

Council

27 March 2025

Devolution White Paper Update

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Lead Member / Relevant Portfolio Holder:	Cllr Pip Allnatt – Leader of the Council

Corporate Priority:	All Corporate Priorities
Relevant Ward Member(s):	All wards
Date of consultation with Ward Member(s):	N/A
Exempt Information:	No

1 Summary

- On 16th December 2024 the English Devolution White Paper was published. The document sets out the Government's ambition to devolve powers and funding to the regions and establish Strategic Mayoral Authorities in all areas where they are not currently in place. Alongside plans for devolution, the Government has confirmed that it wishes to simplify local government structures below these new regional strategic authorities, and for two-tier areas, invite reorganisation proposals which facilitate unitary local government.
- 1.2 This report provides a further update to Council on work undertaken since the last Council meeting and provides, as appendices (to follow), the 'Interim Plan' documents submitted to Government prior to the 21st March deadline.

2 Recommendations

That Council:

- 2.1 Notes the work undertaken since the last Council meeting, including meetings and engagement activity which has taken place.
- 2.2 Notes the 'Interim Plan' documents submitted to Government prior to the 21st March deadline.

3 Reason for Recommendations

- 3.1 To provide a further update in relation to work undertaken regarding devolution and local government reorganisation, in accordance with the Council resolution at the 27th February 2025 meeting.
- To raise formal awareness of the interim plan documents submitted to Government on 21st March 2025.
- 3.3 No decision is required at this stage.

4 Background

- 4.1 The English Devolution White Paper was published on 16 December 2024. The White Paper sets out the Government's aspirations to devolve powers and funding from central government to the new regional Strategic Authorities which would be overseen by a directly elected Mayor. The White Paper also confirms the Government's ambition to simplify local government structures by replacing existing two-tier structures of County and District councils with unitary councils which would deliver all council services.
- 4.2 On 27th February, the Council received a <u>report</u> which set out a summary of the contents of the White Paper. This report provides council with an update on work undertaken since that meeting and specifically provides an opportunity to share the documents submitted to Government on 21st March. These documents will be marked to follow pending finalisation prior to submission.

5 Main Considerations

- 5.1 At the Council meeting on 27th February, <u>Council resolved</u> that the Leader should, inter alia, work together with all partners to secure the best possible structure of local government, and as part of establishing the Council's preferred option. It was also agreed that progress should be reported at each council meeting until the final submission is made in November, and that this should include details of work commissioned from outside agencies and costs associated with it.
- 5.2 This report provides an update in relation to those matters.
- 5.3 Since the publication of the 27th February Council report, on 21st February, the 8 Leaders of the Leicestershire Districts and Rutland issued a <u>Joint Statement</u> reiterating their concern regarding the County Council's proposal for a single unitary council for Leicestershire, and setting out their belief that to both unlock devolution and ensure the right balance between scale and connection with communities, that there is a strong case for three unitary councils to serve the region one to serve North Leicestershire and Rutland, one for South Leicestershire and the third for the City of Leicester. The statement also confirmed that a period of public and stakeholder engagement would commence w/c 24th February.
- On 28th February 2025, the District and Rutland Leaders met with a number of Leicestershire MPs or their representatives to set out the process that the 8 Councils were undertaking, including the consideration of options and evidence to support them, their current thinking and rationale to support the current preferred option. A further meeting with a number of MPs unable to make the earlier meeting took place on 11th March. The Leader held a similar engagement meeting with the Police and Crime Commissioner on 18th February.

- On 6th March 2025, the Leaders and Chief Executives (or their representatives) of all 10 local authorities in Leicester, Leicestershire and Rutland (LLR) met to discuss Devolution and local government reorganisation. At the meeting it was established that there remains a broad consensus that LLR remains the most appropriate geography for a future Mayoral Strategic Authority and devolution agreement. A request has been made by the District Councils as to whether a joint letter could be signed by all 10 Leaders and Mayors and included within the submission to Government made on 21st March. A verbal update will be given at the meeting as to whether this was possible to achieve.
- At the 6th March meeting, it was also acknowledged that at this point, there is not a consensus regarding reorganisation and the future size and shape of local government within LLR. It was recognised that it was likely three separate submissions are to be made to Government on 21st March; one from the County Council, one from the City Council, and one from the 7 Districts and Rutland. Feedback would then be awaited from Government, and it was agreed a further meeting of all 10 councils would then be reconvened. The 8 District and Rutland Leaders issued a press statement following this meeting.
- 5.7 On 11th March 2025, the District and Rutland Leaders met with Baroness Taylor, providing an opportunity to discuss the statutory invitation from Government and the way the Districts and Rutland are approaching the response. A <u>press statement</u> was issued following this meeting.
- Alongside the above, the District and Rutland Leaders and Chief Executives have met a number of times both collectively and separately throughout this period as the work to refine the interim plan submissions has continued.

5.9 Submission of Interim Plans to Government

5.10 At the time of writing the submission to Government is still being finalised but when submitted, the documents will be published on 21st March. The submitted documents will then be provided as appendices to this report. This will include both the Interim Plans, and the engagement summary of the activity undertaken since 24th February.

6 Options Considered

6.1 The report asks Council to note the update since the last meeting. No decision is required and no alternative options have been considered.

