



all party parliamentary group for
district councils

District council collaboration and devolution in England

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DISTRICT COUNCILS' NETWORK

Innovative and collaborative
solutions for people and places



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- Andrew Bingham (former MP for High Peak)
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- Robert Courts MP (Witney & West Oxfordshire)
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- Simon Hoare MP (North Dorset)
- Nigel Mills MP (Amber Valley)
- Baroness Bakewell of Hardington Mandeville
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WITNESSES

Evidence Session 1 - *Collaboration Between Councils*

- Councillor Bob Price, Leader, Oxford City Council
- David Cook, Chief Executive, Kettering Borough Council
- Councillor Mark Crane, Leader, Selby District Council
- Alex Colyer, Interim Chief Executive, South Cambridgeshire District Council
- Patricia Hughes, Joint Chief Executive, Hart District Council – Five Councils

Evidence Session 2 - *Collaboration with Agencies and Organisations*

- Councillor Mark Townsend, Leader of Burnley Borough Council
- Pam Donnelly, Executive Director Customer Operations and Partnerships, Colchester Borough Council
- Mike Pursehouse, Early Help and Prevention Manager, South Norfolk District Council
- Trevor Scott, Director for Governance and Corporate Services, Wealden District Council
- Councillor Julian Daly, Leader of St Albans City and District Council

Evidence Session 3 - *International Comparisons*

- Simona Kukovic, Assistant Professor, University of Ljubljana
- Kristof Steyvers, Associate Professor, Ghent University
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Evidence Session 4 – *Districts and Devolution*

- Councillor Neil Clarke MBE, former Chairman, District Councils' Network
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EXECUTIVE SUMMARY

The evidence received by the APPG's inquiry demonstrates that collaboration is part of the district councils' DNA. It is a long-standing feature of the way districts transform public services and reduce costs.

Collaboration generates capacity for districts and has been a vital way in which relationships between councils, and between councils and other organisations, have been strengthened and developed. The inquiry looked at three aspects of district collaboration:

- collaboration between districts;
- collaboration between districts and other organisations;
- the role of district councils in devolution and shaping the future of local government.

The evidence received displayed a wide range of innovative and imaginative practices and showed that districts are not constrained by their geographical boundaries when forging collaborative arrangements. Collaboration enables districts to operate across a wide range of public services on a sub-regional and regional basis.

Collaboration between Districts

There is a great sophistication to the way districts approach collaboration. The necessary ingredients for forging effective collaboration between districts are:

- understanding partners' culture;
- a shared purpose;
- the development of a relationship of trust between districts;
- a recognisable and shared notion of the place within which collaboration will operate.

The political control of collaborating councils is not a barrier to forging a successful co-operative partnership between districts. Successful collaboration however, requires investment of time and resources from leading councillors and senior officers. This activity is fast becoming a vital role of the leadership of district councils.

Districts collaborate with other districts to operate within and across functional economic areas, and this collaboration matches well with district engagement with Local Economic Partnerships (LEPs). However, the evidence suggests, that not all LEPs engage fully with districts. Any marginalisation of districts in LEPs damages the role LEPs have in stimulating economic activity.

Collaboration between Districts and other Organisations

Districts operate in a complex environment with a host of external bodies and organisations. These bodies develop public policy, spend public money and influence the growth and well-being of communities across the country but do so without a democratic mandate. Districts are operating with external agencies to:

- pool resources and develop capacity to deliver and transform public services;
- interact with other agencies to draw them into a shared strategic vision of the development of specific localities;
- influence and shape the decisions, policies and actions of external agencies;
- to hold a wide range of unelected organisations to account.

Despite districts' public mandate they often face reluctance from external bodies to engage. Our evidence also found the strength of external relationships between districts and other organisations to vary across the country.

The Role of District Councils in Devolution and Shaping the Future of Local Government

Districts have made enthusiastic and important contributions to the devolution and transformation of local government agenda which has resulted in stimulating local economic growth and regeneration.

Devolution can and is building on the success of districts in collaborating across functional economic areas. Such collaboration has provided an additional framework within which districts can contribute to the Government's modern Industrial Strategy. The inquiry identified several barriers to effective district engagement in the devolution deal making process:

- a perception that devolution was focused on a more metropolitan policy approach;
- devolution was a top down, centrally controlled process (a view strengthened by the existence of centrally imposed timescales and processes);
- the time and resources required to be invested by senior councillors and officers.

While districts recognise and have responded to the potential of double devolution this is not always shared by other players in devolution negotiations.

Recommendations

The report makes recommendations directed at different authorities and bodies that engage with district councils. Through these recommendations we highlight how engagement with districts can stimulate economic growth, strengthen and develop collaborations across a range of agencies for the benefit of residents, and ensure accountability and transparency of collaborative arrangements.

Districts have an unrivalled understanding of what is required to stimulate economic and housing growth in their localities across a wider functional economic area and by collaborating within LEPs. With this understanding, districts are making a vital contribution to delivering the Government's modern Industrial Strategy.

To meet the full potential for economic development that district engagement in LEPs can produce, it is necessary that all districts are able to fully engage with LEPs they identify as appropriate. It is also necessary for economic growth that the creation and negotiation of devolution deals is a more flexible and more locally driven process than has been so far.

While collaboration is in the DNA of district councils, this is not necessarily always the case for the range of agencies with which districts need to collaborate with for the benefit of residents. It is therefore vital that barriers to collaboration with other agencies are removed and that collaboration with districts becomes a required part of the development of policies and decision-making by other agencies and bodies. Indeed, districts should be empowered to produce a local framework within which other agencies would be expected to collaborate.

Our inquiry also highlighted the importance of the accountability and transparency of collaborative arrangements. The report recommends that district overview and scrutiny committees need greater powers to be able to question, challenge and hold to account the policies and actions taken by those involved in a collaborative partnership.

1 INTRODUCTION

An All Party Parliamentary Group (APPG) is an informal, cross-party group of parliamentarians from both Houses who join together to pursue a particular topic or interest. The APPG for District Councils was launched at the House of Commons on 25 May 2016 and the chair, Mark Pawsey MP, working with the District Councils' Network (DCN), constructed a set of aims for the Group. These are to:

- Raise awareness of the key role that districts play in the day-to-day lives of the 22 million residents they serve and their closeness to their communities;
- Examine the opportunities for districts in devolution, in particular on the themes of growth and health and wellbeing;
- Raise awareness among parliamentarians of collaboration among district clusters and explore the future opportunities of these partnerships;
- Promote understanding of the contribution made by district councils to the good governance of communities, their localities and to the country as a whole.

The chair of the APPG worked with the DCN to produce a plan of initial inquiries. Given the importance of debates about public service improvement and transformation, and the progress of the government's devolution agenda, it was decided that the first inquiry to be conducted by the APPG would focus on 'District council collaboration and devolution in England'.

The terms of reference for this inquiry were as follows:

- To examine the models and patterns of collaboration between district councils and other councils, to identify the factors which stimulate collaboration and understand how it contributes to place-based public service reform;
- To explore the models and patterns of collaboration with other local organisations such as Local Economic Partnerships and Clinical Commissioning Groups to understand how this form of collaboration is improving outcomes and efficiencies in the locality. The inquiry would identify and assess the political and public barriers councils face in collaborating with other agencies;
- To assess the contribution that districts are making in the devolution process and local government transformation, to identify barriers to successful engagement for districts in devolution deals, and to examine how double devolution is developing within the overall devolution agenda.

In conducting its inquiry, the APPG wrote to every district council across England to call for written evidence. As a result, we received over 70 submissions, with some authorities providing additional material in the way of reports and policy documents, and 13 authorities were invited to provide oral evidence. We also heard from the chairman of the District Councils' Network and the chair of the District Councils' Network Chief Executive Group at the time the inquiry took place.

