



# *Proposals for Future Unitary Structures: Stakeholder Consultation*

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A Consultation Paper



*Proposals for Future Unitary  
Structures: Stakeholder  
Consultation*

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March 2007

Product code: 06 LGSR 04516

## About this consultation exercise

1. In January 2007, the Government received 26 proposals from councils wishing to move to a single tier of local government. All proposals were assessed against a number of criteria that Government set out when it invited local authorities to submit proposals.
2. On 27 March the Government announced which of these proposals it judged met the criteria and hence should go forward for consultation. This consultation paper seeks your views on those proposals.
3. Following the consultation exercise, the Government intends to make final decisions in July on which proposals will proceed to implementation.

## Who we are consulting

4. A list of the consultees that we are approaching in the first instance is available on our website at [www.communities.gov.uk/index.asp?id=1017165](http://www.communities.gov.uk/index.asp?id=1017165)
5. We are in particular seeking views from key partners and stakeholders that have an interest in the areas affected by the proposals. We expect consultees to comment only on the proposal affecting their area. However, it is open to an organisation to comment on any proposal. Where an organisation operates nationally, regionally, or across a number of areas affected by different proposals, it may wish to respond more generally.
6. All local authorities in an area affected by the proposals on which we are consulting are asked to bring this consultation to the attention of their key stakeholders.
7. In addition, it is open to anyone to respond to this consultation document, commenting either on the proposal affecting their area, or more generally. All comments and representations will be carefully considered, together with any other information that we may receive, before final decisions are taken.

## Sending your responses

8. We invite responses by 22 June 2007. If possible, please send your responses via e-mail to: [structures@communities.gsi.gov.uk](mailto:structures@communities.gsi.gov.uk)
9. Alternatively, please send your comments to:

Unitary Structures Consultation Team  
Zone 5/E8  
Eland House  
Bressenden Place  
LONDON  
SW1E 5DU

Any queries about the consultation process should be addressed to this address, e-mail address or to this telephone number: 020 7944 4252.

10. Any queries on the proposals should be directed to the council concerned.
11. Your responses may be made public by the Department for Communities and Local Government. If you do not want all or any part of your response or name made public, please state this clearly in the response. Any such request should explain why confidentiality is necessary, but all information in responses may be subject to publication or disclosure under freedom of information legislation unless a specific exemption applies. Any confidentiality disclaimer that may be generated by your organisation's IT system will not be considered as such a request unless you specifically include a request, with an explanation, in the main text of your response.
12. If you have any comments or complaints on the way that this consultation has been conducted then please send them to: Albert Joyce Zone 6/J10, Eland House, Bressenden Place, London, SW1E 5DU.
13. You can read this consultation paper online at the Communities and Local Government website, [www.communities.gov.uk/index.asp?id=1017165](http://www.communities.gov.uk/index.asp?id=1017165)  
Hard copies are available from Communities and Local Government Publications, PO Box 236, Wetherby, West Yorkshire, LS23 7NB. Tel: 08701 226 336.  
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## **Background and timetable**

14. In parallel with the publication of our Local Government White Paper, "Strong and Prosperous Communities" in October 2006, we gave councils in two-tier areas a short window of opportunity to make proposals for unitary structures. Councils were invited to submit their proposals by 25 January 2007. In all, we received 26 bids for unitary status.
15. These proposals have now been carefully considered in accordance with the procedures set out in the Invitation document issued last October. Our Invitation to Councils document can be found at [www.communities.gov.uk/index.asp?id=1504067](http://www.communities.gov.uk/index.asp?id=1504067)  
We have assessed unitary proposals against the criteria specified in the Invitation to decide which proposals will now go forward for stakeholder consultation.
16. Following consultation the Government will reassess these proposals having regard to the outcome of the stakeholder consultation, any further development of the proposal's business case, and all other available relevant information. The Government intends to announce, by the end of July 2007, which proposals will proceed to implementation.
17. The Local Government and Public Involvement in Health Bill includes provisions for implementing structural change (i.e. moving away from two-tier to unitary local government). These provide for new unitary structures to be created by Order following proposals made by local authorities in response to an Invitation from the Secretary of State.
18. Subject to the Parliamentary process, we would expect those proposals which proceed to implementation to be fully operational by April 2009.

## How we have come to our decision on which proposals should proceed to stakeholder consultation

19. Following the receipt and initial assessment of the proposals, the Government wrote to all 26 councils in early February to inform them that their proposals conformed to the terms of the Invitation. Subsequently, authorities supplemented their proposals with further information to explain and clarify, including in response to questions posed to them by the Government. Regard has also been had to all representations received about proposals.
20. Having regard to the council's proposal, further information submitted, and any other relevant information available about the proposal, the Secretary of State has decided the following proposals should proceed to stakeholder consultation:

Unitary Proposals – Councils Submitting Proposals		Proposed Unitary Structure
1.	Bedford Borough Council	Bedford unitary
2.	Bedfordshire County Council	County unitary
3.	Cheshire County Council	County unitary
4.	Chester City Council	2 unitary option for Cheshire
5.	Cornwall County Council	County unitary
6.	Cumbria County Council	County unitary
7.	Durham County Council	County unitary
8.	Exeter City Council	Exeter unitary
9.	Ipswich Borough Council	Ipswich unitary
10.	North Yorkshire County Council	County unitary
11.	Northumberland County Council	County unitary
12.	Northumberland districts councils	2 unitary option for Northumberland
13.	Norwich City Council	Norwich unitary on existing boundaries
14.	Shropshire County Council	County unitary
15.	Somerset County Council	County unitary
16.	Wiltshire County Council	County Unitary

