

PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT

Eleventh Delegated Legislation Committee

DRAFT LOCAL GOVERNMENT (STRUCTURAL
AND BOUNDARY CHANGES) (SUPPLEMENTARY
PROVISIONS AND MISCELLANEOUS
AMENDMENTS) ORDER 2019

Wednesday 13 February 2019

No proofs can be supplied. Corrections that Members suggest for the final version of the report should be clearly marked in a copy of the report—not telephoned—and must be received in the Editor's Room, House of Commons,

not later than

Sunday 17 February 2019

© Parliamentary Copyright House of Commons 2019

This publication may be reproduced under the terms of the Open Parliament licence, which is published at www.parliament.uk/site-information/copyright/.

The Committee consisted of the following Members:

Chair: GERAINT DAVIES

Champion, Sarah (<i>Rotherham</i>) (Lab)	† Philp, Chris (<i>Croydon South</i>) (Con)
† Courts, Robert (<i>Witney</i>) (Con)	† Quin, Jeremy (<i>Lord Commissioner of Her Majesty's Treasury</i>)
Creasy, Stella (<i>Walthamstow</i>) (Lab/Co-op)	† Sunak, Rishi (<i>Parliamentary Under-Secretary of State for Housing, Communities and Local Government</i>)
† Dakin, Nic (<i>Scunthorpe</i>) (Lab)	† Swayne, Sir Desmond (<i>New Forest West</i>) (Con)
† Fabricant, Michael (<i>Lichfield</i>) (Con)	Umunna, Chuka (<i>Streatham</i>) (Lab)
Hodge, Dame Margaret (<i>Barking</i>) (Lab)	Williamson, Chris (<i>Derby North</i>) (Lab)
† Howell, John (<i>Henley</i>) (Con)	Hannah Wentworth, Laura-Jane Tiley, <i>Committee Clerks</i>
† Keegan, Gillian (<i>Chichester</i>) (Con)	† attended the Committee
† Lewer, Andrew (<i>Northampton South</i>) (Con)	
† McMahon, Jim (<i>Oldham West and Royton</i>) (Lab/Co-op)	
† Morgan, Stephen (<i>Portsmouth South</i>) (Lab)	

The following also attended (Standing Order No. 118(2)):

Hoare, Simon (*North Dorset*) (Con)

Eleventh Delegated Legislation Committee

Wednesday 13 February 2019

[GERAINT DAVIES *in the Chair*]

Draft Local Government (Structural and Boundary Changes) (Supplementary Provisions and Miscellaneous Amendments) Order 2019

8.55 am

The Parliamentary Under-Secretary of State for Housing, Communities and Local Government (Rishi Sunak): I beg to move,

That the Committee has considered the draft Local Government (Structural And Boundary Changes) (Supplementary Provisions and Miscellaneous Amendments) Order 2019.

Last year, Parliament approved legislation to establish Bournemouth, Christchurch and Poole Council, known as BCP, Dorset Council, East Suffolk Council, and Somerset West and Taunton Council in place of the existing 13 councils in those areas. Today, we are considering the fourth statutory instrument consequential to that legislation in order to effect the practical success of those new councils. If approved and made, the order will ensure that all the necessary technical and definitional arrangements are in place so that effective local government continues in those areas. We have worked closely with all the councils concerned; their officials have commented on drafts of the order and have confirmed to us by email that it fully meets all local requirements.

The order provides for several items of business. First, it will establish charter trustees for the unparished parts of the existing boroughs of Bournemouth, Poole and Taunton as the bodies in which the historical rights and privileges associated with those areas are to be vested. For example, Bournemouth and Poole have the historical rights to have mayors and Poole has the right to a mayor and a sheriff; likewise, the Taunton charter trustees will have the right of a mayor for Taunton. I am sure members of the Committee will be delighted to know that historical regalia, such as maces, will also vest in the charter trustees.

Secondly, the order vests the market rights in Bournemouth and Poole to the BCP council, allowing the new council to continue to hold the rights to run charter markets. Thirdly, the order provides for the statutory definition of the area of the ceremonial county of Dorset to be amended in the Lieutenancies Act 1997 and the Sheriffs Act 1887. I am sure that no members of this Committee were present to pass those pieces of legislation, but I know they are held in good heart today.

Michael Fabricant (Lichfield) (Con): I am happy to confirm that I was not here in 1887. Lichfield is one of the very few cities in the country—only 13, I believe—to have a sheriff, complete with two gold maces going back to the reigns of William and Mary and, before that, Queen Mary. Does the Minister recognise the importance of ceremonial and its value in civic life?