The inquiry heard evidence from both councillors and officers who were selected as a result of the innovation and ideas they had displayed in the examples of collaboration in their written evidence. Witnesses were selected due to the success they had achieved and obstacles they had overcome in forging and running collaborative partnerships. In these oral evidence sessions, the inquiry panel questioned and challenged the witnesses to understand the factors that result in successful, effective collaboration and devolution. The inquiry panel also sought to identify the barriers which district councils have experienced in collaboration and devolution.

In addition, one of the evidence sessions heard oral evidence from six international academic specialists who have researched how councils in their own countries have developed effective collaborative arrangements. As England already has some of the largest units of local government across Europe, the international evidence we received was invaluable in highlighting how smaller units of local government can provide quality public services.

Based on the evidence received, the next section of the report explores the models and patterns of collaboration between district councils. The third section examines district council collaboration with external agencies and organisations. The fourth section assesses the role of district councils in the government's devolution agenda and the future of district local government more generally.

The report concludes by drawing out the main themes and arguments of the evidence presented to the APPG's inquiry and sets out our recommendations (which are also included within each relevant section). The recommendations are directed to different authorities; central government, local bodies such as LEPs and NHS services and local government itself. It should be noted that the report refers to local government in England only.

2 COLLABORATION BETWEEN COUNCILS

Introduction

Collaboration between districts is an increasingly important phenomenon which offers an approach to service transformation and policy development that is meaningful and relevant to local communities. Successful collaboration between districts means that the natural economic geography of an area and functional economic or travel to work areas can be used as the basis from which to forge partnerships. Therefore, district collaboration not only improves services, but also stimulates economic activity and growth.

To promote best practice and stimulate further effective joint working between districts, the inquiry sought to understand the factors which encourage and support the development of collaborative arrangements. The inquiry also sought to identify the barriers and problems that can be experienced which might damage effective collaboration and to suggest how those barriers might be removed.

Developing capacity through collaboration

The evidence received showed considerable enthusiasm and commitment among districts for developing close collaborative arrangements. That enthusiasm and commitment was based on a clear recognition of the potential for public service improvement and transformation that collaboration produces.

Collaboration is part of the DNA of districts. It is something which they have long embraced as it facilitates the strengthening of service delivery to residents, innovation in service provision, the stimulation of economic and housing growth, and cost reduction. It was stressed to the APPG that collaborative arrangements between districts have not only transformed services but maintained the democratic accountability of the councils concerned.

We heard a myriad of evidence about the range and complexity of services that formed the basis of district council collaborative arrangements, such as:

- A shared procurement service between Rugby and Nuneaton and Bedworth Borough Councils. The motivation for this was to improve resilience within the two authorities and to share skills. The collaboration has driven multi-million-pound procurement savings across both councils in recent years.
- Swale, Maidstone and Tunbridge Wells borough councils formed Mid-Kent Services to reduce costs and improve resilience. This was achieved through the sharing of environmental health, parking enforcement, planning support, revenues and benefits, human resources, ICT, internal audit, and legal services. The partnership now employs over 200 staff across the three councils.
- Chorley, South Ribble and Preston councils have taken a collaborative approach to producing the Central Lancashire LDF, which provides for the three authorities to work together on issues affecting the whole central-Lancashire sub-region, while also maintaining their separate decision and policy-making powers on planning.

These examples, backed by a multitude of other written evidence, show innovative and imaginative collaborations between districts. These are based on a range of services designed to ensure cost reduction and public sector improvement and are the result of the development of a culture of co-operation.

In their oral evidence, Councillor Bob Price, Leader of Oxford City Council; David Cook Chief Executive of Kettering Borough Council; Councillor Mark Crane, Leader of Selby District Council; and Patricia Hughes, Joint Chief Executive of Hart District Council, stressed that the vital ingredients of successful district collaboration were culture, purpose, trust and a sense of place.

There is a well-established practice of districts collaborating on a range of public service responsibilities and we uncovered considerable enthusiasm among districts for developing further innovative collaborative arrangements. To facilitate effective collaboration, we recommend:

- a. The government reviews the legislative framework within which councils are able to collaborate with other councils with the aim of identifying and reducing any regulatory barriers or legal constraints.***
- b. A collaboration champion should be appointed within the DCLG as a source of support within government, for council collaboration and for collaboration with other areas of the public sector. Government should also consider appointing a Minister for public sector collaboration based in the Cabinet Office.***

One international witness highlighted the importance of culture and a sense of place for successful collaboration in their country:

...in order to deliver and design and implement local policies they have to collaborate. Apart from those 8,000 municipalities we have some 995 inter-municipal co-operation bodies and as from today I can say that the experience is a positive one. The main reason is that we have had a culture of collaboration mainly because of this multi-level governance system made up of four levels of government. Municipalities not only have to collaborate between themselves; they also have to collaborate with provincial, regional and central government. (Angel Iglesias, Professor of Political and Administrative Sciences, Universidad Rey Juan Carlos, Madrid).

Another international witness also stressed the importance of a culture of collaboration as a way of stimulating joint working and avoiding expensive structural change:

The [Irish] Government was looking at merging two local authorities Carlow and Laois, or at least shifting the boundary between them, and had commissioned a report. The two authorities came together and began to work very closely, which meant that the report concluded that the high level of co-operation between the two councils at both operational and strategic levels made a boundary extension or merger unnecessary. (Dr Aodh Quinlivan, Department of Government, University College Cork).

Case Study: Collaboration in Action

North Yorkshire Country Council and **Selby District Council** have developed a working partnership called ‘*Better Together*’ which aims to integrate service delivery in order to provide better outcomes for local communities. Their approach has enabled the sharing of new skills and support. This has resulted in stronger working relationships, streamlined service delivery and greater efficiencies for both the county council and the district council. The ‘*Better Together*’ partnership clearly demonstrates the potential benefits of innovative collaborative arrangements between different tiers of local government.

There are groups of districts that are looking beyond shared geographies to develop innovative arrangements for collaboration and joint-working. This was demonstrated by Hart District Council, which set out their partnership with four other councils: Havant BC, Mendip DC, South Oxfordshire DC and Vale of White Horse DC. The ‘Five Councils Partnership’ has seen these districts identify opportunities to provide 13 services across five locations to innovate digitally and achieve efficiencies through collaborative arrangements which are not bound by geography.

The creation of collaborative arrangements between districts, without legal complication, is an effective way to adapt and respond to increasing pressures to cut costs and improve efficiency in a context of austerity. Collaboration facilitates the pooling of resources, avoids duplication of functions and enables savings without reducing the quality of services.

However, cost is certainly not the only motivator of collaboration which is now well established as standard operating procedures for districts. Indeed, when challenged about the future of council collaboration. Councillor Mark Crane, Leader of Selby District Council, commented:

If tomorrow you said to me, “You can have an extra £10 million a month to spend, Cllr Crane”, I would not be saying, “North Yorkshire are no longer going to do my HR function; I am going to employ a fleet of people to sit in a room thinking about nothing but HR for ever more”. I would more likely be thinking about what I could do to increase economic growth within the district, and what land I could buy to bring businesses to Selby, to increase the wealth of Selby. I would like to think that the majority of my fellow leaders would feel in a very similar vein... I do not think if you said tomorrow councils could have unlimited access to funds we would all stop working together in the five districts, with the excellent example at the end there, and would say we were not going to have anything to do with each other anymore. That will continue.

We received a wealth of examples from districts of innovative and imaginative collaboration and the savings that are achieved through districts working together. It is necessary for best practice of district collaboration to be pooled and shared so that authorities can learn from each other’s experiences.

