

The Rt. Hon Ruth Kelly MP  
Secretary of State for Communities and Local Government  
Eland House  
Bressenden Place  
London  
SW1E 5DU

12 March 2007

Dear Secretary of State

**A NEW WAY FORWARD FOR LOCAL GOVERNMENT IN WILTSHIRE**  
**Celebrate success - Look to the future - Work in partnership**

We believe you may want to hear more about the very positive agenda that is already alive in Wiltshire, where we have plans for:

- Leadership and governance
- Community engagement
- Customer focused improvements
- Joint working to create efficiencies

We trust that the unitary county option will soon cease to be a distraction so that we can get on with this more appropriate and more productive agenda.

We want to transform services for the benefit of the public. We want to maintain an external focus rather than becoming embroiled in an internally focused reorganisation of local government structures that would take years. An enhanced form of the two tier structure is the way forward.

The basic principles are set out in this letter. We would very much like to discuss these ideas with you. We would also like the opportunity to share more detail.

### **Summary**

This letter summarises proposals from three of the four Wiltshire District Councils. They are based on ideas and proposals previously being worked on by all the local authorities in Wiltshire.

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Without the distraction of the invitation for unitary status, we are confident that these proposals would be at the heart of the improvement agenda for all the local authorities in Wiltshire.

We believe Wiltshire is too big and too diverse to be managed by one remote unitary council. Salisbury Plain alone is twice the size of the Isle of Wight.

The District and County Councils are already working well together. We have embraced the new agenda set out in the local government White Paper. We need to be allowed to continue our success, by developing and delivering the ideas in this letter.

We have proposals to:

- Improve electoral arrangements - create a single set of local authority elections, create single member wards and establish links between community areas and electoral wards.
- Create a reconfigured family of partnerships, with new governance arrangements, to deliver the Community Strategies and the Local Area Agreement.
- Deliver joined up customer services that build on the achievements of a very successful countywide customer partnership.
- Engage with local communities in an even more effective way and embrace the 'community call for action' initiative.
- Build on the successful community areas and better involve towns and parishes.
- Develop joint scrutiny arrangements at a strategic and local level.
- Deliver joined up back office services, joint procurement and radical business process reviews to achieve further efficiencies.

We are confident that the savings available as a result of these new ways of working will be equivalent to the realistic aspects of the County Council's proposal. This equates to about £6 million a year, involves minimal transitional costs, and the improvements can start sooner.

Fundamentally we believe we can show that the proposals here are best suited to the needs of Wiltshire. Our partnership working has resulted in a four star CPA rating for the County Council, above average and improving CPA scores for the District Councils, Beacon status for community engagement, and high levels of public satisfaction. We can and will do more.

## **Background**

We want to transform local government in Wiltshire in a way that reflects the needs of citizens and customers. We want to achieve this without the disruption and excessive transitional costs that would result from local government reorganisation.

We should emphasise:

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- This is not a Pathfinder bid.
- This is a summary of the ideas we are looking at.
- These ideas will be brought together as a comprehensive set of proposals in the next few weeks.

You may be aware that Wiltshire has an excellent track record of partnership working and we want to build on this. We have already achieved:

- Above average CPA ratings in all the districts and improvements since the last inspections.
- A four star rating for the County Council that reflects the quality of partnership working with the District Councils, especially in recycling and community safety.
- Beacon status for the joint work between the Districts and the County Council on community engagement.
- A successful Customers First partnership – this is a formal joint committee involving the County Council, all four District Councils and the police, that has delivered a common approach to customer standards and systems plus over £7 million of savings.
- A joint Local Area Agreement with some radical ideas, not least for the environment agenda and a new block for that purpose.
- An active Wiltshire Improvement Partnership delivering achievements that accord very closely with the White Paper aspirations and which anticipated the paper in many ways.
- Projects that have delivered, and will continue to deliver, more joint procurement and joint provision of back office services.

We believe our strengths deserve further recognition, to be built on and not to be swept away. Our strengths give us a realistic and ambitious way forward. There are many examples:

- Strong local democracy - higher levels of democratic representation to enable excellent community engagement in a large and principally rural area.
  - *Our Beacon status reflects this.*
- Accessible local services - local services and local offices provided by the District Councils, leaving the County Council to deliver the more strategic, resource intensive services that are suited to being remotely managed.
  - *Our joint Customers First partnership embraces this.*
- Focus on place shaping – the District Councils play a lead role and are in touch with local identity. They are the right size to ensure that land use planning, regeneration, neighbourhood policing and community safety are tailored to reflect the local place.

