



Ministry of Housing,
Communities &
Local Government

Mr Graham Soulsby
Chief Executive
Kettering Borough Council
Municipal Offices
Bowling Green Road
Kettering
NN15 7QX

grahamsoulsby@kettering.gov.uk

Dear Graham,

14 May 2019

LOCAL GOVERNMENT IN NORTHAMPTONSHIRE

I am writing to let you know that the Secretary of State has today announced that he has decided to implement with one modification the proposal for unitary local government in Northamptonshire which seven Northamptonshire councils submitted to him. Implementation is subject to the Secretary of State for Education issuing a statutory direction requiring the establishment of a Children's Trust and to Parliamentary approval of the necessary secondary legislation. The modification the Secretary of State has decided to adopt is to extend the period for fully implementing the new arrangements so that the new councils are fully operational from 1 April 2021 rather than from 1 April 2020 as set out in the proposal. I enclose a copy of the Written Ministerial Statement.

Below I set out the principal steps that have been taken leading up to the Secretary of State's decision and the reasons for that decision.

The submitted proposal

Following an invitation that the then Secretary of State for Housing, Communities and Local Government issued on 27 March 2018 under section 2 of the Local

Paul Rowsell CBE
Head of the Governance Reform and Democracy Unit
Ministry of Housing, Communities and Local Government
2nd Floor North East Corner Fry Building
2 Marsham Street
London SW1P 4DF

Email paul.rowsell@communities.gov.uk
Telephone 0303 444 2568

Government and Public Involvement in Health Act 2007 ("the 2007 Act"), all the Northamptonshire councils other than Corby Borough Council submitted on 31 August 2018 a proposal to replace the existing eight councils across Northamptonshire with two new unitary district councils. The proposed new councils would be North Northamptonshire (covering the existing areas of Kettering, Corby, East Northamptonshire and Wellingborough) and West Northamptonshire (covering the existing areas of Daventry, Northampton and South Northamptonshire). It was proposed that the new councils would be operational from 1 April 2020.

The proposal also contained the results of a consultation exercise by the independent Opinion Research Services (ORS) which the councils had commissioned. This exercise included face to face workshops, a representative telephone survey of Northamptonshire residents and an open online and paper questionnaire. The results showed that 90% of respondents to the telephone survey agreed that there was a need to make changes to Northamptonshire local government and 74% agreed with the unitary proposal. 83% of the over 6000 individuals who responded to the open questionnaire agreed that there was a need for change, with 67% agreeing that a number of unitary councils should be introduced and 44% supporting the proposal for two unitary councils. Included in the proposal was a statement that ORS had advised the councils that the local support criterion (see below) was "more than satisfied".

The statutory consultation

Section 7(3) of Part 1 of the 2007 Act requires that before a proposal for local government reorganisation can be implemented, the Secretary of State must first consult every authority affected by the proposal (except the authority or authorities which made it); and any such other persons the Secretary of State considers appropriate. On 29 November 2018 the Secretary of State launched, in accordance with that section, a consultation on the proposal that he had received for reorganising local government in Northamptonshire. The Secretary of State invited views from all principal councils in Northamptonshire, principal councils neighbouring Northamptonshire, Northamptonshire Chamber of Commerce, South East Midlands Local Enterprise Partnership, the Northamptonshire Police and Crime Commissioner, local health bodies, the University of Northampton, and representatives of the voluntary sector. He also welcomed views from any other interested persons, including local residents and organisations.

On 25 January 2019 this consultation closed. The Secretary of State received a total of 386 responses. The responses to the consultation showed district and county councils – except for Corby Borough Council – and councillors and public service providers generally supported the proposal. Responses from businesses, parish councils and community organisations were more mixed. A majority of individual respondents were opposed to the proposal, offering a variety of concerns including the combination of Northampton with South Northamptonshire and Daventry, the

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perceived pressure on councils to put forward a proposal, support for a single unitary, and that other options should have been included first.

The approach to the decision

Section 7(1) of the 2007 Act empowers the Secretary of State to implement the councils' proposal, with or without modification. To decide whether to implement the proposal, with or without modification, the Secretary of State carefully considered the proposal, including the results of the ORS consultation exercise, together with all relevant information and material, against the Government's publicly-stated criteria for local government reorganisation. Having regard to the proposal and all this information and material the Secretary of State also considered whether any modification should be made to the proposal. The relevant information and material referred to above included the results of the statutory consultation and a report by the Northamptonshire Children's Commissioner on how best to ensure continued improvement of the fragile children's social care service in Northamptonshire in the context of reorganisation.

The criteria are that a judgement in the round will be made as to whether a proposal, if implemented:

- is likely to improve the area's local government;
- commands a good deal of local support in the area; and
- whether the area itself is a credible geography for the proposed new structures.

The Secretary of State's conclusions in relation to each of the criteria and as to whether any modification should be made are as follows:

Improving the area's local government

The Secretary of State accepts the case made by the proposal that it would align infrastructure, housing and environment services, hence facilitating growth; that education, skills provision and community safety would be improved, along with benefits to local people's health and wellbeing; and that restructuring could provide for new leadership both at a strategic and community level. The statutory consultation also provided evidence on this criterion. Council leaders and key public sector partners considered that implementing the proposal would be likely to improve local government and service delivery. Councillors, parish councils, community organisations and businesses took a more mixed view. A majority of individuals cited concerns with local democracy, particular local issues, and that the new councils would start with a budgetary deficit. The Secretary of State is clear, however, that through the work of the Commissioners he has appointed the budgetary position is much improved.