Sharing experiences of collaboration will create a valuable resource to support districts in developing their policies and practices. There is a need for a national forum where councils can learn from others' experiences of collaborative arrangements and share knowledge and information.

Collaboration between districts requires transparent and effective accountability mechanisms to ensure that the public have sufficient information and evidence on which to make judgements about the quality and effectiveness of each collaboration. We therefore recommend:

- a. District councils should publicly promote and raise awareness of the collaborative arrangements that exist with other councils and disseminate this information to the localities that they serve.***
- b. District council leaders should report annually to a council meeting on the operation and quality of the collaborations and partnerships that exist and there should be sufficient time for members to question and debate the report.***
- c. Districts should ask their existing overview and scrutiny committees or a joint scrutiny committee formed across councils – to review the activities of collaborations and partnerships between individual districts and other councils.***

District Councils: Collaborating and Scale Capacity

The priority for collaboration between districts is currently economic development and growth which sees districts operate within appropriate Functional Economic Areas (FEA). Collaboration across FEAs allows districts to respond to shared economic and social pressures and the need to generate growth, while at the same time maintaining community identity and the ability to respond to specific local needs and priorities.

We received many examples of positive and successful FEA based collaboration, such as:

- Babergh and Mid Suffolk District Councils, Suffolk Coastal and Ipswich have several initiatives that enable them to jointly plan for economic development to ensure that businesses can grow and develop within and across Suffolk. Together the councils work with the New Anglia LEP in delivering initiatives aimed at improving productivity and prosperity across the region.
- The district councils of Eastleigh, East Hampshire, Fareham, Gosport, Havant, New Forest, Test Valley and Winchester have been active participants for over 12 years in the sub regional Partnership for Urban South Hampshire (PUSH). The collaborative arrangement focuses on economic development, skills and housing, and brings together councils to tackle issues cutting across planning authority boundaries and at the same time maintain the policy integrity of the member councils.

Districts are successfully investing time in developing FEA based collaborations which serve two purposes:

- i) Facilitate collaboration based on economic development and growth between districts on a sub-regional basis to respond to issues not constrained to individual boundaries;
- ii) Maintain the unique understanding of their localities that districts have given their closeness and granular understanding of communities of place, reflecting how residents and commuters live their lives and how local economies operate across boundaries and to avoid costs associated with wholesale re-organisation.

FEAs may not always be obvious or may cut across a number of different localities for different policy areas, or FEAs may exist within close proximity to districts. Our evidence suggests districts can operate within each area as the need requires. Councillor Bob Price, Leader of Oxford City Council, said:

West Oxfordshire has an Oxfordshire/Cotswolds tourism strategy and for the rest of Oxfordshire there is a DMO [Destination Management Organisation] for Oxford and Oxfordshire. They can co-exist very happily because Oxford goes into Cotswold, goes in Gloucestershire, whereas the Oxford tourism focus is very much on the centre to Bicester Village, Woodstock, Blenheim and Oxford City. For that particular purpose, for tourism in particular, you can have two different functional economic areas from the rest of the county. You have to be a bit careful about overlapping geographies in the context of functional economic areas and be a bit more flexible in terms of the permeabilities of boundaries and that kind of thing rather than saying there is just one functional economic area.

Our evidence shows that there are clear complimentary activities between districts collaborating within a FEA framework, and with the work of a Local Enterprise Partnership. These activities are mutually supporting of economic development. The freedom to develop collaborative partnerships based on FEAs, and at the same time operate within the LEP framework, provides districts with additional flexibility and input to regional economic policy and to resource allocation decisions. It also facilitates links between the private and public sector at district level.

The involvement of districts in LEPs does not follow a single pattern. We received evidence that engagement for districts within LEPs' formal decision-making structure were not always guaranteed. This lack of direct engagement can cause frustrations, in particular where districts were part of more than one LEP area. David Cook, Chief Executive of Kettering Borough council said:

Some LEPs are about purpose and place and some are tactical positioning vehicles for organisations to pursue their ambitions. If you have a LEP that is about place and all the rest of it, it is fine and dandy. If it is about, "How many seats can we get for us and not let the other lot have", then it ends up not working so well.

Competition between councils within LEPs for resources, project support or funding, can damage the coherence of the LEP. This can be exacerbated if all districts are not represented within the LEP, or when a district is a member of more than one LEP.

Chesterfield Borough Council exemplifies the case as it is part of two LEPs, Derby, Derbyshire, Nottingham, Nottinghamshire (D2N2) and Sheffield City Region (SCR) but is directly represented only on the latter board. Despite these difficulties, it was pointed out that party political differences have little effect on the working of LEPs. More generally it was made very clear, in our evidence, that differences in the political composition of councils do not prevent or hinder the development of collaborative arrangements or working within LEPs.

While the Prime Minister's modern Industrial Strategy announcements came after the period in which the inquiry received written evidence, districts clearly outlined to the APPG their ambitions to be drivers of local economic growth, placing them in an important position to contribute to this new national agenda. As emphasised by the Business, Energy and Industrial Strategy Secretary, Greg Clark, at the DCN's national conference (February 2017), districts have a key role to play in delivering economic growth and to provide input into the development of the Government's modern Industrial Strategy.

The Government has identified the need for local industrial strategies to deliver the modern Industrial Strategy and districts working in full collaboration with LEPs, should form the building blocks to shape local industrial strategies and deliver local economic growth across England. As part of this process districts will be building on their track record in generating local economic growth and developing bigger economies working with LEPs and through a myriad of other collaborative economic arrangements.

Local Enterprise Partnerships (LEPs) provide an important framework within which districts can collaborate to influence economic development and growth on a strategic level. As districts are commercially aware and skilful organisations the experiences they have gained, as commercial enterprises, provide important lessons and knowledge for LEPs and for other districts. We found however, a scattered pattern of district representation on, and engagement with, LEPs which can result in districts being excluded from LEP decision-making. To ensure district inclusion with the work of the LEPs, we recommend:

- a. All district councils should have direct member level representation on any LEP of which they are a part. If all district councils within a LEP area agree then a single representative should be chosen by all the district councils with the LEP area to serve as their representative on the LEP.***
- b. The above recommendation should be mandated in any potential forthcoming legislation putting LEPs on a statutory footing.***

The importance of promoting local growth and providing well-functioning services transcends partisan politics. Representatives from different political parties are more inclined to cooperate at the intra-local level than they are within their own councils. Cross-party collaboration is clearly illustrated by the example of 'Greater Cambridge' with the Conservative administration at South Cambridgeshire working very closely with the former Liberal Democrat administration and now with the Labour administration at Cambridge City Council. The situation was summarised by Councillor Alex Coyler who said: '*place and ambition certainly override [party] politics*'.

Questions were raised about the transparency of collaborative partnerships which may lack clear lines of accountability to the public. Citizens may be satisfied with the quality of services delivered through collaboration but might still want a say in the process. The challenge is to introduce mechanisms of democratic control and accountability which councillors and citizens can use to publicly examine the work of collaboration between councils and within LEPs.

Conclusion

The range, variety and imagination of district collaboration is impressive and innovative. It is clear that effective collaboration is part of the district DNA to the benefit residents and localities alike. The inquiry found evidence that collaboration provides:

- flexibility in service design and provision;
- opportunities to re-evaluate and transform public services;
- increased capacity for collaboration partners;
- financial savings and reduced operation costs;
- district joint-working within functional economic areas which reflect a logical economic geography;
- reflect and respond to the needs of their communities;
- enhance local well-being of citizens and communities;
- shape economic development and growth across FEAs and other territorial spaces;
- cost reduction.

