of independent members (20%) and the need to reflect strong local independence.
43. Unification has smoothed the internal operations of planning processes compared to the previous two tier system in terms of highway, environmental health and environmental consultation processes as well as better access to specialist planning expertise. Officers feel that having a single tier of local government has resulted in improved processes.

Annex: How Economic Growth Is Organised in Other Unitary Counties

Cornwall Council

An Economic Growth and Development Directorate has responsibility for:

- Economic growth - including economic development and culture, external investment and the Local Enterprise Partnership;
- Transport and Infrastructure - including Transport Planning Strategy, integrated public transport, highways and network management and strategic transport schemes;
- Planning and sustainable development - including strategic planning, delivering the Local Plan, sustainable energy, sustainable growth and innovation, development management, highway development management and historic building advice; and
- Housing - including a Housing Strategy and Partnerships, affordable housing, private sector housing, housing commissioning, Cornwall Home Solutions,

Cornwall Development Company, an arms length economic development company, delivers a bespoke, business facing service and the economic vision and strategy for Cornwall.

Wiltshire Council

An Economic Development and Planning Directorate plans for the sustainable growth of Wiltshire, meeting the needs and aspirations of communities whilst mitigating the impact of future growth on the wider environment. It seeks to achieve this through the provision of a county-wide, integrated statutory land-use planning, economic regeneration and skills service. Its goal is to ensure that Wiltshire's communities remain sustainable and resilient.

An economic development team focuses on:

- Economic strategy and delivery.
- Delivering a proactive workspace Inward
- Delivering skills that businesses need.
- Improving higher education provision and graduate workforce.
- Providing incubation, start-up and growth services to businesses.
- Bespoke support for innovation.
- Tourism marketing and development and tourist information centres

The Housing Service delivers a single Housing Strategy. One of the key priorities is to ensure that best use is made of the existing stock and working with partners, that the supply of decent new affordable homes in Wiltshire is increased.