

# Local Government Reorganisation in Southern and Mid Staffordshire

## Interim Plan – March 2025



## Introduction

This document sets out the progress made to date by six local authorities in Southern and Mid Staffordshire in developing proposals for local government reorganisation within the area.

**It has been developed by the councils working collaboratively, to explore new unitary structures and the arrangements necessary to enable development of full reorganisation proposals, with the best interests of local residents at heart.**

The content has been developed and agreed by:

Cllr Tony Johnson	Cannock Chase District Council
Cllr Mick Fitzpatrick	East Staffordshire Borough Council
Cllr Doug Pullen	Lichfield District Council
Cllr Kath Perry MBE	South Staffordshire District Council
Cllr Aidan Godfrey	Stafford Borough Council
Cllr Carol Dean	Tamworth Borough Council

**This interim plan is inter-related to a similar case prepared for a Northern Staffordshire unitary.** It seeks to respond to the assessment criteria published by MHCLG, and clearly evidences that a Southern and Mid Staffordshire unitary:

- Is the right size to achieve efficiencies, improve capacity and withstand financial shock (with a population size of 500,000 or more),
- Prioritises the delivery of high quality and sustainable public services, utilising the building blocks of our districts, and functional economic area, as instructed
- Meets local needs and can be informed by local views,
- Supports devolution arrangements,
- Enables stronger community engagement and neighbourhood empowerment.

The plan recognises that central government advocates using existing district and borough boundaries as the building blocks for any new unitaries. **A Southern and Mid Staffordshire unitary council will cover, as a maximum, the current district of Lichfield, the district of Cannock Chase, the borough of Tamworth, the district of South Staffordshire, the borough of Stafford and the borough of East Staffordshire.** It also recognises that the final proposal, in terms of the geography of the two new unitaries (Northern and Southern) will be determined by the need to secure financial stability for both unitaries and how it supports a wider devolution settlement that can work for the whole of Staffordshire and neighbouring geographies.

This interim plan does not currently include a detailed financial analysis at this stage.

None of the local authorities in Staffordshire were seeking local government reorganisation and some have expressed clear concern over the proposal from

government, but the southern councils recognise the opportunities the devolution of powers and resources can bring to Southern and Mid Staffordshire and are therefore ready to embrace fully the opportunity presented by the White Paper. As part of that process, the southern councils are convinced a unitary council covering the geography of Southern and Mid Staffordshire should be part of any devolution deal with Government. This paper sets out why this is the case and how it could combine with the proposal for a Northern Staffordshire unitary to unlock devolution options for Stoke-on-Trent and Staffordshire. It also identifies further work that will be required to develop and finalise the case.

It is recognised that the formal consideration of options and submission of the combined devolution and Local Government Reform case to central Government should be a collaborative process involving as many of Staffordshire's constituent councils as possible. For example, **if there is to be a two unitary solution for Staffordshire, the cases for the Southern and Northern unitaries have to be equally strong and work well in tandem, and the work on both unitary councils will need to be co-owned and shaped by all the relevant councils working together to achieve that.**

The interim plan also deliberately focuses on the question of local government reform as a building block towards the overall devolved settlement. It is recognised that much more work is required on the structure and model of any Mayoral Strategic Authority for the wider geography, however defined.

As set out above, a unitary authority for Southern and Mid Staffordshire will be formed of the districts who are signatories of this document. **This area (up to 6 councils) would cover a population of up to 674,676<sup>1</sup>.** The accompanying Socio-Economic Portrait is based on this same geography.

There are two separate economies operating in Staffordshire – Northern Staffordshire and Southern Staffordshire. This plan and its appendix, demonstrates that **Southern and Mid Staffordshire functions as a single coherent economic, social and environmental geography, while also stressing its inherent diversity, which we see as a major strength.** The Southern and Mid Staffordshire unitary authority benefits from having up to five diverse but complementary urban centres, which act as the primary hubs of economic activity, surrounded by numerous thriving towns and rural villages. Southern and Mid Staffordshire have strong links with the West Midlands conurbation, including high levels of in/out commuting, and high levels of visitor flows for retail and leisure opportunities. Four of the six councils co-founded the GBSLEP and some are non-constituent members of the WMCA. Conversely Southern Staffordshire has weaker

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<sup>1</sup> 2023 Mid-year population estimates ONS

economic and identity links with Northern Staffordshire and the data shows there is limited evidence of travel to work between the two.

It is widely accepted that changing organisational structures alone does not transform public services. **A Southern and Mid Staffordshire unitary authority will seek to hit the ground running, setting a clear vision for a new, modern local authority.** In Southern and Mid Staffordshire the district and boroughs have a successful track record in working in partnership and establishing high-quality shared service arrangements. The new authority will borrow technologies, structures and thinking from the private sector to meet the challenges, rising expectations and acute demands of the residents and businesses it serves. **The leaders of all of the potential six southern and mid Staffordshire authorities believe it is important to ‘keep what matters to you close’; services are generally in-sourced and over time, that would be intent with any current county services which are largely provided on a commissioned basis.** A Southern and Mid Staffordshire unitary authority will also be deeply embedded in the communities it serves, focussed on responding to the priorities of those communities and with a bold new approach to how services are provided.