The proposal acknowledges there are particular risks for children's services and adult social care. These risks result from the possible disruption to these services from change, particularly if the change were to involve a disaggregation of the

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County services which particularly for Children's Services remain in a fragile state. The Children's Commissioner has explored alternative delivery models if reorganisation proceeds and his report recommends a Children's Trust to span the two proposed unitary councils. The establishment of a Children's Trust will reduce identified risks to an acceptable level as the services will not be disaggregated, will be protected from further disruption, and Children's Trusts have a track record of enabling weak and poor performing children's services to be improved. As to adult social care, work is being undertaken on the integration of adult social care and health services which will mitigate the risks for adult social care that establishing the new unitary councils would otherwise pose.

In conclusion, the Secretary of State's assessment is that the proposal in the round can meet this criterion. This is on the basis that there is a Children's Trust covering the whole of Northamptonshire, and that work continues to be taken forward in Northamptonshire on the commissioning of adult care and health services.

A good deal of local support in the area

The results of the ORS consultation exercise and the results of the statutory consultation are set out above. In conclusion the Secretary of State's assessment is that these results demonstrate that in the round there is a good deal of local support and hence the proposal meets this criterion.

Credible geography

The Secretary of State accepts that the proposal for a West/North grouping of existing districts represents a credible geography with the respective new authorities having estimated populations of 401,996 and 343,614 respectively. In the statutory consultation, two thirds of public sector bodies, district and county councils and councillors who expressed a view, agreed the proposal represented a credible geography. Whilst a majority of individuals that responded expressed concerns about the proposed West Northamptonshire council, particularly about the relationship of the urban Northampton with the more rural parts of that authority, such circumstances are not uncommon where an urban core and rural areas are effectively represented in a single council that provides quality local services across its whole area. In conclusion the Secretary of State's assessment is that this proposal in the round meets this criterion.

Modification

The Secretary of State's assessment, shared by his Commissioners, of the councils' current preparedness and capacity for implementing the changes is that it would be appropriate for the period for fully implementing the proposal to be such as to provide for the new councils to be operational from 1 April 2021. This assessment recognises that the councils in North Northamptonshire have yet to establish any joint committee for planning implementation of a unitary authority, and the joint committee in West Northamptonshire has only recently met for the first time. An operational start date of 1 April 2021 would also align with the proposal to establish a Children's Trust in response to reorganisation and would facilitate addressing the

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future provision of adult social care. Whilst the Secretary of State recognises that a delay in implementation would mean potential savings will not be realised for another year, his judgement is that with this start date the new councils would be in a far stronger position to deliver high quality services from the outset.

In conclusion, the Secretary of State's judgement is that a modification to extend the period of implementation from 1 April 2020 to 1 April 2021 would facilitate implementation in the circumstances of Northamptonshire. It would mean that there can be confidence that there will be a safe and effective transition to all the new service delivery arrangements across the whole of the area including those crucial services supporting the most vulnerable.

The decision

Accordingly, on the basis of the assessments and judgements which the Secretary of State has reached as set out above, he has decided to implement the proposal, modified so that the new councils are fully operational from 1 April 2021. Implementation is subject to Parliamentary approval of the necessary secondary legislation. It is also subject to the Secretary of State for Education issuing a statutory direction requiring the establishment of a Children's Trust to span the two proposed unitary councils, which with the support of the Secretary of State, he is currently minded to do.

To support the transition, the Secretary of State has decided to establish shadow authorities. He envisages the May 2020 local elections in Northamptonshire will be elections to those shadow authorities rather than to district councils, with the district elections currently due on that date being cancelled. In line with the approach in the proposal for elections to the new unitary councils, he also envisages the elections to the shadow authorities will be held on the basis of three-member wards resulting in the North Northamptonshire Council having 78 members and the West Northamptonshire Council having 93 members. Those so elected would be members of the new councils when these go live in April 2021. Elections to parish councils will proceed as scheduled in May 2020. He intends to confirm these electoral arrangements shortly after hearing any views the district and county councils may have on this. If your council has any views, I should be grateful to receive these as soon as practicable.

Next steps

We are meeting tomorrow and I suggest we use this meeting to discuss these electoral arrangements and the process for making the legislation to deliver these changes.

The Secretary of State has written to the Northamptonshire MPs and the Local Government Minister, Rishi Sunak MP, has written to the Northamptonshire council leaders, the Commissioners, the Lord Lieutenant, the Chair of the South East Midlands Local Enterprise Partnership and the Chair of the LGA. I am writing in

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similar terms to the other Northamptonshire council Chief Executives, and I have also written to the Chief Executive of the Local Enterprise Partnership and the Chief Executive of the Local Government Association.

Yours Sincerely,

A handwritten signature in black ink that reads "Paul Rowsell". The signature is written in a cursive style with a long horizontal flourish underneath the name.

P ROWSELL

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