All of this is achieved without local government re-organisation and while maintaining the integrity of existing councils and their closeness to the communities they serve.

The ingredients to successful collaboration between districts were shown to be culture, purpose, trust and place. Districts need:

- a culture of collaboration;
- a shared sense of place and understanding of locality;
- awareness of each other's organisational cultures;
- shared and agreed purpose to the collaboration;
- trust in partners to deliver and to operate in the best interests of the partners;
- the place on which the collaboration is based must make sense to the partners;
- the political will to develop and pursue collaborative ventures.

Collaboration between district councils works best when councillors and officers invest resources in developing co-operative networks and develop trust to such an extent that organisational and cultural differences between collaborating partners are overcome.

Local Economic Partnerships (LEPs) provide a framework within which district collaboration can be organised to reflect a natural economic geography and functional economic or travel to work areas, thus providing a stimulus to even greater district collaboration.

The challenge of ensuring collaborative arrangements are accountable to councillors, communities and voters can be met by openness and transparency about the collaboration and its aims, purpose, goals, resources and members. There is also a need for scrutiny mechanisms to explore the activities and policies of collaborative partnerships and their performance.

3. COLLABORATION WITH OTHER BODIES

Introduction

The landscape of organisations responsible for public services is fragmented and complex. A range of public, third sector and private bodies interact to make policy decisions, develop service provision and spend public money. These different bodies do not have a democratic mandate and direct link to meaningful communities of place that are held by district councils.

Districts are increasingly developing collaborative arrangements with organisations that operate over different geographical areas. Many of these organisations have a single service focus or operate with a much narrower range of service responsibilities compared to elected districts. In addition, districts collaborate with organisations that seek to achieve different purposes and objectives, but which contribute to the transformation of public services. Districts stand alone however, as an elected body with a democratic link to the communities and citizens they serve and govern.

Inter-agency collaboration between districts and external bodies generates similar advantages to collaboration between districts themselves. Questions are also raised here about the appropriate structures through which to organise collaboration, the outcomes of collaboration, the factors required for effective cross public sector collaboration, how collaboration can serve economic growth and regeneration and, the most effective means of accountability.

District Collaboration and Public Services

Our evidence showed that, as with collaboration between districts, collaboration with other agencies is part of the district DNA. Collaboration is stimulated by a recognition and understanding of the complex and fragmented environment within which public services are provided. The evidence stressed the importance of districts investing in understanding the governance networks within which they operate locally, regionally and nationally and the aims, objectives and purposes of a host of external organisations, to be able to forge effective partnerships. Pam Donnelly, Executive Director Customer Operations and Partnerships, Colchester Borough Council stated that developing a *'set of shared goals, priorities and vision for partnerships with external organisations, is essential to their success'*.

The range of organisations with which districts collaborate means they are co-operating with bodies operating on different spatial scales, geographical areas and with different purposes. Co-operation between districts and other bodies enables districts to shape a horizontal subsidiarity, where organisations operating beyond the remit and scope of the district are drawn into a set of shared goals focused on meaningful communities of place.

Districts using their democratic mandate can refocus the activities of external agencies such as the police, the health service (and its range of manifestations, such as clinical commissioning groups), probation services, community and voluntary groups, universities, housing associations, public utilities, local businesses and LEAs. The evidence submitted provided examples of successful collaborative arrangements forged by districts, such as:

- Chorley Council and Lancashire Care NHS Foundation Trust as part of a public service reform partnership are developing an integrated community wellbeing service. The district is facilitating a collaboration hub to test and demonstrate the benefits of co-location and integration of public services;
- Rushcliffe Borough Council (RBC) has driven forward the vision of a public sector multi-service centre located in one building in the town centre. The partners to be housed in the new multi-service centre include Belvoir Health Group, Rushcliffe CCG, Nottinghamshire Police, Nottinghamshire County Council Library Services, RBC, Cotgrave Town Council, with provision for supporting a GP-led scheme to improve health care;
- South Norfolk Council developed a partnership with Norfolk and Norwich University Hospital (NNUH) to work with the Hospital Discharge Team to examine hospital discharge protocol to reduce delayed transfers of care and ensure that residents' wider needs, such as housing, are addressed at the earliest opportunity;
- Wealden District Council developed and chairs the 'Safer Wealden Partnership' which brings numerous agencies together to ensure that the Wealden area is one of the safest places in the country. Working closely with Sussex Police, partners address issues through a variety of imaginative initiatives and has seen, for example, progressive annual reductions in 'burglary other than dwellings' figures.

Case study: Collaboration with other bodies

The Kettering Futures Partnership' (KFP) was formed by Kettering Borough Council in 2014 – but uniquely on the basis that no one partner 'leads' the partnership. It was designed to bring together a range of organisations that could facilitate financial inclusion and provide help and advice to people and support those requiring assistance with income, debt, skills and housing. The partnership board is made up of:

- Kettering Borough Council
- Kettering Citizen Advice Bureau
- Police
- National Health Service
- Department Works & Pensions
- Northamptonshire County Council
- East Midlands Credit Union
- Voluntary Agencies
- Job Centre Plus Education / training providers

These examples, from the range of collaborative arrangements with external bodies that were submitted as evidence, illuminate the spread and complexity of district led partnerships. They also illuminate how districts are co-ordinating the activities of other public sector bodies and helping to focus them on local priorities and problems. The role played by districts however, in forging such partnerships and in shaping their activities does not come automatically. As Trevor Scott, Director for Governance and Corporate Services, Wealden District Council commented in an evidence session *'time and effort developing those*

relationships and developing trust with external partners is fundamental to being able to work with them to establish shared goals and shared outputs’.

Districts are developing not only their own capacity through innovative collaborative partnerships, but are also assisting their partners in developing problem solving capacity. By bringing external agencies together districts can create a critical mass of resources and focus them on transforming public services. They also provide space for districts to influence and shape a broader range of the partners’ policies and activities.

While district councils display a strong commitment to, and culture of, collaboration, that commitment and culture is not always reflected by other agencies with which districts seek to collaborate. We heard evidence to suggest that some public agencies are reluctant to collaborate with local authorities and can make decisions affecting localities with little or no engagement with the district councils concerned (other than what might be statutorily required). We therefore recommend:

- a. The existing duties to collaborate be extended to cover all public sector organisations, public service providers and third sector organisations and that duty would mean that any external bodies build partnerships with councils and co-operate with them.***
- b. Bodies subject to a statutory ‘Duty to Collaborate’ to be obliged to provide suitable information or data, requested by any district council or councils, seeking to develop a collaborative arrangement even if that arrangement does not involve the organisation from whom information and data is requested.***
- c. The collaboration champion to have the responsibility of ensuring that all agencies and organisations comply with the duty to collaborate (see 1.b above).***

It is clear that in many areas, districts provide the local leadership to ensure a greater and more effective partnership working for the benefit of residents. Crucially it is districts understanding of locality and place that allows them to play such as effective role and to develop decisions and policies that reflect not only their own goals, but a broader set of co-ordinated goals for the public sector. Overseas experience shows that there are few limits to the nature of collaboration between councils and other organisations and how an elected council can be the focal point of the collaboration. As Dr Linze Schaap commented:

A point that I need to make that was mentioned by one of my colleagues is the development towards a more tripartite kind of co-operation and in some regions quadruple co-operation: with local businesses, universities and other institutions, sometimes with civil society, sometimes with significant citizen participation as well (Dr Linze Schaap, Associate Professor, Tilburg University, The Netherlands).

Collaboration: Overcoming the Barriers

Despite many positive examples, we also heard how districts meet obstacles and resistance from some organisations to collaborative working. Being an elected body is at times insufficient to guarantee districts a positive response from other organisations to developing collaborative relationships. Across the country districts report different relationships when working with the same national or regional based partner.

