

HERTFORDSHIRE COUNTY COUNCIL

**EXTRAORDINARY MEETING OF THE COUNTY COUNCIL
TUESDAY 16 JULY 2002 AT 10.30 AM**

Agenda Item

No.

3

WHITE PAPER YOUR REGION, YOUR CHOICE: REVITALISING THE ENGLISH REGIONS

Report of the Chief Executive

Author: Judith Sharples (Tel: 01992 588318)

Executive member: Michael Janes

1. Purpose of report

This meeting was requisitioned to agree the Council's response to the Government White Paper *Your Region, Your Choice: Revitalising the English Regions*. The draft response agreed by the Regionalism Panel is attached as an appendix to this report.

2. Background

2.1 The County Council considered a report on the White Paper *Your Region, Your Choice: Revitalising the English Regions* at its meeting on 21 May 2002 and resolved:

1. *That the Council be invited to express its views, and a cross-party Panel of seven Members be constituted to develop a response to the White Paper for consideration by the Cabinet meeting on 22 July 2002.*
2. *That District Councils and other stakeholders be invited to join with the County Council to try to achieve a consensus which reflects the needs and aspirations of people and communities in Hertfordshire, and that the Hertfordshire LGA participates in such endeavours."*

2.2 An extraordinary meeting of the County Council has been requisitioned to enable the draft response to the White Paper to be considered by all members rather than at the Cabinet meeting on 22 July.

2.3 The Panel met on 19 June and 8 July 2002 to develop the County Council's response to the White Paper. The draft response agreed at the meeting on 8 July is attached as an appendix to this report.

2.4 The Hertfordshire Local Government Association discussed the White Paper at its AGM on 24 June. The draft minutes of their AGM record the following under the heading 'Regional White Paper – Your Region Your Choice':

“The HLGA welcomed the resolution of the County Council: -

‘That District Councils and other stakeholders be invited to join with the County Council to try to achieve a consensus which reflects the needs and aspirations of people and communities in Hertfordshire, and that the Hertfordshire LGA participates in such endeavours.’

It was agreed that:

1. The six key tests set by the LGA need to be met before regional devolution can take place. The tests are:
 - i. Will regional assemblies have genuinely devolved powers and enough resources to make a difference? The assemblies need to have powers that are devolved down from Westminster, not taken up from local councils, which must have the freedoms and flexibilities to meet local needs.
 - ii. Will local people be able to decide on the new regional and local structures? Local communities must determine what happens to both local and regional government structures.
 - iii. Will the new arrangements be flexible?
The assemblies’ functions and powers must reflect the different views about regional government that exist across the country.
 - iv. Will they build on existing strengths?
The new arrangements should not bring change for the sake of it and the process should not distract local councils from their commitment to improving public services.
 - v. Will the decision making process be transparent?
All the arrangements and the decision making process for moving towards the new assemblies should be accountable and open to public scrutiny.
 - vi. Will there be in all regions the capacity to scrutinise the workings of government offices, agencies and other non-elected bodies?
There must be effective scrutiny arrangements for local people in all regions, whether or not they decide to have regional assemblies.
2. The Government should be asked to re-examine the regional boundaries in so far as they relate to Hertfordshire.
3. The county council and district councils should refrain from considering any particular options for unitary local government and should work in partnership to deliver joined-up services to local people.”

Background information referred to by the author

DTLR White Paper *Your Region, Your Choice: Revitalising the English Regions*

Chisholm, M. (2002) The cost of local government structural reorganisation in Great Britain during the 1990s from *Environment and Planning C: Government and Policy* 2002, volume 20, pages 251 – 262

Minutes of Regionalism Panel meeting of 19 June 2002

Draft minutes of HLG meeting of 24 June 2002

Appendix

Draft response to the White Paper *Your Region, Your Choice: Revitalising the English Regions*

I am writing to let you know the views of Hertfordshire County Council on the proposals set out in the above White Paper. You have specifically asked for views on stakeholder involvement in elected regional assemblies. However, the Council also wishes to make some more fundamental comments on the proposals, which are set out in the following sections.