This plan recognises how important it is that any move to a single unitary authority for Southern and Mid Staffordshire is delivered in a way that enables stronger community engagement and delivers genuine opportunities for neighbourhood empowerment. **Our proposal for a Southern and Mid Staffordshire unitary authority has ‘community power’ and ‘double devolution’ writ through - enabling the right decisions to be taken at the right level of geography, including towns and parishes.**

At this early stage, we have not actively engaged our partners, residents and businesses on their views of this proposal. However, we recognise it is vital to consider the views of those who live and work across the entirety of the Southern and Mid Staffordshire geography.

So, in summary, a Southern and Mid Staffordshire unitary authority will:

- Deliver a population of at least 500,000 once the financial analysis and final geography is complete.
- Deliver a council that is resident and business centric, operates commercially utilising organisational structures and technologies creating a council fit for the next 50+ years,
- Empower local communities and groups and commits to putting local need at the heart of all of its decision making,
- Unlock the potential for devolution, either by establishing a new combined authority covering the Staffordshire and Stoke-on-Trent area, or Southern and Mid Staffordshire unitary joining an existing, neighbouring combined authority, e.g. the West Midlands Combined Authority.



## **The structure of this submission**

This submission of our Interim Plan follows the criteria set out in the Minister of State's letter of 5 February. The structure is as follows:

**Section 1 – working together to develop proposals for reorganisation.** It is important to us to share how we have worked closely together. This collaborative work builds on a history of close working between the districts and an agreed need, in doing so, to focus on a proposal that is for the good of our residents. **(criterion H).**

**Section 2 – working with others to develop and refine our proposals.** This section sets out our approach to working with wider system partners, including importantly with the inter-related Northern Staffordshire proposal. It includes our approach to taking forward engagement to shape our full proposals as our thinking develops between now and our November submission. **(criterion F).**

**Section 3 – emerging concepts for reorganisation.** This section sets out the initial thinking of leaders in respect of potential unitary configurations, including those we have currently dismissed. It recognises our leaders have established an 'in principle' starting position to be tested against other possible configurations as we strengthen our evidence base further. We recognise that we must be led by the evidence. **(criterion B, C, D).**

**Section 4 – shaping LGR to support our devolution ambitions.** This section sets out our thinking on the relationship between LGR and our wider devolution ambitions. We see the two as inextricably linked and provide an opportunity to maximise the benefits of the scale and focus of the chosen Combined Authority geography and at the same time optimise local government structures to guarantee the effective and efficient delivery of vital services. **(criterion E).**

**Section 5 – the costs of mobilising change.** We do not underestimate the costs of mobilising for the largest, most complex change programme in the modern history of local government. In this section, we set out our best current estimates of the likely costs of mobilising for that change and we seek government's support to cover those costs. **(criterion G).**

**Section 6 – support from government.** We finish by identifying the areas we consider support from government is vital. In our view, success will depend on the quality of our joint working – locally with all partners – and nationally with central government. We are keen to build on existing good relationships to deliver the Minister's ambitions successfully in Southern and Mid Staffordshire. **(criterion A).**

## **Section 1 – working together to develop proposals for reorganisation.**

Local government in Staffordshire is comprised of eight District and Borough councils, one Unitary Council and the County Council.

We have a county-wide coterminous boundary with Staffordshire Police, Integrated Care System/Board, Staffordshire Fire and the Police, Fire and Crime Commissioner (PFCC). Staffordshire Police works through local policing areas based on our district and borough boundaries. The Staffordshire PFCC currently works closely with district and boroughs via local community safety partnerships, including devolving Locality Deal Funds. We have a strong track record of collaboration and effective partnership working with each, over many years.

**Our local government reorganisation (LGR) proposal is being led by Southern and Mid Staffordshire’s local authority leaders, with ongoing engagement with the remainder of the county through the Staffordshire Leaders’ Board and Chief Executives forum.**

Since the English Devolution White Paper publication, the Leaders’ Board has met on a number of occasions, seeking to achieve a consensus for county-wide LGR proposals. While there is a significant majority support for a two-unitary model (nine out of ten of the councils) across the county, there is currently less consensus over the geography of those two unitaries, with the County Council proposing an alternative to the Southern and Northern proposals.

**The southern councils, and the same can be said for the northern proposal, have already started to map out the type of insight and evidence we know we will need to manage the disaggregation/aggregation of key budgets; mitigate risk, particularly across social care and education as well as other universal services and maintain service quality.** We have started to explore the role of local councillors as the key conduit for community engagement and leadership for residents in their places; as well as how best to ensure future structures support local identities.