Several reasons were identified in the evidence received as to why problems may be experienced by districts seeking to engage with external bodies:

- Differences in organisational culture (lack of culture of co-operation on behalf of a prospective partner);
- Lack of trust;
- Personal differences between officers of partner bodies;
- Changing polices, priorities and organisational restructuring of external agencies;
- Unwillingness on the part of external agencies to share information and data;
- Lack of a shared understanding of roles, responsibilities and functions;
- Insufficient communication and consultation by external bodies with districts;
- Resistance to engaging districts in shaping the policy of an external organisation;
- Differing organisational languages;
- Reluctance to accept local government as a legitimate governing entity;
- Lack of a statutory requirement to collaborate with councils (evidence from Daventry District Council particularly highlighted problems of forging relationships with a new regional probation entity, whereas the former probation trusts had been statutory partners in Community Safety Partnerships).

While such barriers are not insurmountable, it is evident that the democratic mandate districts hold is of varying value depending on the organisations with which they are seeking to engage. It is also clear that the same nationally based organisation will be better in some parts of the country than in others at working with districts.

Our evidence suggests that some of the reluctance to collaborate or work closely with district councils, on the part of agencies, was a result of cultural, organisational and policy differences. It also arose from a reluctance to recognise councils as having a legitimate role in influencing polices and decisions. In addition to the 'duty to collaborate' it is recommended that:

- a. District councils are empowered to produce a local 'governance framework' policy document which identifies a shared vision of collaboration and an agreed set of priorities for the development of public services within and across districts.***
- b. The local 'governance framework' should set out information on how the identified partners work as organisations. It should provide for a specific local forum formed by district councils within which a set of shared goals, priorities and a vision for local public services can be developed and agreed by the partners identified by the district council.***
- c. Those identified partners under the 'governance framework' will work collaboratively with the district council towards achieving shared goals, priorities and vision.***
- d. The new framework for district councils in a-c above should not be confined to the boundaries of a single district or county council, but enable districts to collaborate, seek information from and engage with necessary organisations wherever they may be located or operate.***

While relationships will vary between districts and external bodies, the NHS and particularly the development of Sustainable Transformation Plans (STP), generated notable concern.

Again, a scattered pattern of relationships exists with some districts reporting a good relationship with the NHS in the STP process. However, the STP process was often used to demonstrate where districts were excluded, ignored or involved at too late a stage in an external body's policy process. Corby Borough Council cited 'national advice' not to consult over STP development describing this as '*unfathomable*' and '*counterproductive when the Plans come to be implemented*'.

It is clear that the STP process requires strengthening and the unease in some NHS quarters of engaging with elected local government needs to be assuaged. While there are cases where districts have been over-looked or ignored in the development of STP there are also positive examples of collaboration on which to build. The strategic role districts have in the prevention of ill-health and the vital levers they have to solve health problems, through the range of public services they provide, was highlighted by a King's Fund report (2015).¹ The experience districts have in prevention means that strengthening the link between districts and the STP process will reap positive benefits for the preventative agenda and for the strategic development of health services as well reducing demand on hard pressed adult social care services.

We received evidence suggesting that districts are often excluded from, or involved at too late stage to influence the development of polices and long-term plans, by a range of public bodies. An example given on a number of occasions was the development of sustainable transformation plans by the NHS, where we heard that in some cases districts were central partners in the process, but in other cases there had been perfunctory or non-existent engagement with districts. To overcome the exclusion of democratically elected districts from the policy development processes by other bodies we recommend that:

- a. When public sector organisations beyond local government develop polices and long-term strategic plans, the outcomes of which will have an effect on the delivery of public services, there should be a requirement for early and sufficient district council involvement.***
- b. Given the central role district councils have in improving the health and well-being of residents, the development and delivery of STPs (or any other policy documents prepared by the NHS) must include full engagement with district councils including statutory representation and involvement in decision making in health and well-being boards.***

More generally, the lack of access to information and data from external partners was seen as a hindrance to districts in developing shared visions and objectives that would benefit their communities and enable resources to be focused on specific policy areas. Councillor Julian Daly, the former Leader of St Albans City and District Council described the council's attempts to focus on 'troubled families' and how a number of organisations had provided data on their top 20 most trouble families with relative ease. His comments are worth repeating at length because they exemplify general data collection problems:

¹ Buck, D., and P. Dunn (2015), *The District Council Contribution to Public Health: A Time of Challenge and Opportunity*, The King's Fund, London

The way we approached it was to say, "Give us the top 20 troubled families", and the police gave their top 20 and so on and, when there was a commonality and there were 13 families that were on everybody's list, we homed in on them, a small number of people causing a lot of trouble for us to focus on. Big government comes along and there is a huge process where it then takes two years to work out which is a troubled family, do they meet these criteria, and very nearly derailed the whole thing, so there is a big government process that does not work for local government-tailored solutions, I think, and that was probably the most glaring example we had...

... The obstacle there was data-sharing, we think, the legislative regime which meant that the county council had most of the interactions with Social Services, but were having to go to DWP 99 names at a time to work out who the top ten were, so there were 1,300 troubled families in Hertfordshire and how were we going to find them with all this rigmarole. For tailored solutions, respecting the fact that there need to be data-sharing constraints, if we have all got a common problem and we want to work together, why is that not being removed?

The comment above highlights how the reluctance on the part of one organisation to provide data, or set out requirements in a specific way, can derail an entire process where other agencies had been co-operating effectively to address specific problems. It also shows the absence of real powers on behalf of elected districts to enforce engagement or to access data required. A more powerful role for districts in forging partnerships would ensure the effective provision of public services or the efficient resolutions of problems that demand inter and multi-agency co-operation.

Districts operating within complex networks have three main roles:

- first is to be able to forge partnerships and joint working arrangements with external bodies to provide and improve public services and to ensure that services are responsive to local problems;
- second is to attempt to influence and shape the decisions of other agencies operating locally and to bring them into some shared vision and a set of objectives for the development of services within the locality;
- third is to hold to account other agencies operating within their locality which lack a democratic mandate for their policies and actions.

Openness and transparency need to be at the heart of all partnership agreements. Opportunities and mechanisms need to be created for councillors and the public to question those involved in developing the policies and decisions of collaborative arrangements and for exploring their actions.

Conclusion

Districts are forging a range of innovative and imaginative collaborations with public, third sector and private organisations to enhance public service provision and reduce cost. The overwhelming weight of the evidence shows that external collaboration is part of the district DNA in the same way as collaboration between districts. District collaboration with external agencies enables them to develop capacity, to solve public policy problems and improve the quality of public services, as well as contributing to the capacity of other organisations to do the same.

Effective collaboration between districts and other agencies relies on districts garnering intelligence about their potential partners and in developing trust, shared objectives and visions and in co-ordinating the activities of a diverse range of organisations. The complexities of navigating networks of different organisations with different goals, resources, purposes and geographical and spatial patches, requires a commitment from local leaders - councillors and senior officers - to shaping and influencing the decisions, policies and actions of a vast array of bodies. The evidence we received displays the existence of this commitment. But such commitment is not always sufficient to ensure external agencies will respond positively to district attempts to engage them in collaboration. Indeed, districts experience resistance from some external bodies that are reluctant to recognise districts' role as the elected government of the locality.

The resistance of some external bodies to providing information and data to districts or to engaging with them in their policy making processes was the most disturbing part of the evidence we received. It is clear that the actions of some public agencies undermine local democracy and local government, avoids public accountability, creates a culture of secrecy and can have a deleterious effect on existing partnerships. Districts are investing considerable time, energy and resources into external partnership working and, as a democratically elected body, are rightfully influencing and shaping what others do and in turn are being shaped by the influence of others. The legitimacy of districts in interacting with external bodies to improve public services, reduce costs and stimulate the economy needs to be accepted more forcefully by external agencies.