1. The financial implications of establishing elected regional assemblies

The Council is concerned that the additional cost of £20 million per year in respect of each elected regional assembly is a high cost to pay, given the limited powers which elected regional assemblies will have. It is assumed in the White Paper that cost savings would arise from the establishment of a wholly unitary structure of local government in regions with an elected assembly. However, based on the costs of the structural reorganisation of local government which occurred in the 1990s, it has been estimated that the additional transitional costs of establishing unitary government in all English regions would be almost £2 billion. There is no evidence that the transitional costs of restructuring local government have been recouped by subsequent savings in areas where unitary counties were created in the 1990s.

2. The powers and functions of elected regional assemblies

The Council believes that assemblies, if established, should have powers that are devolved down from Westminster, rather than being taken up from local councils. Although the White Paper states that the powers and functions will largely be drawn from central government bodies it is not clear exactly what these powers and functions will be and this needs to be clarified. The additional costs of establishing elected regional assemblies would only be justified if substantial powers are devolved from central government and if central government cost savings are made as a result.

3. Public support for elected regional assemblies

Clearly, elected regional assemblies should only be established in regions where there is clear public support for this. The White Paper states that decisions on whether to call a referendum in each region will be based on an assessment of the level of public interest in each region. However, it is not made clear in the White Paper how the extent of public support for an elected regional assembly will be assessed or when this assessment will take place in each region.

4. Regional assembly boundaries

Whilst the existing regional boundaries will remain in the short term, the Government has not ruled out, and appears to be encouraging the possibility

of, reviewing the boundaries in the longer term. If the Government is serious about strengthening the regional tier of government, consideration must be given to the appropriateness of the existing regional boundaries before this is done. The six counties in the East of England region do not form a natural grouping, with counties such as Suffolk and Norfolk having little in common with those in the south of the region. Hertfordshire has more in common with other counties whose economies and transport networks are closely linked. It would seem sensible to recognise the natural economic groupings of those counties whose economies are linked to those of the London. Therefore, the Council believes that the existing regional boundaries should be reviewed to better reflect natural economic and spatial relationships in advance of any referendums.

5. Unitary local government

As the stated aim of the White Paper proposals is to draw powers and functions down from central government, any restructuring should be of central government rather than of local government. The establishment of elected regional assemblies and the establishment of a unitary form of local government should be considered as two separate issues and one should not be contingent upon the other. Local people should be allowed to have their say separately on whether unitary local government should be introduced and, if so, what form and structure it should take. The 1990s review of local government was a costly, lengthy, difficult and disruptive process which diverted local authorities' time and attention away from their core functions as service providers and community leaders. A further review of local government structures should only be embarked upon if there is a clear rationale for doing so and if structural change is necessary to achieve objectives which could not otherwise be readily achieved. If there is a clear set of reasons for pursuing structural change, this is likely to necessitate a thorough review of the whole system of local government rather than leaving existing unitary authorities outside of the scope of the review. If such a review were to be undertaken in the best interests of local people, the opportunity should also be taken to bring local quangos and other non-democratic bodies together within a unitary structure. In the interim, the threat of mandatory unitarisation posed by the White Paper will hinder the region's existing local authorities in serving and leading their communities, especially in attracting and retaining the skilled staff needed to sustain and improve service delivery.

6. The constitution of elected regional assemblies

One of the stated objectives of the White Paper proposals is to bring decision-making under closer democratic control. The Council supports this objective. However, this would not be achieved in an assembly with as few as 25 members when there are already 57 MP's representing the region. These large regional constituencies would not make regional government more accountable to local people nor would it give local people a greater say on issues such as jobs, transport, housing, culture and the environment. Rather than strengthen democracy, the new arrangements will create a remote tier of bureaucracy.

7. Different arrangements in different parts of England

Clearly, elected regional assemblies should not be imposed on parts of the country where the public do not support such a move. However, the Council would like confirmation that regions without an elected regional assembly will not be disadvantaged financially or in any other way by decisions to establish elected assemblies elsewhere.

To return to the specific issue of stakeholder involvement, the Council does not believe that unelected stakeholders should serve as full assembly members or executive members as this would undermine the main reason for establishing elected assemblies. Instead, an advisory forum of stakeholders should be established which the assembly consults where appropriate.

In preparing this response, the Council has consulted the Hertfordshire Local Government Association which includes representatives of the County Council, the ten District Councils and Hertfordshire's 126 town and parish councils. The Hertfordshire Local Government Association's resolutions are attached as an appendix to this response.

I hope that our views are helpful and that you will take them into account when finalising your proposals.