SERVICES IN A UNITARY STRUCTURE

CORPORATE RESOURCES: COMBINED PROPERTY SERVICE

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 appraisal of options in the Cabinet report. In the 'Opportunities' section and case studies which follow, some of the changes highlighted offer the greatest benefits in a single unitary structure.

Background

3. The two tiers of local government in Leicestershire have different responsibilities; the County Council is responsible for the full range of adult social care services, libraries, museums, highways and education. District councils are responsible for housing services, planning, and waste collection. In some cases, such as depots, there is a definite overlap between services; in other cases such as supported living, the two tiers of local government are heavily reliant on each other to deliver their services. In others there is sequential overlap e.g. various waste and recycling collection by 7 districts and strategic waste disposal and recycling by counties giving a lack of clarity for customers.

Opportunities for the Service as a Result of Local Government Reorganisation

Effective Asset Management

Current

4. Asset management is currently split over the County and Districts with duplication of offices, depots, parks and other provisions including support services e.g. finance and HR which currently operate as separate entities across each council.

What would Asset Management Look like in a unitary authority?

5. A Unitary Authority would ensure effective property management by establishing centralised control of its estate within one department. A single Strategic Property Team would be made responsible for centralised property decisions throughout the lifecycle of a property asset, including leases, management, sales and the procurement of buildings.

6. A single asset management structure and single body would allow more streamlined and effective asset management and strategic land use planning for all local authority land giving clear and un-conflicted strategic direction for any land use and disposal.

7. Such a structure would prevent the duplication of property function and facilities thereby improving efficiency, reducing management costs, and enabling asset management strategies to be more easily reviewed. The portfolio could then be restructured allowing underutilised or uneconomic sites to be released for housing or other more beneficial uses thereby generating capital receipts or providing wider community befits. The retained land could be combined into cohesive and effective holdings to promote the efficient delivery of service area requirements e.g. combining all industrial estates into a focused economic delivery tool and revenue generator with reduced operating costs.

8. A unitary authority would enable efficiencies of scale to be maximised by pooling budgetary and asset resource, reducing duplication, and maximising use of assets. This would be supported by a single point of data and terrier mapping to identify and record all land held by the new authority. Through robust strategic rationalisation of holdings, surplus land would be released for development and capital and revenue generation.

Capital Works (Construction) Procurement and Performance

Current

9. Each authority procures its own works and decides its own procurement strategies exclusive of what other authorities are doing.

What would the capital works programme function look like in a unitary authority?

10. The restructure would represent an opportunity for all construction works to be delivered more efficiently through a single project management office procuring and delivering streamlined procurement routes to ensure that costs are minimised and quality improved through performance management.

11. The combined increased capital programme for construction works would benefit from an increased focus on greater performance management and quality assurance in relation to the performance of the public sector estate design through to delivery.

Office Space and HQ

Current

12. Each council has its own properties for front line and back office support functions. Multiple branding and often several service point locations in the same locality result in lack of clarity for service users.

What would the HQ and locality function look like in a unitary authority?

13. Modelled on a single unitary council, having a unitary council responsible for all authority office provision on a hub and spoke model using the County Hall campus would maximise the efficiencies and reductions in operating cost that would be achievable with all 'back office' and governance functions at a single location.

14. Direct services to the public would be provided through reduced, fully co-located service hubs in the localities tailored to the needs of the community. This would enable the substantial rationalisation of current office space and through evidence based decision making, the release of buildings and sites for redevelopment reducing both revenue spend and increasing capital generation.

15. Alternatively the surplus space could be leased at commercial rates to tenants to generate revenue to support services across the county.

Pooling of property assets

16. Currently there is a large number of assets with duplication of functions and others that are underutilised e.g. all councils have depots for vehicles and storage and used for waste collection and recycling.

17. By reviewing these pooled assets both for these examples, and across the portfolio, sites could be reviewed and rationalised, releasing land for more appropriate uses. There are a number other property opportunities that would result from the proposals and benefits of unitary status. These would be reviewed and only those required for future service need retained. The remainder would be released for development as a result of co-location and focusing of service need in a unitary structure. This resulting programme of asset release would continue to generate a stream of capital receipts and reducing maintenance and operating costs.

Existing Unitary Council Best Practice

18. Wiltshire Council: Since the council became a unitary authority in 2009 one of its main focusses has been to transform the organisation so it is much more efficient, streamlined and makes better use of its employees and buildings plus the council has worked positively with partners such as local health services, Wiltshire Police, Dorset & Wiltshire Fire and Rescue and the Ministry of Defence to make efficient use of facilities and services.

19. The Council has reduced its property portfolio from 95 buildings down to three main hubs, with net savings of over £5m per year. Its three main hubs provide a range of council services convenient for residents. The NHS, police, fire and rescue, and community group partners also share space and facilities in the 3 hubs making much better use of public money.

20. The Council has also harnessed new technology into the workplace ensuring employees are much more flexible and enabled to work at a number of different locations across the county with ease. With a desk ratio of around one to three the technology helps people work remotely and encourages staff to work alongside people from different services areas and organisations enabling the sharing of ideas and resources.