**Section 2 – working with others to develop and refine our proposals.**

The Staffordshire and Stoke-on-Trent Leaders Board and the supporting Chief Executive Group has been the main forum in ensuring that all councils have been involved in this process to date. It is hoped that these arrangements will continue going forward and the districts and boroughs in the Southern and Mid Staffordshire remain committed to co-operative working.

The Leaders, Chief Executives and officers of all six participating Councils have created a working group to develop this proposal and will continue its close working through to a final submission in November.

To date, our engagement activities have focussed on local Ward Councillors, MPs, Parishes and staff within our organisations. We know that much more is needed to be done going forward and have committed to develop an overarching engagement plan that draws on existing engagement mechanisms and tools to involve our communities as we move forward. Engagement with partners, residents and businesses then will commence as we submit our Interim Plan. Our plan is to openly and effectively engage with key partners including Staffordshire Police, Integrated Care System/Board and NHS Provider Trusts, Police, Fire and Crime Commissioner, local VCSE sector, local colleges and universities, Staffordshire Fire, Registered Social Landlords, Parish and Town Councils.

**Our proposal is all about community power, and we plan to start as we mean to go forward.** Public and business engagement will start with earnest to help shape our proposals following the 21<sup>st</sup> March submission.



### **Section 3 – emerging concepts for reorganisation.**

As has already been introduced, **a clear majority (9 out of 10) of council leaders in Staffordshire currently favour a two-unitary model for reorganisation.** Newcastle Under Lyme Borough Council does not agree with LGR and so may/may not develop its own interim plan. The County Council, through its already published interim plan, has independently expressed a preference for a two-unitary model comprising Stoke-on-Trent City Council as one unitary, and the existing county council geography forming the second unitary.

Stoke-on-Trent City Council has published its position on LGR also, setting a clear preference for a two-unitary, northern and southern split, while not specifying the exact geography of a northern unitary. It maybe that the nature of the Government's 'rule' on having to use district council geographies as building blocks comes into consideration here.

**The six southern councils are working hard to identify the best possible configuration to deliver excellent quality, local services to residents.** At this interim plan stage, we are not seeking to finalise the geography of the Southern and Mid Staffordshire unitary, as further analysis is required to ensure that both the Northern and Southern unitary proposals are financially sound. **Our early discussions have however emphasised the need for local government to reflect a sense of place;** for it to enable residents to reach, engage with and hold their elected councillors accountable; and for it to enhance councils' ability to collaborate effectively with local organisations to improve services and outcomes.

**The six southern districts have so far jointly undertaken work to develop a socio/economic portrait of the southern part of the county, to inform our thinking, inter-related to one already prepared in the north.** We have also agreed with Stoke-on-Trent City Council to jointly engage specialist advice to support the development our LGR proposals, if appropriate. Regardless, the six authorities understand the need to assess the potential for improved service delivery, financial resilience, and streamlined governance of local government within Staffordshire while respecting the unique geographical and socio-economic characteristics of the ceremonial county and that is now our focus.

The work will evaluate the feasibility of establishing two Unitary Authorities (UA) with a single overarching Strategic Authority. Specifically, it will test a natural north-south split with the following constituent councils:

- **Northern:** Stoke-on-Trent City Council, Newcastle-under-Lyme Borough Council, Staffordshire Moorlands District Council

- **Southern:** East Staffordshire Borough Council, South Staffordshire District Council, Cannock Chase District Council, Lichfield District Council, Tamworth Borough Council, Stafford Borough Council.

**The Southern councils support the need for a robust evidence base, in accordance with the Government’s criteria**, in order to help them decide the best configuration of a Southern Unitary Authority. The evidence as to the best configuration is multi-dimensional, including:

- Financial sustainability
- Socio-demographics
- Geography
- Economic corridors
- Travel corridors, such as work / home routes
- Communities and community clusters

The assessment of evidence and options appraisal will involve:

- evaluating the long-term financial sustainability of future councils.
- harmonisation and disaggregation of services, including statutory and regulated services.
- assessing the evidence of their ability to deliver high- quality, proactive, preventative and outcome focused public services, along with services to a changing and ageing population.
- the treatment of non-asset backed debt.
- the financial implications of implementing change across Staffordshire’s local government landscape.

Across Southern and Mid Staffordshire we also recognise the vital role that our heritage/historic assets play in shaping our communities. Assessments to ensure their protection will be key to safeguarding them for future generations.

In considering a southern unitary council option, **the six southern councils are acutely aware that public services are in the spotlight of local communities more today than at any point in history; needs have changed, expectations have increased, and frustrations are easier than ever to share instantly.** The benchmark a new Southern and Mid Staffordshire unitary authority will have to compete with, when a resident interacts with it, is set by Amazon, Uber or Airbnb. These and other household brands are the ‘invisible competition’ in terms of resident expectations of how councils engage, how they are organised, or how council services perform. Increased scrutiny is a good thing for the accountability of local government over the performance of its services.

