



REPORT OF: CHIEF EXECUTIVE

TO: COUNCIL

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CONSULTATION ON REORGANISATION OF LOCAL GOVERNMENT IN CUMBRIA AND NORTH YORKSHIRE

PURPOSE OF REPORT

1. The purpose of this report is for the Council to determine its response to the consultation on Local Government Reorganisation in both Cumbria and North Yorkshire.

FOR DECISION

2. If the Council wishes to respond to the consultation on Local Government Reorganisation in both Cumbria and North Yorkshire, it should resolve either to:-
 - a) respond in general terms that the Council reaffirms its opposition to the creation of Unitary Councils (as resolve by Council in December 2019); or
 - b) indicate which of the proposals it wishes to support.
3. If the Council does decide to support one or other proposal (2(b) above), then the following is recommended:-

RECOMMENDATIONS

- a) That delegated authority be given to the Chief Executive, in consultation with Group Leaders, to develop and submit the Council's response to the consultation.

REASONS FOR RECOMMENDATION

4. For the Council to determine its response to the consultation on proposals for reorganisation of Local Government in Cumbria and North Yorkshire.

ISSUE

Background

5. Councillors will be aware that over a number of years, successive Governments have considered the structure of local government, and in particular the economy, efficiency and effectiveness of the Two-Tier (County Councils and District Councils) system.
6. Since 2010, the Government has become progressively more supportive of restructuring. The 2010-15 Coalition government ruled it out but following the outcome of the General Election in 2015, the Government's stance changed. The then Secretary of State, James Brokenshire MP, stated *'there is a clear space and scope for unitary authorities...and where. I will be looking at [...] how we are best able to deliver quality, sustainable services for local government and the best model for doing that....where devolution and unitary authorities can seek to make a difference then I do want to advance that agenda'*.
7. In 2018, Rishi Sunak, then Minister for local government, indicated in Parliament the Government's thinking on the need for 'local support' for unitarisation: *... 'the Government have already considered that there have been a range of ways to demonstrate that good deal of local support. Other areas have engaged electoral and polling agencies to conduct representative polling, county and district council members—who represent people in different areas—have voted and extensive engagement exercises and consultation processes have happened... We would like to see a good deal of local support, which we assess in the round across the whole area— from business, the voluntary sector, public bodies and local communities. We do not mean unanimous agreement from all councillors, stakeholders, councils and residents. However, we expect as much consensus from councils as possible'*.
8. By 2020, the Government's stance appeared more supportive of unitary restructuring. In an answer to a Parliamentary Question in April 2020 by Luke Hall, Minister for the Ministry for Housing and Local Government (MHCLG): *'In a two-tier area, effective joint working between county and district councils is essential, especially at this time of national emergency. However, the Government recognises that unitary councils can facilitate more integrated decision-making, better service delivery, greater local accountability and empowered local communities'*. This was supplemented by the then Minister for MHCLG Simon Clarke who, in response to a further answer to Parliamentary Question in June on the maximum size of a single unitary authority should be, said that *'.....as a rule of thumb [Unitary Councils] are expected to [have populations which should] be substantially in excess of 300k-400k*.
9. Councillors will note from previous reports, and in particular a report to Council in July 2020 on the proposal to create a Combined Authority in Lancashire, that consideration of unitary proposals has, more recently, become intertwined with discussions on devolution and the creation of Combined Authorities, particularly in Lancashire.

Invitation to Submit Proposals

10. As a firm indication of the Government's intention on this policy, in October 2020, the Secretary of State for MHCLG, issued formal invitations to Councils in Cumbria, North Yorkshire and Somerset to submit proposals for unitary restructuring. This is the first formal step in the creation of Unitary Authorities.

11. The invitation required an outline proposal by 9 November, and a final proposal by 9 December 2020. The proposal required proposed new Unitary Authorities to be in the population range of 300,000 to 600,000 “*or such other figure that... could be considered substantial*”. The invitation to North Yorkshire was also extended to York City Council, and the invitation to Somerset was also extended to North Somerset and Bath & North East Somerset councils (these three councils are already unitary authorities).
12. On 9th December 2020, the Government received 8 proposals from these areas (4 from Councils in Cumbria, 2 from Councils in North Yorkshire and 2 from Councils in Somerset). Aside from the general principle of creating Unitary Councils, Pendle is unaffected by the proposals for Somerset and so, for the remainder of this report, no consideration is given to the proposals for that area. The remaining proposals are summarised below (with a link to each detailed proposal):-

Cumbria

- Allerdale Borough Council and Copeland Borough Council (**[Click here for proposal](#)**)
- Barrow Borough Council and South Lakeland District Council (**[Click here for proposal](#)**)
- Carlisle City Council and Eden District Council (**[Click here for proposal](#)**)
- Cumbria County Council (**[Click here for proposal](#)**)