7 Consultation/Engagement

7.1 Initial written briefings on the White Paper were provided to all members and staff in December 2024. Verbal all staff and all member briefings took place in January 2025. The Council meeting on 27th February provided an opportunity for members to discuss and debate the current position.

8 Next Steps – Implementation and Communication

8.1 The Leader and Chief Executive continue to meet and work with colleagues from across Leicester, Leicestershire and Rutland. Efforts will be made to establish a consensus for the region in line with the expectations set out within White Paper and subsequent guidance. Once feedback is received from Government, further discussion and refinement of proposals will be required and a stakeholder engagement will be undertaken during the summer.

9 Financial Implications

9.1 The only direct financial implication to date has been the allocation of £30k from the Corporate Priorities Reserve which can be drawn down through a delegation to support the work required to enable an effective response to the White Paper. At this stage there has been no formal draw on this funding, although some resource has been commissioned on behalf of the Districts and Rutland to facilitate development of the documents submitted to Government. As invoices are received, the position will be updated as part of future reports.

Financial Implications reviewed by: Assistant Director for Resources (Deputy s151)

10 Legal and Governance Implications

- 10.1 The Local Government Act 2000 states that, unless a function is specified in regulations setting out how it is to be exercised, all functions are the responsibility of the executive of a local authority, i.e., for Melton Borough Council, the Cabinet. At present there are no regulations specifying that matters relating to devolution or reorganisation are not to be an executive function, meaning that they fall within Cabinet's remit.
- 10.2 It may be that, as the proposals set out in the White Paper are refined and passed into law, that legislation prescribes how the process of making formal proposals is to be discharged by local authorities, in which case the Council will ensure that amended decision-making process is followed. Unless or until that time the function will be the responsibility of the Cabinet and, in the absence of any delegation to other Cabinet members or officers to the contrary, the responsibility of the leader.
- 10.3 Whilst currently the function sits with the Leader, it is a lawful and reasonable for him to consult with the Council as a whole (and other stakeholders) and consider the views raised when making any decision in relation to this issue. The update given in this report satisfies the decision at the previous Council meeting requiring the Leader to provide updates on progress.

Legal Implications reviewed by: Monitoring Officer

11 Equality and Safeguarding Implications

11.1 There are no direct equality and safeguarding implications arising from the recommendations in this report, though any proposals for devolution or LGR will require impact assessments to be undertaken

12 Community Safety Implications

12.1 There are no direct community safety implications arising from the recommendations in this report, though any proposals for devolution or LGR will need to consider the impacts on community safety and demonstrate the obligations under section 17 of the Crime and Disorder Act continue to be met.

13 Environmental and Climate Change Implications

13.1 There are no direct environmental and climate change implications arising from the recommendations in this report, though any proposals for devolution or LGR will need to consider the impacts and ensure obligations continue to be met.

14 Human Resources Implications

14.1 The White Paper represents the biggest proposed change to local government for 50 years. Any change to local government, and the organisational structures within it, will have significant HR implications. These will need to be set out and considered in detail in relation to any proposals which are developed. All staff will need to be properly engaged and supported through any changes and the Council must focus on ensuring continued delivery of services and projects and a business as usual approach until and unless such as a time any transition or change is required.

15 Risk & Mitigation

Risk No	Risk Description	Likelihood	Impact	Risk
1	No consensus can be reached on the right approach for devolution and LGR across LLR, and the benefits of devolution locally are not realised.	Significant	Critical	Medium
2	Focus and resources diverted to support the development of devolution and LGR proposals lead to an inability to deliver existing corporate priorities.	High	Critical	High
3	Uncertainty relating to any potential changes leads to loss of key staff erosion of organisational integrity and effectiveness.	High	Critical	High
4	Perception from residents that any proposals will create organisations which are too remote and reduce accessibility	Significant	Marginal	Medium
5	Perception that any proposals will erode democratic accountability due to the reduction in elected members	Significant	Marginal	Medium

		Impact / Consequences			
		Negligible	Marginal	Critical	Catastrophic
	Score/ definition	1	2	3	4
	6 Very High				
_	5 High			2,3	
Likelihood	4 Significant		4,5	1	
=	3 Low				
	2 Very Low				
	1 Almost impossible				

Risk No	Mitigation
1	A number of initial meetings have taken place between various local authorities within LLR and further meetings will take place. Officer working groups will be established as required to jointly develop and shape proposals.
2	Additional resources will be initially allocated to support the development of any proposals but a review will also need to undertaken of existing priorities and some work may have to be de-prioritised. A further update will be provided on the impact of this as part of a subsequent report. The impact of the Devolution White Paper will be added to the Council's Strategic Risk Register.
3	An effective communications plan will need to be developed and within that the opportunities created for development and career diversification by any potential changes will need to be emphasised. The importance of engagement and opportunities for colleagues to shape any proposals will also be key as will the recognition that whatever the shape of local government in future, the services provided today will still be required. Visible, consistent and effective professional and political leadership will need to be maintained throughout.
4	Any proposals will need to consider the impact on community access and engagement and be able to demonstrate how services will continue to be tailored to local areas, even when delivered more remotely.
5	Any proposals will need to demonstrate how local democratic accountability and connection will be maintained

16 Background Papers

16.1 <u>English Devolution White Paper</u>

16.2 <u>Letter from Minister to Leaders formally inviting proposals for reorganisation.</u>

17 Appendices

17.1 Interim Plan documents submitted to Government (to follow)