

**THE MINUTES OF THE EXTRAORDINARY MEETING OF THE**

**DISTRICT COUNCIL OF EASINGTON**

**HELD ON TUESDAY, 23RD JANUARY, 2007**

Present: Councillor C. Walker (Chair)

Councillors E. Bell, S. Bishop, Mrs. G. Bleasdale, B. Burn, P.J Campbell, A. Collinson, Mrs. E.M. Connor, R. Crute, Mrs. J. Freak, J. Haggan, H. High, A.J. Holmes, Mrs. E. Huntington, B. Joyce, T. Longstaff, D. Milsom, D. Myers, A. Napier, Mrs. A. Naylor, Mrs. M. Nugent, G. Patterson, G. Pinkney, D. Raine, F. Shaw, Mrs. B.A. Sloan, R. Taylor and R.J. Todd

**1. THE DURHAM DISTRICT'S RESPONSE TO THE GOVERNMENT WHITE PAPER INVITATION**

Consideration was given to the report of the Chief Executive which sought Council approval to the submission of a joint proposal by six of the Durham Districts in response to the Government's invitation to improve local governance in two tier areas. A copy of the report had been circulated to each Member.

The Chief Executive commenced by explaining the implications of the Local Government White Paper "Strong and Prosperous Communities" which set out a series of challenges to local government aimed at creating strong, prosperous communities by delivering better public services through a rebalancing of the relationship between central government, local government and local people. The paper placed a strong emphasis on devolved services and community engagement, strong leadership in place shaping, efficiency and value for money and the development of City Regions and Core Cities.

The Government had invited shire counties across the country to either make proposals for unitary local government or to pioneer, as pathfinders, new models of two-tier working.

These proposals had to be submitted to the Department for Communities and Local Government by 25th January 2007. The Government then proposed to make announcements on their preferred bids across the country by the end of March. A twelve week period of consultation would follow concluding with a final decision at the end of July 2007.

The Durham Districts commissioned KPMG and the Tavistock Institute to assist in the assessment of all options for local government reorganisation in County Durham. Full consideration was given to 15 options for improving local government, either through structural change or through enhancing the existing arrangements.

The Institute also worked with communities, stakeholders and partners over this time to establish the key principles of good governance which would need to be present in the renewed system or structure.

## Extraordinary District Council of Easington - 23rd January, 2007

Through this work it was concluded that the best approach was not to propose the traditional approach to reach unitary arrangements, as laid out in the extremely tight timescales set by the Government. The Districts believed that this approach was too costly, had too many inherent risks and uncertainties, and could lead to widespread disruption with a dip in service performance.

The Durham Districts preferred an evolutionary approach to achieving improvement and proposed the submission of a 'Pathfinder to Unitary' bid. This would involve using a 'pathfinder' approach to initially bring forward evolving enhancement of the existing two-tier system, leading to the establishment of the optimal model of unitary arrangements for implementation by April 2012.

To oversee the process a Transformation Board would be established consisting of the Leaders of all the District Councils and the Leader and Deputy Leader of Durham County Council. The Board would be charged with the delivery of a Business Transformation Programme with active engagement of partners, stakeholders, Town and Parish Councils and communities. Built in to this was a strengthened role for front-line Councillors to ensure meaningful neighbourhood arrangements resulted. A review of ward boundaries would take place to reflect natural communities. In developing these proposals it was recognised that there needed to be bespoke scrutiny arrangements to oversee the Board's progress and it was proposed to establish a Scrutiny Panel.

Essential components of the Business Transformation Programme included the determination of the political management and representation arrangements, the creation of a single back office, the development of a co-ordinated customer access strategy, the co-ordination of units of sub-county policy and shared services and the development of a neighbourhood focused service strategy.

The Chief Executive then proceeded to outline the financial elements of the submission. The 'Pathfinder to Unitary' approach showed that the costs and risks of transition could be significantly reduced through a more phased and consultative approach. This was estimated to be £8m over five years. Savings from merging the back office functions and shared services was estimated to be £12m over this period. It was believed that the savings of £12m per annum from streamlining district services could be further enhanced by working with Durham County Council on rationalising some of their services, giving the potential for combined annual savings of £22m. Further additional cost reductions would then flow from the new unitary arrangements taking total savings to within the range of £27m-£35m. Transitional costs would also increase and would fall within the range of £13m to £18m dependant upon the final unitary model determined through option appraisal.

To conclude, the Chief Executive stated that this approach to developing a model for unitary governance took advantage of the significant opportunity to devolve resources and decision-making to the most effective levels. Significant efficiencies could be brought about by front and back office services being merged to a slim but effective centre. There would be transparent accountability for strategic policy and decision-making with less disruption in the provision of services and in the democratic process throughout the transition.

**RESOLVED** that approval be granted to the submission of the bid to the Department for Communities and Local Government, and authority be granted to the Chief Executive to make any minor changes to the document as necessary.

**Extraordinary District Council of Easington - 23rd January, 2007**

JE/PH com/dist/070202  
5 February, 2007