21. Accordingly, the Secretary of State has decided the remaining proposals should not proceed to stakeholder consultation.
22. The basis of this decision, as described in the Invitation, is the Secretary of State's assessment of the proposal against the five criteria set out in the Invitation. These criteria are:
- a) the change to the future unitary local government structures must be:
    - i) affordable, i.e. that the change itself both represents value for money and can be met from councils' existing resource envelope; and
    - ii) supported by a broad cross section of partners and stakeholders; and

- b) the future unitary local government structures must:
  - i) provide strong, effective and accountable strategic leadership;
  - ii) deliver genuine opportunities for neighbourhood flexibility and empowerment; and
  - iii) deliver value for money and equity on public services.
- 23. Each of those criteria specify an outcome that either the change to unitary structures must achieve, or that the new unitary structures once established must deliver. Any assessment of the proposals against the criteria is, therefore, necessarily a process of judgement, reaching a view as to the likelihood of a proposal if implemented achieving the outcomes specified by each of the criteria.
- 24. The Secretary of State has concluded that there is at least a reasonable likelihood that the proposals listed in paragraph 20 above, if implemented, would achieve the outcomes specified by the five criteria, and hence should proceed to stakeholder consultation.
- 25. We have notified each authority that submitted proposals separately of our decisions. Copies of the letters setting out the reasons for our decisions are available on our website at [www.communities.gov.uk/index.asp?id=1017165](http://www.communities.gov.uk/index.asp?id=1017165)
- 26. The Secretary of State has concluded not to prioritise proposals as provided by paragraph 5.17 of the Invitation. Handling of future prioritisation is discussed in paragraphs 36 and 37 below.

## **Consultation arrangements**

- 27. You will be able to obtain details of the proposals from the website of the relevant council, including information on:
  - i) the full business case (as submitted for the 25 January 2007 deadline);
  - ii) the substance of the development of the business case following questions posed by the Department in mid February 2007 and more recently in early March 2007; and
  - iii) the detailed financial analysis – i.e. the financial framework and supporting documents – which should be consistent with the ‘developed’ business case described in (ii).
- 28. A full list of weblinks for this information can be found on our website at [www.communities.gov.uk/index.asp?id=1017165](http://www.communities.gov.uk/index.asp?id=1017165)

29. Your comments on the proposal are now invited. We are seeking your views on the extent to which the proposals, if implemented, will achieve the outcomes specified by the criteria in our Invitation (see paragraph 22 above). In particular we would welcome partners' and stakeholders' views as to the extent a proposal would, in their opinion, if implemented, deliver strong effective and accountable leadership, deliver genuine opportunities for neighbourhood flexibility and empowerment; and value for money and equity on public services.
30. Consultees are requested to support their comments and views, where appropriate, with relevant evidence and analysis of the proposals.
31. Our Invitation is also clear that all proposals should proceed to stakeholder consultation if we consider that they meet the criteria. Therefore, some of the proposals are for alternative options within a single area. These are:

<b>Unitary Proposals – Councils Submitting Proposals</b>		<b>Proposed Unitary Structure</b>
1)	Bedford Borough Council	Bedford unitary
2)	Bedfordshire County Council	County unitary
3)	Cheshire County Council	County unitary
4)	Chester City Council	2 unitary option for Cheshire
5)	Northumberland County Council	County unitary
6)	Northumberland districts councils	2 unitary option for Northumberland

32. In these areas, we are also seeking your views on which of the alternative proposals would better achieve the outcomes we specified in our Invitation.

## **Next steps**

33. During the consultation period we may also seek further information from councils, to help assess risks around their estimation of costs and savings.
34. Limited assurance to the baseline financial data will also be carried out by the Audit Commission for which the Commission will charge the authorities concerned.
35. Our aim is to reassess the proposals after the consultation having regard to further information received and all other available relevant information. We intend to announce before the end of July which proposals will proceed to implementation.
36. After the stakeholder consultation, we will consider very carefully all the representations that we have received. Proposals will proceed to implementation if, and only if, when we take our final decisions, we remain satisfied that they meet the criteria, and that the overall use of reserves remains affordable, having regard to the prevailing fiscal position and the risks around the estimated costs of implementation.



37. As explained in our original Invitation, implementation of any proposals involving transitional costs financed by the use of reserves impacts on planned public expenditure totals. Any use of reserves must therefore in aggregate be within the limited envelope available.
38. It was because of this limited envelope that the Invitation stated that the Government thinks it unlikely that it would be able to implement more than eight proposals, but that this maximum number would not preclude the Government from deciding to implement more if they offered good value for money and were affordable.
39. If when we take our final decisions there are more proposals that meet the criteria than we can afford to implement, we will prioritise in order to decide which ones to implement. We will consult during our main stakeholder consultation on the proposed means of prioritising restructuring proposals in such circumstances.