

DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT

Local Government

The Minister for Local Government (Rt Hon Rosie Winterton): On 8 December 2009 I informed the House that the Boundary Committee had provided the advice requested on certain matters respectively relating to the unitary proposals (the “original proposals”) made by Exeter City Council, Ipswich Borough Council, and Norwich City Council. In their advice the Boundary Committee put forward alternative proposals for a single unitary county authority for Devon, Norfolk and Suffolk, and in addition in the case of Suffolk proposed a further alternative of two unitary authorities covering the county area.

Following the end of a period for representations on 19 January 2010 to be made to the Secretary of State about the Boundary Committee’s advice and original proposals, we have now taken our statutory decisions under section 7 of the Local Government and Public Involvement in Health Act 2007 on the unitary proposals relating to Devon and Norfolk. For the reasons explained below we decided not to take our statutory decisions on the proposals relating to Suffolk, and to invite the councils in Suffolk through a county constitutional convention to work together with their Members of Parliament to reach a consensus on a unitary pattern of local government for that area.

Under section 7 of the 2007 Act we can decide to implement, with or without modification, any of the unitary proposals before us, or to take no action on them. Owing to family connections with the Devon area, to avoid any perception of bias, the Secretary of State remitted decisions on unitary proposals for Devon to me.

We have considered each of the unitary proposals before us, both the alternative proposals made by the Boundary Committee and the original proposals, on its merits. We have sought to balance a number of factors in each case. We have had regard to the Boundary Committee’s advice, all the representations we have received, and all other relevant information.

In the case of each proposal we have reached a judgement on it by reference to the five criteria – affordability, broad cross section of support, strategic leadership, neighbourhood empowerment, and value for money and equity on services. Our presumption has been that where for an area there is one unitary proposal that meets the criteria, we will implement it, unless there are compelling reasons for the contrary; if there are several such proposals we will implement the one we judge to meet the criteria on leadership, neighbourhood empowerment, and value for money, to the greatest extent. Where we judged that a proposal does not meet all the five criteria, our presumption has been not to implement it unless there are compelling reasons to the contrary.

Our assessment is that contrary to the Boundary Committee’s views the alternative proposals for unitary county councils in Devon and Norfolk do not meet all the criteria. Our judgement is that there is not a reasonable likelihood, if these proposals were implemented, of their delivering the outcomes specified by the broad cross

section of support criterion. I also judged that if a unitary council for Devon were implemented there is also not a reasonable likelihood of it delivering the outcomes specified by the neighbourhood engagement criterion. Accordingly, we have decided to take no action on these proposals.

In his statement to the House of 5 December 2007 (Hansard Column 66WS) the then Minister for Local Government stated that the Secretary of State judged that the unitary proposals for Exeter and Norwich would, if implemented, not be reasonably likely to deliver the outcomes specified by the affordability criterion, nor in the case of Norwich the outcomes specified by the value for money services criterion. She also judged that these proposals, if implemented, would be reasonably likely to deliver the outcomes specified by the other criteria.

We have considered these proposals afresh against the criteria and our assessment is the same as my Right Honourable friends in December 2007. However, we consider that in both cases there are compelling reasons to depart from the presumption that unitary proposals which do not meet all five criteria are not to be implemented.

In both cases these reasons are twofold.

First, the Government's priorities today are above all for jobs and economic growth. Local government has an essential role to play in delivering these economic priorities, and this role is of a significance that could not be contemplated in 2006 when the criteria were developed. We believe, as has been made clear to us by the representations we have received, that a unitary Exeter and a unitary Norwich would each be a far more potent force for delivering positive economic outcomes both for the city and more widely than the status quo two-tier local government.

Secondly, with today's approach to developing public service delivery, as envisaged by our command paper - "Putting the Frontline First" - announced by my Rt. Hon friend the Chief Secretary to the Treasury on 7 December 2009 (Hansard Column 1WS), including the Total Place approach, a unitary Exeter and a unitary Norwich could open the way for improvements to the quality of public services. Through innovative shared services and partnership arrangements the public services for the cities will be able to be tailored to the needs of the urban area whilst still being able to achieve the economies of scale that are possible under the countywide delivery of such services as adult social care and children's services.

Accordingly, the Secretary of State in the case of Norwich, and I in the case of Exeter, have decided, subject to Parliamentary approval, to implement a unitary council for each of these cities from 1 April 2011. In accordance with the 2007 Act we are thus laying before Parliament today drafts of Orders, which if approved by Parliament, we will make to give effect to our decisions to create a unitary Exeter and a unitary Norwich.

The draft orders make provision not only for the creation of the new unitary councils, but also for appropriate transitional arrangements. These arrangements reflect both the experience we have gained from implementing the nine new unitary councils on 1 April 2009, and also the discussions we have offered this year to all councils potentially affected by any of the unitary proposals before us. In particular the draft

orders are providing for the 2010 elections to Exeter and Norwich city councils to be cancelled and for subsequent whole council elections to the new unitary councils to take place in 2011.

Preparations for the new unitaries will be the responsibility of an Implementation Executive made up of existing councillors from both the city and county councils. We are committed to applying the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) which will ensure that employees who transfer to the new unitary councils will do so with their terms and conditions protected on transfer. We expect the affected councils to have early discussions with the trades unions on staffing issues arising from restructuring.

Recognising the importance and scope for innovative service delivery we will be inviting all existing councils in Devon and Norfolk to work together and with Government to develop the new service delivery models which, with the advent of unitary councils for the cities, will enable the best quality and most efficient public services to be provided both to the cities and the wider county areas. In developing these models we will be looking to maximise the new freedoms and flexibilities on offer in our command paper.

We share the Boundary Committee's assessment that the alternative proposals they have put forward for Suffolk meet the criteria, the proposal for a single unitary county to the greater extent. We have also assessed afresh the unitary proposal made by Ipswich Borough Council and have concluded that we share the view the Secretary of State reached in December 2007 that this proposal, if it were implemented, would not be reasonably likely to deliver the outcomes specified by the affordability criterion.

From the representations we have received it is clear that there is wide agreement across the county that there should be a unitary solution in some form. However, it is equally clear that neither of the unitary proposals which we consider meet the criteria is supported by all the principal councils in the county. Accordingly, we have concluded not now to take a statutory decision on the Suffolk proposals before us, and to invite all the Suffolk councils, with their Members of Parliament, consulting other stakeholders and through a county constitutional convention, to reach a consensus on a unitary solution for that area.

We are clear that the decisions that we have taken are in the best interests of the people for the areas concerned. They recognise the genuine local appetite for unitary government in the cities of Exeter and Norwich. They provide a robust framework for the future prosperity of those cities and surrounding county areas. They open the way to better and more efficient public services. This potential will be delivered through the commitment and collaboration of all councils involved – this is what local people will rightly expect.