Rishi Sunak: I thank my hon. Friend for that contribution. I commend him and the people of Lichfield for maintaining those civic traditions, and of course I agree that they are an important part of our civic society. Although what we are considering today is technical in nature, the underlying substance of what we are doing is vital to ensure that local civic traditions are not lost when local government reorganises and they can be passed appropriately to the right local civic bodies. I am delighted that we are enabling that for the people of the areas that will benefit from the order.

Simon Hoare (North Dorset) (Con): I thank my hon. Friend and his team for the work they have done in support of Dorset's local government reorganisation. The point made by my hon. Friend the Member for Lichfield is apposite. When proposals for change are first mooted, people often say, "This will throw the baby out with the bathwater. We will lose our sense of history and place." The fact that these things can be retained in a modern reformed setting, melding the old and the new, is an important message that I hope the Minister carries forward to other councils.

Rishi Sunak: I thank my hon. Friend for his continued support for these measures. He embodies the best of the traditional and the modern world, ensuring that local areas embrace the future with efficiency, a dynamic approach to local government and a desire to serve their constituents better, while retaining the great traditions of those areas. I am delighted that he is here to see that come into practice.

Moving on to slightly more mundane—but no less important—matters, the order fourthly makes provision to ensure that the local government pension fund maintained by Dorset County Council, along with all the property rights and liabilities in respect of that fund, will vest in the new Dorset Council. That fund will be the pension fund for employees of that council and of the new BCP council, as well as employees of all other employers in that fund.

Fifthly, the order makes provisions to amend the Weymouth Port Health Authority Order 2017, so that references to the joint board made up of the abolished authorities of Weymouth and Portland Borough Council, Purbeck District Council and West Dorset District Council will instead refer to Dorset Council, which will be the sole authority for the area following reorganisation. Finally, the order makes provision for the existing social housing finance and housing revenue account arrangements to continue for the new councils of Bournemouth, Christchurch and Poole, East Suffolk, and Somerset West and Taunton.

All the provisions are sensible and necessary consequential changes in the light of the establishment of the new councils, which Parliament has already approved. They will ensure a smooth transition to the new arrangements, and continued effective local government in the areas covered. I commend the order to the Committee.

9.1 am

Jim McMahon (Oldham West and Royton) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mr Davies, in these wonderful morning Delegated Legislation Committees.

The order has been a long time in the making and we are towards the back end of the process, so there is no point spending the morning going through its history, but I have some questions to ask of the Minister. First of all, I welcome a principle and a culture that is not about changing the identity of a people and a place, but is instead about administration in an area. I just hope that when the changes have been made and the new authorities are fully functioning, that culture is followed through in everything the authorities do. We cannot believe that administrative boundaries are anything like the historical, trusted, valuable identities that people feel.

Let us be honest: there have been a number of Delegated Legislation Committees considering reorganisation in shire areas, and the reason why councils in those areas are considering reorganisation is their financial foundation. They are struggling to meet the increasing demand for adult social care and children's services; their budgets are being hit year on year, in the same way as every local authority in England. They are increasing council tax, often to the maximum, but that is still not enough to replace the grant that the Government have taken away. The Government have refused to meet the social care, children's services and homelessness demands that the Local Government Association has highlighted, and I am afraid that unless we deal with the crux of the issue, which is that £8 billion funding gap, reorganisation will not fix the problem. It will save some money, but it will not save the important neighbourhood services that make places what they are.

We cannot have a situation in England, which will be the outlier in the UK, in which councils are in effect just providers of social care and almost nothing else matters. That is not why councils come into existence or why councillors stand for election. People stand for election as councillors because they believe passionately in the power of their place and their communities. The idea that we should starve them of the resource they need to make those places better is, I am afraid, simply not in the spirit of a thriving Britain. As we approach Brexit—who knows when that will be—that demand for a better Britain has not been laid out and the offer has not been made to the people of this country. I strongly believe that local government is a foundation on which we will build a stronger country, but that cannot be done when we starve it of essential resources.

Obviously, we are embarking on the fair funding review, which will seek to address some of these issues. We know that the Government are keen for rural service unit costs to be taken into account, and Labour welcomes that, although we have repeatedly observed that the removal of deprivation as a factor in a number of service areas is not in the spirit of a fair funding review. A genuine review of council funding that takes into account all funding pressures must take both rural service unit costs and deprivation into account. Some services will be more expensive in rural areas; some will be more expensive in urban areas; and for many services, whether the area is rural or urban will have no bearing on cost.