- *The importance of market towns and the number of employment and housing markets in Wiltshire demonstrates this.*
- Efficient and effective services – the latest CPA star ratings show that separate county councils and district councils perform better, despite unitary authorities being mainly based in the urban areas where they are more suited.
  - *Local CPA ratings and levels of improvement are very high across Wiltshire and reflect this.*

The public are not calling for change. People value what is SAFE: Strong, Accessible, Focused and Efficient – especially when it works well. Regular surveys show public satisfaction with local government in Wiltshire is high.

Why should we want to disrupt what works well? One new remote unitary authority doesn't make sense. What does make sense is an enhanced version of what we have and value now:

- celebrating our combined success and building on it;
- embracing the new improvement agenda;
- working in partnership; and
- looking to the future.

## **Leadership and governance**

The leadership arrangements in each council are well defined. Small constitutional changes are needed to reflect the White Paper. Electoral arrangements and partnership governance need much greater attention.

Elections are every four years in each of the District Councils and also the County Council. District, town and parish elections take place at the same time, while County elections take place at separate times.

We believe that there is a need to strengthen electoral arrangements to encourage voter turnout. We would like to work with the Boundary Committee of the Electoral Commission to create:

- Single member district wards and county divisions
- Better links between wards, divisions and community areas to relate electoral arrangements better with community identity

We would work jointly to:

- Encourage more people to stand for election
- Encourage more people to vote
- Develop joint member induction arrangements

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- Sign up to the member development charter

We would want to consult on a proposal to hold county and district elections at the same time. Town and parish elections would need to be on the same date to enable there to be a complete set of local elections. What better way to get the public involved in local government and to understand its relevance?

By having all local elections at the same time, turnout would be improved. Political parties would have the opportunity to engage consistently with local electors at all levels at the same time. Independent members would have the same opportunity.

We would also want to:

- Participate in pilot arrangements for electronic voting as and when these become available.
- Join up our political leadership arrangements with the plans for improved community engagement.

The Local Area Agreement (LAA) is a key opportunity to help enable better joining up of strategies. It needs to become an effective delivery plan for our Community Strategies. Our plans are to:

- Build on the existing LAA, which is in the process of being signed, and engage positively in the changes affecting LAA 2008.
- Streamline our partnerships and introduce common terms of reference to ensure that there is an effective family of partnerships to deliver the Community Strategies and the LAA.
- Introduce a new public sector board to carry out many of the executive functions associated with delivering the LAA and establish aligned or pooled budgets.
- Enable the Community Area Partnerships to deal more effectively with neighbourhood issues and to become the key partnership at that level.
- Develop local protocols so that ward members can effectively support Community Area Partnerships and take forward 'community calls for action'.
- Concentrate the district Local Strategic Partnerships on the place shaping agenda, including regeneration initiatives, housing and land use planning.
- Develop multi area agreements with our neighbours, namely Bath & Bristol, Swindon, and Hampshire – housing and employment markets look in these three directions.
- Concentrate the county Local Strategic Partnership on the other high level strategic issues in the LAA and the community strategies, including health, education and environment.

These changes will need to be effectively managed. The new public sector board will have a key role to play, as will:

- The Customers First partnership – as a formally constituted joint committee, it can take on management of the improvement agenda.
- Regular meetings of the Leaders and Chief Executives – to drive the improvement agenda.
- The introduction of one performance management system for each of the councils and key partnerships – to coordinate our activities.

*These proposals flow from work that is already taking place. There is already a firm foundation for this activity. We are embracing the agenda for enhanced two tier working and have in place:*

- *Aligned Community Strategies that share the same broad themes and relate to the plans for the 20 community areas – these are well established.*
- *Strongly evolving partnership structures – these are being reviewed and will be in a new form ready for LAA 2008. This will give clear and distinct roles for each partnership, together with a performance management framework – SOLACE is assisting us.*
- *Joint arrangements for member training and development – the IDeA is assisting us.*
- *Emerging ideas and protocols to produce more effective arrangements for front line councillors – the Young Foundation is assisting us.*

*The Wiltshire Improvement Partnership is playing a key role, and is organising each of the above work streams.*

*This Partnership is led by a District Chief Executive but has representation from each of the councils. It hosted a conference involving the Chief Executive of the LGA, representatives from the IDeA and Government Office for the South West, and members from across the county just one week after the White Paper was published.*

## **Community engagement**

A major strength of the arrangements in Wiltshire is the existence of the 20 community areas and associated partnerships. The town and parish councils also play a vital role.