**The residents of the Southern and Mid Staffordshire unitary authority will undoubtedly be ambitious for and look to it to place-make.** Local council services

today sometimes struggle to meet this challenge; they are often reactive and fixed on firefighting and/or trying to drive forward one or two key objectives only, giving less time and capacity to think about place making. A new Southern and Mid Staffordshire unitary authority's ability to rise to this challenge and successfully create quality environments where people want to live, work, play and learn in, is dependent on its relationships with those residents, businesses and partners and importantly, on the quality of services it provides to them and its capacity to become proactive, prevent demand and intervene early in the way it is organised.

The Southern and Mid Staffordshire UA interim plan proposal recognises that to provide local people with the quality services they expect, **there will be a need to do things differently and change the way the new council functions, is structured, including the use of alternative models, and how it interacts with its communities.** This will require an organisational change programme to create a unitary authority that is:

- Resident centric – capable of dealing with needs as well as wants, providing consistently outstanding services to drive improved satisfaction and trust. Residents will be able to access more services 24/7 and self-service for simple transactions will become the norm. The new authority will embrace new technologies, common place in the private sector, as an early adopter of digital, robotic and AI capabilities. Where possible, it will develop a single view of the resident, so staff have the right information to resolve requests for service within agreed performance timeframes. Resident interactions will be efficient, straightforward and sensible. Resident journeys, from initial enquiry through to final response will be mapped to ensure that resources are effectively deployed, and residents receive a prompt and accurate resolution.
- Commercially minded – with structures, processes and working arrangements reset to match those of commercially minded, business focussed organisations. A sustainable balance of resident centricity, financial sustainability, value delivery and accountability will be created.
- Data driven – where solving problems and making strategic decisions based on data analysis and interpretation is the norm. Data will be used and examined more effectively to better understand the wellbeing of residents. This will aid in making informed decisions, identifying priorities for the council and planning, structuring and managing services to serve residents.
- Performance driven – committed to and accountable for a well-articulated common purpose and a clear set of performance goals. Performance goals and outcomes will be published openly, so the council is accountable to its residents for the services provided and outcomes enabled.

**The available evidence suggests all the local authorities that might be impacted by the creation of a Southern and Mid Staffordshire unitary are relatively well run, with sound financial stewardship and governance.** As you would expect, they are in

different places in terms of their financial base and wherewithal, for reasons inherent to the differing geographies they cover. Disaggregating the County Council services, ending the two-tier system and creating a single unitary council for Southern and Mid Staffordshire would create the following benefits, which would flow to the populations we collectively serve:

- Economies of scale: there would be opportunities for efficiency and improved productivity through the merger of both lower-tier and upper-tier functions.
- Service quality: by combining services, we would be able to select from and blend the most effective approaches across the authorities. In size terms, two unitary authorities in Staffordshire of circa 500,000 to 600,000 probably represents the best blend of capacity through scale, with sensitivity to local needs and circumstances.
- Reducing boundary issues, particularly for personal services: many social care and homeless placements are already cross boundary, which causes complexity for the provider market and health system.
- Aligning with other administrative boundaries: both the health and criminal justice sectors would benefit from being able to align what they see as an obvious service delivery footprint with the boundaries of a single authority. This is equally true of the education sector, with several MATs operating across schools in different parts of Southern and Mid Staffordshire.
- The financial base: a Southern and Mid Staffordshire authority would be stronger and more resilient than the current two-tier system. It would enable a strong balance of Council Tax base, Business Rates base, administrative grant and reserves, which would strengthen financial resilience. A first base estimate of the maximum aggregated net budget for a Southern and Mid Staffordshire unitary council (of the maximum 6 councils) would be circa £640 million. The Council Tax and Business Rates base would be circa £550 million. **In a new Southern and Mid Staffordshire unitary area, we would have a balanced Council Tax base.**
- A unified offer to businesses, including prospective inward investors: the ability to provide a single front door and support offer on land, planning, skills etc, working closely with the Mayoral Strategic Authority.
- Improved workforce capacity: the creation of a single, better resourced unitary council would allow for capacity and capabilities to be dispersed more effectively and ultimately improved.
- Managerial savings: combining authorities and functions enables significant savings in terms of senior and middle management requirements.
- Other savings: team leaders/ duplications / systems / estate etc.... We are currently undertaking a detailed piece of work on the level of potential savings that would be realised from the creation of a Southern and Mid Staffordshire unitary council, but it is likely to be several tens of millions of pounds. This is

money which could be redirected to front-line services, be redistributed to services areas in the greatest need or to reducing Council Tax levels.

- More local representation and decision-making: alongside an opportunity to reduce the number of councillors, including duplication between county and district representatives, increasing the number of hyper-local representatives through parish, town and city councils, there is the opportunity to reduce or remove the confusion the current three-tiers (including parishes) causes for residents.