In this reorganisation, for example, one of the biggest pressures is adult social care and children's services, yet in the Government's 2014 review of unit costs adult social care was not found to be more expensive in rural areas. It is assumed that the geography requires more

downtime, with staff travelling from one appointment to the next, but when costs such as staffing and fewer children's placements are taken into account, it is cheaper to deliver social care in rural than in urban areas. Given that is the lion's share of the budget pressure for those local authorities, it prompts the question whether a fair funding review will fix the foundations of funding in this area. I press that point: what is the Government's vision for fair funding? How do they intend to address the weak foundations that this reorganisation is being built on?

There are also the practicalities that are not often debated in this place but are really important. When many local authorities are brought together, they inherit different cultures, ways of working and staffing structures, which will of course change. They will also inherit different ways of collecting data, with different systems, programs and ways of recording jobs for a range of services. It would be comforting to hear that the Government have considered those points in the reorganisation, to ensure that, in the transition of many different data programs retained by councils, essential information is not lost.

Data and information technology have moved on but can be a significant bugbear. When I was council leader in Oldham, I often got the blame for the 1974 reorganisation; I had to point out that I was not born then but it was still a bugbear. When the councils reorganised, many district councils destroyed a lot of social care records as part of the transition, as district town halls closed to form the new metropolitan borough.

We need to ensure that, in the transition to a new authority, those practical matters are taken into account and that there is proper funding in place to ensure that it can be done efficiently.

9.6 am

Rishi Sunak: I thank the hon. Gentleman for his thoughtful comments. To start with finance, I do not wish to try the Committee's patience by rehashing the debate on local government finance in the Chamber last week. Suffice it to say that we believe we are supporting and empowering local government to deliver its three major tasks. One is to support the most vulnerable in society, the second is to grow local economies, because that is ultimately the only way to pay for the services we rely on, and the third is to build strong communities.

The range of support provided by central Government—pothole funds, the high street fund, business rates retention pilots, almost £650 million more for social care—shows that we are a Government committed to supporting local government in pursuing those vital goals for all our constituents. I agree with the hon. Gentleman that people in local government deserve praise for the passion with which they serve their communities. They come into it to realise the three goals I outlined.

What is important is not just the money but the quality of the services we provide. That is why the Government are relentlessly focused on not only keeping taxes as low as possible for our residents but ensuring that we learn from each other, and we see local councillors striving to do exactly that. As we heard from my hon. Friend the Member for North Dorset, our purpose is to ensure that local government is fit for the future. It is

[*Rishi Sunak*]

not about being told by Ministers in this place what to do, but about local councillors talking to each other and deciding themselves how best to serve their constituents.

Of course, saving money is part of that and is not to be sniffed at. I do not think we should accuse local government of not looking for ways to save money. Ultimately, the taxes that fund local government are paid for by all our residents. It is right that if we can do things better and cheaper we should look for those opportunities, but that cannot be the only reason for local government reorganisation.

During all the debates we have had on this topic, we have heard many passionate contributions, including from hon. Members from those areas such as my hon. Friend the Member for North Dorset, who spoke at great length about the various benefits that this local government reorganisation would bring to his area and constituents. We very much support those aspirations and ambitions that local councillors have for their areas.

The hon. Member for Oldham West and Royton talked about data and digital. I agree with him that that is important. It is not just about the nuts and bolts of integration, which I am pleased to report seems to be going very well on the ground—the go live date for all the new councils is 1 April 2019, and all councils are making excellent progress towards being ready to roll on that day. More broadly, the importance of using data to benefit our constituents is vital.

I am delighted that this Government have backed local government with a new £7.5 million fund to create digital innovation projects across the country. All types of councils are benefiting, from unitaries to urban areas to shire districts to shire counties, and we are finding through that process that councils are collaborating. This is not party political; it is about councils working together and learning from each other, building data platforms that will benefit our constituents, finding ways to streamline and reduce the cost of technology, and ensuring that we can use that information to target services at those who really need them and, in an ideal world, prevent things from happening in the first place. Of course we are in the early days of that revolution, but there are many good examples. There is one close to the area of the hon. Member for Oldham West and Royton, in Stockport Council, which I had the pleasure to visit on one of my first ministerial visits. It was digital council of the year last year and is a great example for others to learn from.

I am delighted that all these councils are embracing the future with optimism. I am delighted that this Government are able to support these locally led and locally delivered plans for reorganisation. I look forward to seeing more than 1 million residents benefit from the changes that we are approving today.

Question put and agreed to.

9.11 am

Committee rose.

