



Local government shake-up plans branded 'financially reckless'

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What councillors and district leaders have said about the proposal and what happens next

Plans to form a new council in Leicestershire have been branded 'financially reckless' at a recent council meeting.

Coun Michael Mullaney, Liberal Democrat spokesman for finance, called on Leicestershire County Council leader Nick Rushton to scrap plans to get rid of the districts, boroughs and the county councils, with a view to forming a new council.

The proposal was discussed at full council and by the scrutiny commission.

Here's the latest on the process...

Where are we now?

Coun Rushton has said that despite continuing opposition from some members, the local MPs and district and borough council leaders, the process should continue.

In response to the "financially reckless" description Coun Rushton said it's the right thing to do for local people.

Scrutiny committee are still in the middle of discussing the proposal, so far they've heard from leaders of Wiltshire, Durham and Cornwall councils, all of which have made the switch to unitary. Members have quizzed them on how the change was made and the advantages and disadvantages.

This week they heard from two of the district leaders who haven't been shy in opposing the plans, Mike Hall from Hinckley and Bosworth Borough Council and Neil Bannister of Harborough District Council.

What did Councillor Bannister have to say?

He said: "We're not here to defend status quo because, in some respects, there is no status quo because the delivery of service has changed so much and is still changing.

"The time is now right to explore opportunities and to engage in meaningful and constructive talks with each other. It is a matter of some regret that districts and boroughs have not been involved from the start.



Neil Bannister

“It would have been a matter of courtesy to inform districts and boroughs before announcing plans to abolish them, not least because there are now hundreds and hundreds of staff concerned about their livelihoods.

“On a more practical note, boroughs and districts could have been of assistance.

“And then there is the fact that there is no appetite at this stage at a parliamentary level.

“Some have described the plan as a ‘dead duck’ I’d say it’s at least mortally wounded at this stage.”

And what about Councillor Hall?

Coun Hall said he was ‘disappointed’ that district and borough leaders were not involved from the start.

He said: “We’re told there will be a £30 million saving but it will cost £8m to equalise council tax, so that much will already be spent.

“Parish councils are concerned that they won’t be fully funded for the extra services they will be expected to provide.

“They feel they will be forced to increase precepts, another cost to residents.

“There’s nothing in the report about where the remaining £22 million will be spent.

“The report says it will be better if we have a unitary but there is no measure to suggest how it will be.”



Council leader Mike Hall

He went on to talk about housing, which he said the report is 'almost silent on.'

"In Hinckley and Bosworth there are 3,500 families living in council homes and this report offers no details about what will happen to council houses. "Will they be sold off? Will tenants' rents be equalised?"

"The drive to do to a massive unitary serving 700,000 residents takes away community focus.

"We have different communities that want to be supported at a local level.

"It's a duck waiting to die if it's not already dead."

What was said about jobs and redundancies?

Councillor Hall upset the leader when he said: "There are other ways to save money. The county council could close down, start again and ask people to reapply for their jobs with lower salaries."

Coun Rushton responded and said: "To suggest I sack all my staff and have them reapply is most rude. I can promise county council staff that is not the way we would adapt to a unitary authority."

Coun Ted Parton also didn't like the suggestion and said: "We don't want to cause distress to district and borough staff when we discuss a unitary council, but we don't now want to panic county council employees with that suggestion."

But Coun Bill Boulter said: "It's impossible to make the savings that are being suggested without making a significant amount of people redundant."

Who and how many people will be made redundant?

At this stage it's still not clear. The figure that has been mentioned in previous meetings is around 400 people across all eight authorities.

One thing that has repeatedly been said is that front line services won't be affected.

Another thing that has been spoken about is the fact that there is a lot of duplication across the eight authorities especially higher up the pay grades.

Anthony Cross, the council's lawyer, said that proper processes would be followed and offered assurances that no staff would be treated more or less favourably.

What happens next?

Scrutiny have another at least one more meeting to analysing the plans that is set to take place early next year.

After that they will feedback to cabinet and the next step will be for the leader to get permission to create a 'vision document' which is basically a business case.

When that's published it will go before scrutiny and full council before cabinet.