**A Southern and Mid Staffordshire unitary authority would also significantly enhance economic growth and housing delivery** for the following reasons:

- Coordinated planning and decision-making. A new unitary can provide a more coordinated and efficient planning framework. This allows for better strategic decisions about housing and infrastructure that foster sustainable growth and improve quality of life for residents. All existing district LPAs are high performing.
- Streamlined governance. By consolidating the responsibilities of both tiers together in a single entity, a unitary council can reduce process delays and improve the speed and efficiency of decision-making. This will lead to faster implementation of housing projects and economic initiatives.
- Enhanced resource allocation. A unitary council will better allocate resources and funding to areas that need it most.
- Improved collaboration. Within a single body, there will be greater potential for collaboration between departments and stakeholders than exists today.
- Localised focus. A new unitary council will tailor its policies and initiatives to the needs and characteristics of local communities. This will result in more effective and relevant growth and housing strategies that directly benefit the community.

In addition, a Southern and Mid Staffordshire unitary would provide more local focus over funding and delivery to better meet local needs. Local powers would enhance the shape of housing supply, including funding flexibility as well as the ability to influence:

- planning regulations for development,
- regeneration and place making
- regulation of private landlords
- homelessness prevention policies
- funding /policy control for net zero and sustainable housing.

One counter argument for creating a Southern and Mid Staffordshire unitary (and a complementary Northern Staffordshire unitary) is the potential disruption that disaggregation of sensitive and vital children's and adult social care services would cause. **We firmly believe that a more localised, transformative model for children's social care is the best approach to improve outcomes for our most vulnerable children, with a focus on prevention, using the strengths and assets in our local**

**communities.** Children’s social care and SEND costs in Staffordshire continue to cause significant financial pressure, a Southern and Mid Staffordshire unitary would seek to challenge the status quo, and utilise different models to reduce the cost, and improve the quality of placements and support packages.

A large proportion of adult social care services are currently commissioned by Staffordshire County Council but delivered by Midlands Partnership NHS Foundation Trust (MPFT), via a Section 75 agreement. MPFT delivers on behalf of the County Council:

- Professional support to prevent or reduce the need for care, including rehabilitation for people with sensory needs.
- Assessing individuals’ mental capacity and making Best Interest Assessments
- Completing Mental Health Act Assessments by Approved Mental Health Professionals (AMHPs).
- Completing safeguarding enquiries and developing safeguarding plans. e.g. Providing Occupational Therapy assessments to enable people to maximise their independence, for example through use of equipment.

**It would be the intention of a Southern and Mid Staffordshire unitary to continue with this model. As such a large proportion of the adult social care workforce would be generally unaffected by the creation of a Southern and Mid Staffordshire unitary authority.**

Collaborative working across the Southern and Mid Staffordshire area has been core to how we work for decades, including multiple examples of shared services or jointly commissioned. Examples include:

- Legal Services – Lichfield, Tamworth and South Staffordshire
- Internal Audit – South Staffordshire district, Staffordshire County Council
- Health and Safety Services – Lichfield, Tamworth and Stafford
- Building Control Services – South Staffordshire district, Lichfield and Tamworth
- Joint Waste Services – Lichfield and Tamworth.
- Shared services, leadership and staff – Cannock Chase and Stafford Borough
- Delivery of works funded by Disabled Facilities Grants – Stafford and South Staffordshire
- Numerous examples of internal shared services

We understand that financial sustainability is a key criterion for Government in determining any proposal it receives for LGR in Staffordshire. **The council taxbases across the existing six districts vary, and this variation will allow a Southern and Mid Staffordshire unitary to withstand financial shocks and allow the unitary authority to be on firm financial standing.**

Lichfield, Stafford and South Staffordshire districts have council taxbases with a larger proportion of higher banded properties. These districts have above English average percentage of properties in Council Tax bands D-H and large taxbases as a % of chargeable dwellings, which will serve to lift Cannock Chase, East Staffordshire and Tamworth which have a more constrained taxbase.

	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
<b>Cannock</b>	13,850	14,827	8,737	5,612	1,964	643	278	19	45,930
	81%			19%					
<b>Lichfield</b>	5,817	10,785	12,130	7,342	5,058	3,977	2,674	422	48,205
	60%			40%					
<b>South Staffordshire</b>	6,561	10,723	11,865	7,460	5,494	3,563	2,456	213	48,335
	60%			40%					
<b>Tamworth</b>	9,296	12,207	6,065	3,953	2,168	585	133	5	34,412
	80%			20%					
<b>East Staffordshire</b>	17,971	12,040	9,406	6,675	5,067	2,605	1,285	97	55,146
	71%			29%					
<b>Stafford</b>	11,867	14,004	14,129	9,818	6,880	3,714	1,642	101	62,155
	64%			36%					

*Council Tax band profiling (Council Tax Base 2024 Q2 MHCLG)*

High performing income collection must also be a necessity for any LGR proposal. Lichfield district, East Staffordshire and South Staffordshire district are amongst the top performing councils in the country, with Tamworth Borough and Cannock Chase District comfortably outperforming the English average. **These levels of performance mean a Southern and Mid Staffordshire unitary authority (regardless of final size) would already be outperforming the current England average collection rates** and be able to hit the ground running in maximising income streams.