4. DEVOLUTION AND FUTURE OF LOCAL GOVERNMENT IN THE LOCALITIES

Introduction

District collaboration is currently taking place within the context of government's devolution policy and the negotiation of devolution deals. Different solutions and approaches need to be developed to reflect the varying needs for public service provision existing across the country. There is no one size fits all solution. Devolution creates a framework and condition for councils, of all types, to work together across a series of functional economic geographies and to pool their resources to achieve public service reform. To date, devolution has advanced most in metropolitan areas.

Our evidence showed that, despite the more metropolitan nature of devolution, districts across the country are demonstrating their capacity to play a key role in the negotiations and are committed to making devolution a success. The Cambridgeshire and Peterborough devolution deal is a good example of developments in district/county areas.

It is clear there is a danger emerging that devolution will become too urban focused and that districts may be excluded or marginalised in any devolution initiatives. We heard in our international evidence session that this need not be the case and that smaller councils can be the recipient of additional responsibilities through collaborating with other councils.

There has been significant decentralisation; I guess you would call it devolution, in 2015, especially of healthcare. Healthcare issues have been decentralised to the local level... ... In 2015 [in the Netherlands] decentralisation was a transfer of tasks to every municipality, not just the large ones. The smaller municipalities of, let us say, 1,000 inhabitants are also able to cope with their new tasks by finding ways of collaborating with other municipalities (Dr Linze Schaap, Associate Professor, Tilburg University, The Netherlands).

In addition, Dr Simona Kukovic, from the University of Ljubljana stressed that, despite the small size of Slovenia local government, all councils had the same responsibilities and tasks.

Devolution need not and should not be a process focused on urban areas or the larger units of local government and all districts can enhance the quality of public services and the well-being of their communities through devolution, linked to collaboration.

To ensure the creation of an economy that works for everyone and to avoid devolution becoming a city-based experience, it is necessary that devolution deals accommodate different approaches to devolution to ensure that the non-metropolitan areas that districts represent can access the same benefits of devolution as metropolitan areas. To ensure districts are fully engaged and play an influential role in the transformation of local government in localities, the development of devolution deals and future government policy on devolution it is recommended that:

- a. A task force is created to investigate how districts can secure maximum engagement in and benefit from the process of negotiating and agreeing devolution deals and to review, report on and draw lessons from current experiences.***
- b. The task force should consist of representatives from district councils, the Department of Communities and Local Government and academia and it should report to the Secretary of State within a year of the publication of this report.***

The Role of Districts in Devolution and Future of Local Government in Localities

The District Councils' Network (DCN) found in a survey of its membership that nearly two thirds of councils were currently engaged in devolution negotiations. The extent of district engagement in what is often perceived as a metropolitan or urban based process shows districts are acting as key partners, alongside counties and LEAs in developing new models for devolved service delivery and collaboration.

Districts have demonstrated that, despite a challenging process of negotiating devolution proposals and developing a shared vision, they are able to find consensus and develop proposals that are driven by the desire to deliver joint working and address the needs of residents. Our evidence showed that districts were working with partners across a series of functional economic geographies to pool their resources to achieve public service reform within the context of devolution.

The diversity and closeness of districts to their communities are strengths which have made a positive contribution to devolution. It was those factors which Cllr Neil Clarke, former Chairman of the DCN and Sandra Dinneen, former Chair of the DCN Chief Executive Group, stressed in their evidence to the APPG by emphasising that '*one size does not fit all*' when it came to brokering devolution deals. They also indicated that the 'clustering of district councils' (where geographically close councils had worked together) could assist future devolution by providing the groundwork for strong collaborative partnerships.

Up and down the country districts are working with their partners to develop proposals to transform the services they deliver for their residents both through structural and non-structural solutions. By developing a transformation toolkit the DCN can support districts with an appetite for transformation to capitalise on the opportunities available and help them manage transformation in the most efficient and effective way.

It is recommended that the District Councils' Network develops a toolkit for districts to support them in developing their proposals for local government and wider public sector transformation.

Evidence from Cambridge City Council and South Cambridgeshire District Council argued that being politically and strategically coherent has contributed to the agreement of a devolution deal across Cambridgeshire and Peterborough. We were told that such coherence: '*brought the leadership of the councils closer together*' and would ensure that much-needed funding and investments would be directed into the area. However, the evidence we received from

Cambridge summed up the view of other districts by commenting that the *'processes of negotiating both the City Deal and Devolution Deal [with Government] have been tortuous, exhausting and frustrating.* Negotiation has consumed a significant volume of scarce senior officer and senior politicians' time.

Despite such challenges, the newly elected Mayor of Cambridgeshire and Peterborough, James Palmer, has appointed the county leader and district leaders within the combined authority to serve in his cabinet as portfolio holders. The mayor's approach to combined authority governance clearly demonstrates that not only can district/county areas make devolution work, but that they can do so in a way that enables these new structures to reflect the different skill sets at different levels of local government.

The lack of genuine fiscal devolution (as opposed to grant handouts) has been particularly frustrating for the Cambridge councils (as for others) as it retains central government control over the outcome of the devolution process, rather than providing democratically elected districts with control of all the necessary tools to stimulate economic growth. By building on the good practice of districts in stimulating economic growth and public service transformation devolution should offer further financial freedoms for districts to respond to the needs of local economic development.

Our evidence highlighted examples of where districts are maximising the potential of Functional Economic Areas (FEAs) as a suitable scale for devolution deals and for local government transformation. Districts operating within FEAs indicates that delivering specific services at the right scale is viewed as a key opportunity offered by devolution and could lead to more sustainable models of service provision. A particularly interesting aspect of this was provided by Chorley District Council with the notion of 'networked boroughs' whereby borough-based authorities are collaborating to share and jointly commission services across local health economies and functional economic areas.

Corby, Kettering and Wellingborough borough councils and East Northamptonshire council developed a shared core strategy based on North Northamptonshire, as a single FEA which comprises an individual but interdependent set of towns, villages and rural areas. In the collaboration, a Joint Planning Committee has been delivering a clear spatial policy for over 10 years and a successful proposal for DCLG Capacity Funding saw the development of a Joint Delivery Unit and Joint Delivery Committee. The political leadership of the North Northamptonshire partner councils is committed to collaborative arrangements which are delivering infrastructural and economic benefits across the FEA.

These examples showed that districts provide a strong and effective base for devolution and demonstrate the flexibility to be able to shape devolution and transformed working arrangements which are relevant to local patterns of economic growth and activity.

Districts themselves are the best judge of which geographical alignment of councils most effectively meets the needs of their communities and best promotes economic growth and re-generation. It is clear from our evidence that when it comes to the future of local government structure, local solutions need to be devised. We recommend that:

- a. There should be no legal restrictions on districts about the partner councils they choose to negotiate with and which combined authority areas they choose to join; or on whether districts decide to be members of more than one devolution agreement.***
- b. Proposals for transformed working in localities must demonstrate clearly how any potential proposal is rooted in a thorough understanding of place and, where relevant, can build on existing partnerships that reflect how people live their lives. Any transformation should clearly evidence how proposals will utilise local knowledge to drive growth in localities and improve service delivery for residents.***

To date, most authorities involved in devolution agreements have underlined the need for greater powers over skills and employment, with a focus on restructuring the skills system locally to ensure the provision of education, employment and skills services that suit the needs of local employers. The Industrial Strategy identifies the development of skills as one of its ten strategic pillars and, as the evidence submitted to our inquiry highlighted, districts have an appetite for the devolution of powers to develop skills and employment to promote economic growth in their areas. Evidence from Rushcliffe District Council stressed the need for districts to have greater financial freedoms and rewards for stimulating the economy and how engagement in devolution offers the opportunity for those freedoms and incentives to be provided:

Our view is that there needs to be a continuing and transparent approach to develop financial rewards and incentives particularly for the establishment of collaborations that would support devolution, independence and efficiency. We would also suggest that to incentivise collaboration a view of markets based upon economic alignment would be assisted through the development of greater freedoms to raise income...