North Yorkshire

- Craven District Council, Harrogate Borough Council, Richmondshire District Council, Ryedale District Council, Scarborough Borough Council and Selby District Council (**[Click here for proposal](#)**)
- North Yorkshire County Council (**[Click here for proposal](#)**)

13. A summary of these proposals is provided at **[Appendix A](#)**.

Consultation on Proposals

14. In accordance with the Local Government and Public Involvement in Health Act 2007, the Secretary of State must consult with any local authority that is affected by a proposal (but which has not submitted it) and any other persons as he considers appropriate. On 22nd February 2021, the Government opened a consultation on all proposals submitted. **The consultation ends on 19th April 2021.**
15. Responses to the consultation will be considered by the Secretary of State against the following criteria before reaching a judgement on each of the proposals:-
 - Is it likely to improve local government and service delivery across the area of the proposal, giving greater value for money, generating savings, providing stronger strategic and local leadership and more sustainable structures?
 - Does it command a good deal of local support as assessed in the round overall across the whole area of the proposal? and
 - Is it a credible geography consisting of one or more local government areas with an aggregate population which is either within the range of 300,000 to 600,000 or such other figures that, having regard to the circumstances of the authority, including local identity and geography, could be considered substantial?

16. The Secretary of State, subject to Parliamentary approval, may implement a proposal with or without changes or may not implement any. If a proposal is to be implemented, the timeline set out in the consultation document suggests new Unitary Councils will come into existence from April 2023 (with transitional arrangements in 2022/23). As a consequence of this, the Local Elections in these areas, planned for May 2021 will not take place and have been rescheduled to May 2022.
17. The specific consultation questions are:-
 - 1) Is the Councils' proposal likely to improve local government and service delivery across each area? Specifically, is it likely to improve Council services, give greater value for money, generate savings, provide stronger strategic and local leadership and create more sustainable structures?
 - 2) Where it is proposed that services will be delivered on a different geographic footprint to currently, or through some form of joint arrangements, is this likely to improve those services? Such services may, for example, be Children's Services, Waste Collection and Disposal, Adult Health and Social Care, Planning and Transport?
 - 3) Is the Councils' proposals also likely to impact local public services delivered by others such as the Police, Fire and Rescue and Health Services?
 - 4) Do you support the proposal from the Councils?
 - 5) Do the Unitary Councils proposed by the Councils represent a credible geography?
 - 6) Do you have any other comments with regards to the proposed reorganisation in each areas?

What does this mean for Pendle?

18. None of the proposals as currently set out will have a direct impact on Pendle Borough Council.
19. If implemented, the proposal submitted by Barrow BC, South Lakeland DC and Lancaster City Council for the Bay Unitary Authority will mean that the Lancaster City Council area would no longer be part of the Lancashire County area (in the same way as happened when both Blackburn with Darwen Borough Council and Blackpool Council were created in 1997). This would have a direct impact on Lancashire County Council (with a c12 reduction in the population).
20. The Bay Unitary Authority proposal does not include any specific detailed assessment of the operational (matters such as TUPE) and financial impact of this but it would appear inevitable that Lancashire County Council's funding would be reduced with the loss of Lancaster City Council with the probability that the County Council would have to make equivalent reductions in its spending. The extent of this and whether it is possible to do so without impact on the County's wider operations cannot be determined at this stage.
21. The proposal does state in several sections that with Lancaster City Council forming for of the new Bay Unitary Authority, *'Future unitaries in Lancashire would be better placed' (Page 3), 'creating the Bay encourages viable [Unitary] options to be developed by the remaining area of Lancashire if invited at a later date' (Page 10) and 'Our proposal enables the remaining areas of Cumbria and Lancashire to form unitary solutions' (Page 16).*

22. On a broader point, it is worth noting that if reorganisation does proceed, and Unitary Councils are created in both Cumbria and North Yorkshire, Lancashire will be the only Local Government area in the North of the Country that would retain a two-tier local government structure.

Responding to the Consultation - The Options for the Council

23. At this stage, the decision for the Council to consider is whether it wishes to respond to the consultation on the reorganisation proposals for Cumbria and North Yorkshire and in this context, there are the following options:-

Option 1 – Do not respond to the consultation

24. The Council could resolve that no further action is taken on this matter at this time and to not submit a response to the consultation.

Option 2 - Oppose the creation of Unitary Authorities in either or both North Yorkshire and Cumbria

25. At the meeting of Council on 17th December 2019, Council considered a motion on the creation of a Pennine Lancashire Unitary Authority. Following a debate on this motion, it was resolved that:-

Council notes the proposal for a Pennine Lancashire Unitary Authority put forward by Blackburn with Darwen Unitary Authority and the alternative put forward by the Leader of Lancashire County Council requesting that any unitary proposals cover the whole of the county council's area.

Council reaffirms its opposition to the creation of any such massive and remote structures; believing that local issues are best determined at a local level and that the government has far more urgent issues than shuffling the deckchairs and instructs the Chief Executive to write accordingly to the relevant government minister.