**Alternative Local Government Reorganisation options have been considered but are not thought to provide the same opportunities outlined above.**

1. Single Unitary council for the whole of Staffordshire, including Stoke-on-Trent.

As with the inter-related proposal for a Northern Staffordshire unitary authority, **we believe a single unitary authority for the county would be too large**, with a population of more than 1.1 million people and a geographical footprint giving a travel time of up to 90 minutes from one end of the administrative area to the other. Even with double devolution, the authority would feel very remote from individual places and settlements – contrary to our stated ambition in this proposal to ensure local services remain close, relevant to and accountable to the communities it serves. A single unitary

authority, by its very nature and size, would clash and compete with a Mayoral Strategic Authority, and would make the option of a Staffordshire-wide Strategic Authority impossible. Hypothetically it would also dominate any potential strategic authority that involved Telford & Wrekin and Shropshire.

Equally, the county of Staffordshire as a whole is not a functional economic area. County councils originated from Anglo-Saxon administrative subdivisions, responsible for administering justice and organising militia. They were made into councils in 1889, taking over the non-legal functions of magistrates for the purposes of administrative convenience only. The functions of a county council are distinct from the ceremonial and cultural identity role of counties, which are entirely separate to providing effective units of local governance.

One benefit cited in favour of single unitaries in two tier areas is that they avoid the costs of disaggregation of complex systems: for example, children’s and adults’ care. However, in this case, the fact there are already two upper-tier authorities in the relevant geography means there would be the equal complexity of merging two systems. This cannot be underestimated.

Overall, we do not consider that single unitary authority, a ‘mega-authority’, for Staffordshire and Stoke would be in the best interests of the residents of the county. While some may make a case for such a construct based on maximising economies of scale, the reality is that, as one could argue with the case of Birmingham City Council (which would be a similar size), there comes a point where an authority simply becomes too large for effective administration. Council leaders across Surrey, again with a similar population size to Staffordshire, have discounted a single unitary option there because leaders believe it “would be too large and so lack accountability to residents”.

2. Two unitary councils – Stoke-on-Trent (current boundaries) and the rest of Staffordshire. This is the current proposal from Staffordshire County Council.

While this option would also be administratively convenient in the short term, avoiding the challenges of disaggregation, **it would fail to meet the basic criteria of the White Paper** in terms of the minimum size of a unitary authority (one would be significantly greater than 500,000, the other significantly smaller), financial sustainability (this option would not provide Stoke-on-Trent with financial sustainability) and efficiencies. It would exacerbate the current inequality between county and city, while failing to realise any of the benefits set out in this paper. Leaders believe a unitary comprising the ‘rest of Staffordshire’, with a population of nearly 900,000 “would be too large and so lack accountability to residents”. Further, as demonstrated in this paper, and the inter-related Northern Staffordshire document, this option would ignore the compelling data on functional economic geographies.

3. Three unitary councils – a north, a middle and a south split.



This option warrants more consideration. It would also provide the ability for local services to remain hyper-local, relevant for and accountable to the communities they serve, as with the two unitary councils' option. Three unitaries would fail to meet the basic criteria of the White Paper in terms of the minimum size of a unitary authority (500,000 population). Financial sustainability, with smaller net budgets is possible – there are multiple examples of similar sized unitaries around the country. It is likely this option would offer fewer financial and systems efficiencies. Conversely, the set up costs for a three unitary model would be much smaller than other options and implementation would be simpler to achieve.

#### **Section 4 – shaping LGR to support our devolution ambitions.**

The six southern councils in Staffordshire have long supported a conversation with government about devolution, and believe it is critical that LGR and devolution progress in parallel. **Our aim is to achieve the maximum benefit from a strategic institution focused on driving the local economy and securing growth, partnered with local government, at the right scale and with agility to both deliver efficient critical services and to respond to community need and resilience.**

We are keen both the Combined Authority (Strategic Authority) structure and the new (northern and southern) unitaries make the most of the strategic capacity and capability that the new Mayoral institution can bring alongside ambitious local authorities. We are ambitious for our communities and look to devolution to help us deliver key priorities such as integrated transport, housing and economic growth.

**We believe that a Southern and Mid Staffordshire unitary creates three long-term devolution options for the area.** At this stage this paper does not put forward a preferred option, however, seeks to present an initial outline on the opportunities and challenges of each.