The White Paper introduces the 'community call for action' and underlines the key role that elected councillors need to play in holding public services to account. There are opportunities to build on our strengths as a means of taking forward this new challenge.

Neighbourhood policing is an example of a new approach that requires local involvement and which could be incorporated into improved arrangements.

There is also the need to link effective scrutiny with better community engagement. There are opportunities to cement relationships by doing so. There are also

opportunities to link the tiers of local government and to involve the various community area partnerships.

We would consult on the following proposals as a means of empowering front line councillors:

- Creating small local funds for ward members - to assist the delivery of local projects and to support local initiatives and organisations. There would need to be the usual checks and balances.
- Creating protocols to enable the 'community call for action' to work effectively.
- Creating protocols and providing support to enable councillors to participate effectively in local community partnerships.
- Establishing area panels, where needed, as a means of bringing the tiers of local government together and providing a better relationship with local community planning, neighbourhood policing and other local initiatives.

The area panels could be hosted by existing community area partnerships or be separate and complementary to those partnerships. They would have the ability to influence and be a focus for local consultation. They would also be engaged in the annual 'State of Wiltshire' debate.

Delegated officer and member budgets could be influenced by these area panels. They could also have the ability to provide a place for the 'community call for action' to be heard.

We would consult on the following proposals as a means of empowering local town and parish councils:

- Delegating functions to local councils – some towns and parishes may want to take on new responsibilities such as those arising from the Clean Neighbourhoods and Environment Act, street naming, local byelaws or running local community facilities, subject to the usual value for money tests.
- Enabling local councils to benefit from framework agreements - services such as grounds maintenance could be arranged to enable towns or parishes to benefit from joint procurement arrangements.
- Creating a first point of contact for local councils.

We would want to consult on the following proposals for improving scrutiny as a means of holding public service providers to account:

- Creating a common pattern of scrutiny arrangements, with:
  - An internal scrutiny function in each council to look at policy and performance; this might complement a separate audit committee in each council.
  - A joint external scrutiny committee or committees, with shared membership, involving all the councils, and perhaps some others, to:
    - Review the effectiveness of this improvement agenda

- Enable external agencies and organisations that impact on local quality of life issues to be held to account

There might also be opportunities to structure and arrange the joint scrutiny committee in such a way that it also engages at a local level. Area panels or partnerships might play host to scrutiny meetings on a rotational basis, or when there are issues relevant to one part of the county.

The role of the district level Local Strategic Partnerships is also important. They will need to increasingly concentrate on local place shaping. They will add value to the Local Area Agreement by selecting actions that they can relate to. The direct involvement of the community area partnerships will assist with this approach.

The county level Local Strategic Partnership would be able to concentrate on the truly strategic agenda but would receive feedback from the family of partnerships.

*These proposals flow from work that is already taking place. There is already a firm foundation for this activity. We are embracing the agenda for enhanced two tier working and have in place:*

- *County and district level community plans that share the same themes and link to the Local Area Agreement.*
- *Community area plans and statistical profiles for each of the 20 community areas, together with several parish plans.*
- *Well established community area partnerships in many of the 20 community areas.*
- *Teams of community development officers at both county and district levels. An effective partnership with Community First also provides support for parishes and community area partnerships.*
- *Emerging ideas and protocols to produce more effective arrangements for front line councillors – the Young Foundation is assisting us.*
- *A track record of effectively holding to account other public agencies that affect quality of life, using the scrutiny function.*
- *Beacon status for our joint work to effectively engage local communities.*

## **Customer focused improvements**

There is already a strong emphasis on making life simpler for our customers and improving customer care. Each of the councils has been investing heavily in this programme and there have been substantial achievements.

We agree that customers should not have to be experts in local government.