...Districts need to be provided with greater freedoms to raise income and be rewarded for promoting and delivering skills, growth and infrastructure. It needs to be recognised that while scale matters and can deliver efficiencies delivery and engagement needs to be place based on a level which makes sense to local communities. Devolution therefore requires influence, input and empowerment at the local level.

Given the importance of the district contribution to economic development through the creation of devolution deals it is necessary to explore the challenges and barriers to successful devolution that the APPG's inquiry has revealed.

Challenges and barriers

Evidence provided by Mid Suffolk and Babergh District Councils indicated that a lack of clarity of roles and responsibilities between county and districts, and a lack of recognition of community insight offered by districts, resulted in a perception that devolution deals have been driven by ‘upper tier’ leaders. While that is only a perception, the risk of marginalising and reducing the voice and impact of districts in devolution negotiations is evident. By contrast we also received evidence of districts leading devolution negotiations and using their sense of place and closeness to their communities as powerful contributions to the process. Managing the complex change introduced by devolution deals – both in areas that have already agreed one and in those that are working towards it – requires collective effort and crucially more resources.

A linked point was made in the evidence by Sandra Dinneen who indicated that in some cases tensions have emerged between different levels and areas over responsibilities and powers connected with devolution deals. Indeed, such frictions can lead to the collapse of some ‘*devolution deal agreements*’. Yet, existing good practice of districts playing a strategic role in developing collaborative relationships with county councils and others can provide valuable lessons for brokering devolution deals.

The evidence shed light on the problematic nature of the Government’s approach to devolution. The bespoke rationale underpinning devolution deals means that:

- i) not all the localities (and district councils) across England will be involved in devolution, at least in the short term;
- ii) the Government’s approach to the negotiation of devolution deals should be flexible in that it encourages and allows for a variety of approaches which are relevant to local areas;
- iii) a centrally set timescale unnecessarily condenses the process of deal making and underestimates the complexities of local politics and government as well as the time required from council leaders and senior officers to broker deals. A government set timetable can serve to undermine devolution.

It was stressed by districts that the timing and speed at which devolution deals are negotiated, agreed and put in place posed an unnecessary challenge. Evidence strongly emphasised the importance of ‘*keeping businesses on-board*’ and maintaining the core activities of councils whilst securing the primary goal of devolution: economic growth. Negotiating and forging a devolution agreement between the councils concerned and then with government is fraught with complexity - therefore time is required to undertake the necessary discussions but a quick decision is needed from central government to ensure that momentum is not lost.

The complexity of negotiating devolution deals between councils and then with government and in securing approval for devolution proposals requires that sufficient time is provided for the process by councils and government and for the public to be engaged in the process. Therefore, we recommend:

- a. The framework of devolution should permit districts (and other councils) to develop and propose devolution deals to government at any stage and for negotiations with government to commence as soon as proposals are prepared for submission.**
- b. Government should respond and conclude negotiations with devolution partners within a 6-month period after submission of the proposal.**
- c. Districts and other council partners to devolution deals should consider how best to consult the public on a devolution proposal before it is submitted to the government.**

Our evidence overwhelmingly bore out the conclusion that when it comes to devolution, there needs to be a more strategic view of what the process is intended to achieve to ensure that devolution deals are suited for all council areas and communities. As such, the evidence suggests that it is imperative to move from a ‘patchwork approach’ to a diverse and flexible yet consistent and coherent vision of devolution, which is shared by central and local governments. Double-devolution could be a way of achieving this – and should therefore be recognised and included in all devolution deals as a guiding principle. Councillor Clarke commented when he gave evidence:

Where appropriate, you can devolve down to the area that is most equipped to actually deliver those services

Adding to this and stressing the ‘one size does not fit all’ approach Sandra Dinneen commented:

As we were talking about in terms of double devolution or subsidiarity, it depends what function you are talking about and how different structures are geared up to deal with that. I think that something that fits a huge population in a built-up area would be very different in the way that you happen to use the numbers, so you need something that balances geographical coverage with numbers to give some recognition that they are different in different locations.

Such open endorsement of subsidiarity should not only become embedded in devolution deals, but should be matched by greater powers and fiscal freedom for districts to be able to shape double devolution to suit their own town and parish councils’ requirements. While approaches to double devolution differ across the country, our evidence highlights many examples where districts are committed to it as a principle of ensuring that devolved arrangements are firmly rooted in the notion of subsidiarity.

Double devolution is not consistently recognised by the government, therein lies an important role for districts in ensuring that subsidiarity becomes a component of future devolution deals. In some cases, districts are actively working to devolve assets and services to parish and town councils and other local groups. Wyre Forest District Council, for example, has transferred a number of civic buildings to Town Councils (see case study below). In other areas, districts have worked to support double devolution through devolving funding to the parish and town level. For example, Cherwell and South Northamptonshire District Councils

are devolving portions of the New Homes Bonus to parishes which are directed towards locally determined projects.

Case study: Double devolution in action

Wyre Forest District Council has built upon a strong track record in devolving assets and services to parishes and towns. Some significant examples they shared with the inquiry include:

- The transfer of civic buildings, such as the Civic Centre and Civic Hall, to Stourport-on-Severn Town Council. This was accompanied with £0.5m in funding to allow for the refurbishment of the building. As a result, this building is now home to the town's library and Town Council's offices.
- The Town Hall, along with other assets, has been transferred to Kidderminster Town Council.
- In partnership with local community and sports groups, Wyre Forest District Council was the first authority in the country to agree a long-term lease of playing fields to Worcestershire Football Association. The Association has established a new social enterprise company which keeps a portion of the income generated from the site.

The evidence we have heard, stressed the need for devolution to be based on the principle of subsidiarity so that the right decisions on service delivery and public policy are made at the right level, therefore we recommend that:

- a. Future devolution agreements should be based on the principle of double devolution and to demonstrate that by identifying how powers, responsibilities and functions will be passed to the level of local government that is most appropriate.***

Public engagement in the devolution process posed challenges for all councils and limited communication with the public about the purpose and processes of devolution and the potential outcomes could undermine the process. Witnesses highlighted that it is difficult for the public to engage with the subject and the details of devolution deals, which could damage accountability and democratic engagement in the long term. It is however, possible and desirable to engage the public in proposals for major organisational and structural change as such engagement promotes understanding and clarity about the purpose of change and avoids local people being distanced or feeling excluded. Such public engagement was a vital part of the proposed structural change in Dorset where six councils - Bournemouth, Dorset County, North Dorset, Poole, West Dorset, and Weymouth & Portland – supported the creation of two new unitary councils and engaged the public in debate on the matter.

Some concerns were raised about the link between devolution deals and identity/sense of belonging to local communities that do not always resonate among the public or generate public affinity with them. There was widespread consensus in the evidence we received about the appropriateness of bottom up approaches to devolution deals and about the importance of public engagement and double-devolution. There was also a consensus about the need to open the process of devolution to the community and ensure that the principles and outcomes of devolution deals are made public. Districts impressed on the APPG in their evidence that the role of public engagement and local identities should not be underestimated by local and national leaders in the deal-making process as ignoring these factors could seriously hinder if not prevent devolution deals.

