

**Submission to Cabinet Item 5**

18<sup>th</sup> September 2020

From Terri Eynon CC, Labour Group Leader on behalf of the Labour Group

**WHITE PAPER ON DEVOLUTION AND LOCAL RECOVERY**

The Labour Group supports, in principle, the establishment of unitary local government within Leicestershire and agrees that the draft business case for a unitary authority “A Vision for Local Government in Leicestershire: Strategic Business Case” published in October 2019 should form the basis for any discussions with the Secretary of State.

Whilst we recognise the need for a strong economy and powerful voice for the East Midlands, we have reservations regarding the use of Leicestershire’s proposal as a prerequisite to a devolution settlement for the East Midlands.

The Labour Group do agree that the current local government structure is fragmented and frustrating for residents. A Unitary Council, as described in the draft business case will simplify relationships with our stakeholders. The Area Committee model and establishment of Town Councils should mitigate against the risk of centralization, ensuring that local decisions are made, wherever possible, by locally elected Members.

The establishment of a combined authority also demonstrates the benefits and risks of centralisation. The 3 counties and 3 cities of Leicestershire, Leicester, Nottinghamshire, Nottingham, Derbyshire and Derby have many economic issues in common. Their mutual responsibility for the development area around East Midlands Airport and the former Ratcliffe Power Station suggests there should be a natural Strategic Alliance in the East Midlands. Calling the constituent authorities ‘The 6C’s’ suggests a unity of purpose. The history of the N2D2 project suggest that such unity may be hard to achieve in reality.

Combining six politically disparate authorities under one Metro-Mayor assumes that Derbyshire and Nottinghamshire can overcome their own problems with co-operation. It also brings with it the risk of directing power up the hierarchy leaving communities, currently represented by District and Borough Councils, feeling increasingly distant from the democratic processes that shape their lives. The Labour Group would be keen to understand how this risk is to be mitigated to ensure that local decision making remains local.

The Labour Group has consistently supported the principle of Unitary status for Leicestershire, but we are also concerned about the timing of this proposal. The Covid-19 pandemic has added to the financial risks facing this Council, increasing the need for services and reducing Council Tax receipts. Unitary Status cannot be a solution to longstanding inadequacies in the funding for Adult and Children's Social Care.

It is disappointing to see the current Government more interested in reorganising Councils rather than remunerating them properly. This Council is expected to respond to the risks of leaving Europe with no deal, the inevitable chaos around East Midlands Airport, a total rewrite of the Planning system, all the while managing its relationships with District and Borough Councils facing a reorganisation many of them do not see to be necessary. It is a big ask.

If the Secretary of State does support this proposal the Labour Group would need to see the full costs of reorganization centrally funded.

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