We all advertise our simplified contact arrangements effectively. We have agreed common standards of customer care. We have joined up our websites so that information about all our services is easily available from each of the councils.

We have jointly procured a customer relations management system. We are all well advanced with business process re-engineering to support the use of that system and to drive customer focused improvements.

We have effective governance arrangements for this project, with a shared programme manager and a joint committee accountable for pooled budgets and agreed work streams.

But we have lots more to do. We are proposing to:

- Increase our ability to handle enquiries relating to other councils in the partnership - this will give the appearance of one 'virtual' customer service team.
- Introduce new transactional abilities into our websites so that customers can use a self-service approach - we are jointly procuring an 'e-forms solution' to assist with this.
- Introduce new links to supporting systems - jointly procured solutions would enable the level of customer information to be improved.
- Compare our process maps to ensure that we share our learning and secure the best arrangements for our customers.

We already co-operate to produce a shared council tax leaflet. We now want to work together to:

- Create consistent high quality leaflets and customer information for all our services.
- Establish one effective translation service for all customer information - making use of resources available regionally or nationally.
- Establish joint training standards and programmes for all our customer advisers.
- Create consistent telephone payment systems – migrating existing arrangements over a period of time to the same systems provider.
- Provide information at contact points in each of the local libraries.
- Increasingly involve other partners in these joint service improvements.

*These proposals flow from work that is already taking place. There is already a firm foundation for this activity. We are embracing the agenda for enhanced two tier working:*

- *The Customers First partnership is well established and excellent co-operation already exists.*
- *Front office arrangements are in place in each council and are progressing towards a target of 80% of telephone calls being answered at the first point of contact.*
- *A shared programme of improvement has already been agreed.*

## **Joint delivery to achieve efficiency savings**

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A Wiltshire-wide procurement partnership is in place. It has links to the Regional Centre of Excellence and we have representation on its board. The scale of procurement by the County Council means that they have the most to gain. The partnership has so far enabled joint procurement activity including through e-auctions. The partnership has also been instrumental in creating procurement guides and a Buy Wiltshire website.

We propose to:

- Carry out a strategic analysis of the potential for joint procurement savings.
- Participate in regional projects.
- Continue to develop the joint grounds maintenance procurement project to enable:
  - The county and selected districts to jointly procure a grounds maintenance service provider; and
  - a framework for both town and parish councils to participate, as well as local housing societies.

A very active waste partnership already exists. Recycling has increased by about 400% in three years and is now at about 40%. There is a joint recycling strategy.

Consideration will be given to the creation of a joint board. The opportunities for future savings will also be established by soft market testing. If it is clear that there are real opportunities, a project will be developed to enable joint procurement or a lead authority model.

The partnership can develop its effectiveness whatever the results of the soft market testing. There are opportunities for:

- Joint use of the Recycling Incentive Grant to promote recycling and to link with targets in the environment block of the Local Area Agreement.
- An integrated approach to education through schools, community events, local campaigns and householder information.
- A combined approach to encourage greater recycling of commercial waste.

The County Council has carried out a cost comparison of the various district services in their bid for unitary status. They have not included a similar comparison for their own services. The comparisons take no account of service levels at this stage.

The Customers First partnership would be charged with carrying out a high level analysis to determine the potential for savings without jeopardising quality of service.

The findings arising from the above research will be used to assess which services would be suitable for joint procurement from the private sector, a lead authority arrangement, or the creation of a special purpose vehicle (a joint committee or some

sort of influenced or controlled company). The assumptions being made in advance of this analysis are:

- Savings predicted by the unitary county model can be matched to the extent those savings are realistic.
- Savings or efficiency improvements are equally achievable through challenging business process reviews.
- Transactional aspects of services offer the most potential for a joint approach – services such as payroll, financial transactions, council tax and benefits processing, and routine aspects of legal services.

In anticipation of this review, the following activity is taking place:

- A joint model for delivering the building control service is being developed as a pilot.
- A radical challenge of business process is being developed as a pilot in one of the districts for council tax collection, housing benefits and planning.

The support of the Regional Centre of Excellence and the Government Office for the South West is being sought for each of these work streams. Funding has been earmarked through their improvement budgets known as the South West LIFT programme - designed to lift our performance and drive improvement.