Conclusion

Districts are fundamentally committed to devolution and to supporting how that agenda delivers on the government's policies for economic growth and development. The experiences districts have in collaboration provide a building block for devolution negotiations and for double devolution to town and parish councils. Districts not only make sure that devolution responds to the needs of a diverse range of areas, but also keep the process as close as possible to recognisable communities of place, while at the same time bringing experience of working across Functional Economic Areas into the devolution negotiations.

There is a strong appetite among districts for further devolution and the call was made for greater financial freedoms to flow to districts to strengthen their ability to grow their local economies and gain the full benefits of devolution. The APPG was left with no doubt about the commitment to devolution that exists among districts or about the ingenuity and flexibility districts have shown in the process. In addition, the commitment from districts to double devolution to towns and parish councils strengthens the entire devolution process to ensure it is, as far as possible, based on the notion of subsidiarity.

Despite the commitment of districts to devolution, it is clear there are barriers to the process which can undermine its success. The centrally set timescales and deadlines which can de-rail or delay the complex local negotiations that must take place as part of forging a devolution proposal, the urban focus of many of the deals agreed so far, the lack of public consultation and engagement and the lack of a specific district focus to devolution, need to be addressed if the full potential of the district contribution to devolution and economic growth is to be secured.

5 RECOMMENDATIONS

Set out in this section is the full list of recommendations that result from the APPG's inquiry, which are also contained within the main body of the report in each appropriate section.

The APPG believes there are six recommendations that should be prioritised to stimulate local growth and wider collaborations whilst maintaining accountability. These recommendations are highlighted below:

Collaboration between Councils

1. There is a well-established practice of districts collaborating on a range of public service responsibilities and we uncovered considerable enthusiasm among districts for developing further innovative collaborative arrangements. To facilitate effective collaboration, we recommend:
 - a. The government reviews the legislative framework within which councils are able to collaborate with other councils with the aim of identifying and reducing any regulatory barriers or legal constraints.
 - b. A collaboration champion should be appointed within the DCLG as a source of support within government, for council collaboration and for collaboration with other areas of the public sector. Government should also consider appointing a Minister for public sector collaboration based in the Cabinet Office.

2. Collaboration between districts requires transparent and effective accountability mechanisms to ensure that the public have sufficient information and evidence on which to make judgements about the quality and effectiveness of each collaboration. We therefore recommend:
 - a. District councils should publicly promote and raise awareness of the collaborative arrangements that exist with other councils and disseminate this information to the localities that they serve.
 - b. District council leaders should report annually to a council meeting on the operation and quality of the collaborations and partnerships that exist and there should be sufficient time for members to question and debate the report.
 - c. Districts should ask their existing overview and scrutiny committees or a joint scrutiny committee formed across councils – to review the activities of collaborations and partnerships between individual districts and other councils.

3. Local Enterprise Partnerships (LEPs) provide an important framework within which districts can collaborate to influence economic development and growth on a strategic level. As districts are commercially aware and skilful organisations the experiences they have gained, as commercial enterprises, provide important lessons and knowledge for LEPs and for other districts. We found however, a scattered pattern of district representation on, and engagement with, LEPs which can result in districts being excluded from LEP decision-making. To ensure district inclusion with the work of the LEPs, we recommend:

- a. All district councils should have direct member level representation on any LEP of which they are a part. If all district councils within a LEP area agree then a single representative should be chosen by all the district councils with the LEP area to serve as their representative on the LEP.
- b. The above recommendation should be mandated in any potential forthcoming legislation putting LEPs on a statutory footing.

Collaboration with Other Bodies

1. While district councils display a strong commitment to, and culture of, collaboration, that commitment and culture is not always reflected by other agencies with which districts seek to collaborate. We heard evidence to suggest that some public agencies are reluctant to collaborate with local authorities and can make decisions affecting localities with little or no engagement with the district councils concerned (other than what might be statutorily required). We therefore recommend:

- a. The existing duties to collaborate be extended to cover all public sector organisations, public service providers and third sector organisations and that duty would mean that any external bodies build partnerships with councils and co-operate with them.
- b. Bodies subject to a statutory 'Duty to Collaborate' to be obliged to provide suitable information or data, requested by any district council or councils, seeking to develop a collaborative arrangement even if that arrangement does not involve the organisation from whom information and data is requested.
- c. The collaboration champion to have the responsibility of ensuring that all agencies and organisations comply with the duty to collaborate (see 1.b above).

2. Our evidence suggests that some of the reluctance to collaborate or work closely with district councils, on the part of agencies, was a result of cultural, organisational and policy differences. It also arose from a reluctance to recognise councils as having a legitimate role in influencing policies and decisions. In addition to the 'duty to collaborate' it is recommended that:

- a. District councils are empowered to produce a local 'governance framework' policy document which identifies a shared vision of collaboration and an agreed set of priorities for the development of public services within and across districts.
- b. The local 'governance framework' should set out information on how the identified partners work as organisations. It should provide for a specific local

Devolution and future of local government in the localities

1. To ensure the creation of an economy that works for everyone and to avoid devolution becoming a city-based experience, it is necessary that devolution deals accommodate different approaches to devolution to ensure that the non-metropolitan areas that districts represent can access the same benefits of devolution as metropolitan areas. To ensure districts are fully engaged and play an influential role in the transformation of local government in localities, the development of devolution deals and future government policy on devolution it is recommended that:
 - a. A task force is created to investigate how districts can secure maximum engagement in and benefit from the process of negotiating and agreeing devolution deals and to review, report on and draw lessons from current experiences.
 - b. The task force should consist of representatives from district councils, the Department of Communities and Local Government and academia and it should report to the Secretary of State within a year of the publication of this report.

2. Up and down the country districts are working with their partners to develop proposals to transform the services they deliver for their residents both through structural and non-structural solutions. By developing a transformation toolkit the DCN can support districts with an appetite for transformation to capitalise on the opportunities available and help them manage transformation in the most efficient and effective way.

It is recommended that the District Councils' Network develops a toolkit for districts to support them in developing their proposals for local government and wider public sector transformation.

3. Districts themselves are the best judge of which geographical alignment of councils most effectively meets the needs of their communities and best promotes economic growth and re-generation. It is clear from our evidence that when it comes to the future of local government structure, local solutions need to be devised. We recommend that:
 - a. There should be no legal restrictions on districts about the partner councils they choose to negotiate with and which combined authority areas they choose to join; or on whether districts decide to be members of more than one devolution agreement.
 - b. Proposals for transformed working in localities must demonstrate clearly how any potential proposal is rooted in a thorough understanding of place and, where relevant, can build on existing partnerships that reflect how people live their lives. Any transformation should clearly evidence how proposals will utilise local knowledge to drive growth in localities and improve service delivery for residents.

4. The complexity of negotiating devolution deals between councils and then with government and in securing approval for devolution proposals requires that sufficient time is provided for the process by councils and government and for the public to be engaged in the process. Therefore, we recommend:

- a. The framework of devolution should permit districts (and other councils) to develop and propose devolution deals to government at any stage and for negotiations with government to commence as soon as proposals are prepared for submission.
- b. Government should respond and conclude negotiations with devolution partners within a 6-month period after submission of the proposal.
- c. Districts and other council partners to devolution deals should consider how best to consult the public on a devolution proposal before it is submitted to the government.

5. The evidence we have heard, stressed the need for devolution to be based on the principle of subsidiarity so that the right decisions on service delivery and public policy are made at the right level, therefore we recommend that:

- a. Future devolution agreements should be based on the principle of double devolution and to demonstrate that by identifying how powers, responsibilities and functions will be passed to the level of local government that is most appropriate.



all party parliamentary group for district councils

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