##### **1. A Staffordshire and Stoke-on-Trent Mayoral Strategic Authority**

A Staffordshire and Stoke-on-Trent Mayoral Strategic Authority would have a population of 1.1 million (rising to 1.2 million), just under the criteria set out in the Devolution White Paper. It would be coterminous with the Staffordshire and Stoke Integrated Care Board, Staffordshire Police and the Police Fire and Crime Commission. As has been evidenced in this paper, there are clearly two economies in Staffordshire and Stoke-on-Trent, a north and south. Therefore, there are potential question marks as to whether such a Strategic Authority would be able to balance the different needs of both economies.

##### **2. West Midlands Combined Authority**

As has been evidenced in this document, the Southern and Mid Staffordshire unitary area has strong socio and economic connections to the West Midlands region. The West Midlands Combined Authority is already very well established and has a trailblazer devolution deal. Being part of a West Midlands Combined Authority would provide significant benefits for our residents and businesses.

##### **3. A Staffordshire, Stoke-on-Trent, Shropshire, Telford and Wrekin Mayoral Strategic Authority**

We understand MHCLG's ambition to leave no area behind in terms of devolution deals. As such we recognise that a third option would be for a Mayoral Strategic Authority covering Staffordshire, Stoke-on-Trent and Telford, this would cover a population of 1.7million meeting the Devolution White Paper criteria of 1.5 million. The Southern and

Mid Staffordshire unitary area has limited socio and economic links to Shropshire and Telford and Wrekin.

### **Community Power**

The Devolution White Paper makes clear it does not expect devolution to end with Mayors and local authorities, but rather that devolution and reorganisation should be a means to empowering local communities. This ambition resonates strongly and **the proposal for a Southern and Mid Staffordshire unitary authority seeks to recognise, maximise and embrace the benefits of Community Power – a belief that people should have a say over the places in which they live and the services they use.**

While it is difficult to know exactly what a model of Community Power in Southern and Mid Staffordshire should look like, without the benefit of detailed engagement with places and communities themselves, our early thinking is that it will entail:

- Individual health and wellbeing
- Community wellbeing and resilience
- Democratic participation and trust
- Community cohesion
- Preventative public services
- Financial savings

**Successfully implemented, this will see the new Southern and Mid Staffordshire unitary delegating some of its responsibilities and powers to a more local governance model.**

The existing districts and boroughs in the Southern and Mid Staffordshire unitary area have a strong track record in embracing the benefits that community power brings for people, communities and public services. This includes having strong relationships with the voluntary and community sector and working closely with our parish and town councils. A new unitary would be able to build on these foundations and ensure that our residents, and what is important to them, is at the heart of everything we do.

Existing examples include:

- East Staffordshire has undertaken a number of community based consultations that have sought the views of residents on a variety of topics, such as the development of its Market Hall in Burton upon Trent – essentially a creative community exercise, based around an ‘Urban Room’; community engagement initiatives around Regeneration projects such as co-creation with a resident sounding board in Uttoxeter; as well as community involvement in the development of its development of green and blue spaces across the area; and giving civic recognition to Burton’s Windrush generation and Hazaran/Afghan community.

- South Staffordshire district has a national recognised Localities Model. This provides the backdrop for how the Council works with Members, Partners and communities. The five localities, stay true to parish boundaries, and all members and 27 parishes are engaged throughout the year through three tier forums, parish summits and ward walks.
- Lichfield district has invested over £750K in a three-year funding programme to support and grow the local voluntary and community sector. The council is co-located with key voluntary organisations including Support Staffordshire and Citizens Advice South East Staffordshire
- Tamworth’s Spacehive is part of the “We Are Tamworth” initiative, a community crowdfunding program launched by Tamworth Borough Council. This programme aims to support community-led projects that promote inclusivity, strengthen community bonds, and foster resilience against hate and intolerance. It provides an excellent opportunity for the voluntary sector and residents to bring forward ideas that build good relationships in neighbourhoods.

### **Section 5 – the costs of mobilising change.**

We have commenced a very high-level modelling of estimated project costs associated with preparing final proposals for a November submission, allowing for research and modelling, stakeholder engagement, project management and expertise, legal and governance and capacity to maintain service continuity. **Our current thinking is that the cost of developing a full proposal will be between £150k - £250k.**

Going forward, we will develop our estimates of potential costs of standing up an implementation team to deliver the proposed model, based on experience of others, and as per section 3. We recognise that these costs will not be insignificant in accordance with the experience of others. **The estimated costs, for full implementation of a unitary authority in Southern and Mid Staffordshire while maintaining service delivery during transition, range between £3m and £5m.**

The cost of change on this magnitude needs to reflect potential workforce costs (redundancy and pension allowances), systems alignment, contract changes, estates and facilities, legal, professional and specialist support, communications, branding and training costs. **We will consider payback periods as part of the evidence base as we move forwards and the potential benefits.**

We can offer Government assurance that any funding provided to support the creation of a Southern and Mid Staffordshire unitary authority will be appropriately prioritised and governed transparently across all partners. **We have a strong track record in this respect, for example through managing numerous covid support funding streams collectively and effectively across the area.** Our programme management structure will ensure that this is overseen appropriately.