*These proposals flow from work that is already taking place. There is already a firm foundation for this activity. We are embracing the agenda for enhanced two tier working:*

- *An effective procurement partnership linked to the Regional Centre of Excellence is already in place.*
- *An effective waste partnership is already in place and is charged with delivering a part of the ambitious agenda set under the LAA for environmental improvements.*
- *A pilot shared services project is in place for building control – KPMG is supporting this process.*
- *Pilot programmes are in place to realise efficiency savings through business process reviews – Vanguard is acting as consultant for the pilot.*
- *A bid for LIFT funding has been produced and is in line with guidance from the Government Office and the Regional Centre of Excellence – an allocation has already been agreed for the local authorities in Wiltshire.*

## **Financial implications**

The County Council has assumed three types of savings for a remote unitary authority:

- Structure - combined management and reduced numbers of councillors. These have the effect of creating a democratic deficit and of potentially establishing new hierarchies and management silos elsewhere.
- Front line services – uncertain assumptions that appear to anticipate different levels of service and ill conceived arrangements for maintaining local access without cost.
- Back office services – uncertain assumptions that potentially have merit but which may be exceeded by the value of savings and efficiencies from effective business process reviews.

If we take the last of these categories, it appears that annual savings in the region of £6 million should be available principally from transactional back office functions (these are the savings shown against waste, revenues and benefits, legal, human resources, finance and procurement – there is also a projected saving from business process reviews). These savings would arise either from:

- Combining services
- Jointly procuring services
- Effective business process reviews

Irrespective of the structural change option, all authorities are engaging effectively in the efficiency agenda and exceeding their efficiency targets.

The unitary county option appears to have transitional costs of £18 million or more. Studies elsewhere have suggested this figure might be more like £25 million based on a population of about 430,000.

The County Council's estimated costs associated with project management and business management would be partially applicable to our proposals. Assuming that these changes are half as complex as creating a unitary county, one-off costs of £1.5 million would be expected.

Other transitional costs would not apply unless early retirements or redundancies were required. The phased approach associated with our proposals is likely to avoid most of the early retirement and redundancy costs - the County Council figure is £7 million. Half the complexity reduces the cost by a half, but with careful phasing and planning, our approach would produce minimal costs.

Irrespective of the changes referred to here, we all have a good track record of achieving Gershon efficiency targets. With or without structural change, there is a limit to how long these savings can continue without impacting on levels of service. Even the County Council's theoretical figures only deliver about 1.5 years worth of efficiency target savings for five years of disruption to create new services and effectively a new local authority.

We need to complete a detailed business analysis before concluding. The County Council's figures are speculative and carry high levels of risk. The agenda we propose would:

- Deliver the savings that are genuinely available.
- Avoid cuts in service to achieve artificial savings targets.
- Enable efficiency savings to continue being achieved in line with Gershon efficiency targets.
- Create minimal one-off costs that would be absorbed by existing budgets and investment programmes.

Our proposals probably represent a three year improvement programme. The phasing needs detailed consideration. One advantage is that we can begin immediately, which means that planned improvements start two years earlier. The most important point is that the planned improvements for an enhanced two tier approach are:

- The right improvements, delivered with minimal disruption and risk.
- Externally focused and designed to deliver real improvements for local people.
- Building on recent success, looking to the future and realising the benefits of working in partnership.

**Conclusion**

We hope you will find these ideas useful as you consider the way forward for local government in Wiltshire. We believe you will find them consistent with the implementation plan for the Local Government White Paper: Strong & Prosperous Communities.

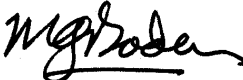
We trust you will provide us with every opportunity to engage with you to discuss these ideas.

The councils in Wiltshire have a lot to be proud of. As a result of everything we have achieved to date, and our plans for the future, we are well placed to deliver the new agenda for enhanced two tier working.

Yours sincerely



Andrew Pate  
Chief Executive  
West Wiltshire District Council  
Council



Mark Boden  
Chief Executive  
Kennet District Council



David Crook  
Acting Chief Executive  
Salisbury District

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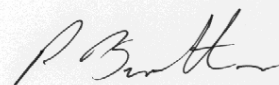
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Cllr Sarah Content  
Leader  
West Wiltshire District Council  
Council



Cllr Chris Humphries  
Leader  
Kennet District Council



Cllr Richard Britton  
Leader  
Salisbury District