26. In the context of the proposals for North Yorkshire and Cumbria, the Council could reiterate its opposition to the general principle of the creation of Unitary Councils without commenting on the specific proposals.

Option 3 – Indicate support for one or more of the Unitary Council proposals

27. As indicated above, all but one of the proposals to create Unitary Councils have no direct impact on the Council.
28. The proposal for a Bay Unitary Authority, including Lancaster City Council, **may** have an impact on the structure of Local Government in Lancashire although there is no detailed assessment of the implications of Lancaster City Council no longer being part of the Lancashire County area.
29. Nevertheless, the Council may consider that it wishes to support one or other of the proposals (in either North Yorkshire, Cumbria or both) and that a detailed response to the consultation should be submitted. If the Council does so resolve, and subject to the Council indicating which option(s) it wishes to support, it is recommended that delegated authority is given to the Chief Executive, in consultation with Group Leaders to develop and agree a response to the questions posed in the consultation.

Next Steps

30. The Council's deliberation on this matter will determine whether a response is submitted to the consultation. The closing date for consultation submissions is 19th April 2021. Thereafter, the Secretary of State for MHCLG will, subject to parliamentary approval decide to implement any or none of the proposals. As indicated above, if a proposals are to be implemented, new Unitary Councils would be created with effect from April 2023.

IMPLICATIONS

Policy

31. The Council's current policy is to not support the creation of Unitary Councils.

Financial

32. There are no financial implications arising directly from this report.

Legal

33. There are no legal implications arising directly from this report.

Risk Management

34. There are no risk management implications arising from the contents of this report.

Health and Safety

35. There are no health and safety implications arising from this report.

Sustainability

36. As with health and safety implications, there are no sustainability implications arising directly from this report.

Community Safety

37. There are no community safety issues arising directly from the contents of this report.

Equality and Diversity

38. There are no equality and diversity issues arising directly from the contents of this report.

APPENDICES

Appendix A – Consultation on Reorganisation in North Yorkshire and Cumbria - Summary of Proposals

LIST OF BACKGROUND PAPERS

Consultation on proposals for locally-led reorganisation of Local Government in Cumbria, North Yorkshire and Somerset.

Consultation on Reorganisation in North Yorkshire and Cumbria

Summary of Proposals

(the names given to the proposed Unitary Councils below are not the actual proposed names of the new authorities but are provided simply to distinguish the proposals)

Cumbria

- **Allerdale Borough Council and Copeland Borough Council** submitted a joint proposal for two unitary councils covering the whole of the area of the administrative county of Cumbria: one unitary council in the West comprising the current districts of Allerdale, Carlisle and Copeland; and one in the East comprising the current districts of Barrow, Eden and South Lakeland.

Proposed Unitary Councils: Western Cumbria (population: 274,622), Eastern Cumbria (population: 225,390)

- **Barrow Borough Council and South Lakeland District Council** (and Lancaster City Council) submitted a joint proposal for two unitary councils covering the whole of the area of the administrative county of Cumbria and the administrative district area of Lancaster City within Lancashire County: one unitary council (“The Bay”) comprising the current districts of Barrow, Lancaster City (in Lancashire) and South Lakeland; and one comprising the current districts of Allerdale, Carlisle, Copeland and Eden districts in “North Cumbria”.

Proposed Unitary Councils: The Bay Authority (population: 318,175), North Cumbria (population: 327,875)

- **Carlisle City Council and Eden District Council** submitted a joint proposal for two unitary councils covering the whole of the area of the administrative county of Cumbria: one unitary council in the north comprising the current districts of Allerdale, Carlisle and Eden; and one in the south comprising the current districts of Barrow, Copeland and South Lakeland in the south.

Proposed Unitary Councils: Northern Cumbria (population: 259,692), Southern Cumbria (population: 240,320)

- **Cumbria County Council** submitted proposal for a single unitary council for the whole of the area of the administrative county of Cumbria County.

Proposed Unitary Council: The Bay Authority (population: 500,012)

North Yorkshire

- **Craven District Council, Harrogate Borough Council, Richmondshire District Council, Ryedale District Council, Scarborough Borough Council and Selby District Council** submitted a joint proposal for two unitary councils covering the whole of the area of the administrative county of North Yorkshire and whole of the area of the administrative area of the City of York; one unitary in the east comprising the current districts of Ryedale, Scarborough, Selby and the current unitary of York; and one in the west comprising the current districts of Craven, Hambleton, Harrogate and Richmondshire.

Proposed Unitary Council: Western North Yorkshire (population: 363,297), Eastern North Yorkshire (population: 465,375)

- **North Yorkshire County Council** submitted a proposal for a single unitary council for the whole of the area of the administrative county of North Yorkshire with no changes to the existing City of York unitary.

Proposed Unitary Council: The Bay Authority (population: 618,000)