## **Section 6 – support from government.**

There are undoubtedly challenges associated with the scale of change proposed by the White Paper and through our Interim Plan in response to it, and it will be important to receive support from government to implement it successfully. Below we set out the initial areas we consider it important to engage over, following some initial discussions Staffordshire Chief Executives have had to date with the department.

- 1. Ministerial engagement with Leaders.** We believe it will be critical to discuss our proposal, as it is further developed, with key decision makers. All councils in Staffordshire agree that two unitaries is the best option for Staffordshire and Stoke-on-Trent, however the biggest challenge we face is agreeing an acceptable split of geography that meets Government criteria and has the best interests of all our residents at heart. Key decision maker support will help coral and challenge our thinking and overall ensure our proposal continues to deliver the criteria the Minister has set for proposals.
- 2. Capacity funding.** As set out in section 5, we have undertaken some high-level thinking about the costs of undertaking preparatory work to support LGR successfully. We have estimated at this early stage the costs across the system to be between £3m to £5m and we are seeking support from Government to help fund those costs. They come on top of existing service pressures and are likely an understatement of the true costs of undertaking this work as no account has been factored in for the leadership time and other opportunity costs we are absorbing.
- 3. Clarity over the application of criteria set.** We are absolutely committed to working with the criteria set by Government. While there is not an absolute consensus or single position on LGR in the county, we believe this Southern and Mid Staffordshire unitary proposal is inter-related to the Northern Staffordshire proposal and jointly the two are compliant and deliver all the criteria set by government while protecting the genuinely ‘localness’ of council services to residents. The clearer the Government’s steer regarding its intended application of the criteria it has set (in particular on population threshold and functional economic areas), and our emerging thinking the better. None of us want to spend time working on a business case that the Government then rules out because it doesn’t meet the baseline criteria.
- 4. Decision making process.** We are working at pace to develop this proposal and believe we can implement this Southern and Mid Staffordshire unitary authority, subject to Government agreeing it, at pace too. We would ask that Government also commits to maintain the pace it has set to date and makes decisions and provides

feedback to a timeframe that enables us to progress our work as efficiently as possible.

5. **Access to other government departments** – it will be critical that we are able to access departments in developing detailed proposals for the provision of key services. As we have already stated, the Southern and Mid Staffordshire Leaders believe, when thinking about the operating models for services, that we should keep what matters to us close. While our commitment, as set out through this document, is initially to maintain the outsourced arrangements for adults services in Staffordshire, in the medium term this may mean a plan to insource those and other key services that are currently largely commissioned, and we would like to explore this potential with, in particular the DHSC. It would be helpful if you could facilitate streamlined and joined-up access to the right people in departments for advice as and when.
6. **Stable tax base.** Our proposals, as with the rest of the country, will be developed using accurate current financial data on the size and resilience of the tax base a new Southern and Mid Staffordshire unitary authority can rely on. Clearly, any new distribution methodology arising from the Government’s proposed funding reforms, resulting in reductions that significantly affects the tax base, would undermine the business case we are developing. We would therefore seek any reductions to be disapplied during the periods of transition to provide a stable funding base and welcome early engagement on the amount of Government Grant funding that each council would receive on day one to assist with early financial planning.
7. **Named contact.** The ability to seek guidance from and collaborate with a named, senior civil servant, contact from MHCLG as we progress with what is a very complex reorganisation, would be incredibly helpful. Ideally this will be someone who can be part of the dialogue and can share, ‘without prejudice’, the Government’s view in real time to inform our work.

## Conclusion and Next Steps

We believe this interim plan makes a compelling case for the creation of a Southern and Mid Staffordshire unitary council, based on the following key arguments:

- It would enable alignment of to the functional economic and social geography. And would be better able to drive growth.
- It would enable the new council to tackle inequity and inequalities across a sensible geography.
- It would improve local government in Staffordshire by aiding the rebalancing of financial bases, generating efficiencies and transform public services.
- It meets the requirements of the Devolution White Paper and would fit well with the proposal for a Northern Staffordshire unitary council (creating no islands in the county) and with several options for inclusion in a Mayoral Strategic Authority.

The districts and boroughs in the south of Staffordshire are ready to work with any and all other local authorities who are willing to work with us on an equal footing to make a multi-unitary structure which includes a Southern and Mid Staffordshire unitary a reality. We share the hope expressed by Stoke-on-Trent Council that this will be achievable through the mechanism of the existing Council Leaders' Board for Staffordshire and Stoke-on-Trent, but if for any reason that proves impossible, we will work with other authorities through a short-life collective planning approach.

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