

To: All Chief Executives of North Yorkshire Councils
Chief Executive of York City Council



Ministry of Housing,
Communities &
Local Government

By email

21 July 2021

Dear Chief Executive

LOCAL GOVERNMENT IN NORTH YORKSHIRE

On 22 February 2021, Ministers launched a consultation on eight proposals for unitary local government that councils in Cumbria, North Yorkshire and Somerset had submitted in their areas. These proposals were in response to the Secretary of State's invitation of 9 October 2020, and two proposals were received from councils in North Yorkshire. The consultation ran for eight weeks to 19 April 2021; the Government received over 13,000 responses in total; for North Yorkshire some 4,200 responses were received.

THE SECRETARY OF STATE'S DECISIONS

I am now writing to let you know that the Secretary of State has today announced his decisions, subject to Parliamentary approval, to implement the proposal for a single unitary council for the whole of the current administrative county of North Yorkshire, and not to implement the proposal for two unitary councils for this area. I attach a copy of the Written Ministerial Statement announcing the decisions to Parliament. A summary of the consultation responses will be placed in the libraries of Parliament and it will be available via gov.uk.

In reaching these decisions, the Secretary of State carefully considered each of the proposals. He assessed each proposal against the three criteria set out in the invitation sent to all the principal councils in North Yorkshire on 9 October. These criteria provide that for a proposal to be implemented, that proposal is likely to improve local government and service delivery across its area; commands a good deal of local support as assessed in the round overall across the whole area of the proposal; and any unitary councils to be established have a credible geography. The Secretary of State has also had regard to all the representations he received, including those received through the consultation, and to all the relevant information available to him.

The Secretary of State has concluded for the reasons set out below that the proposal for a single unitary council meets all three criteria and that the proposal for two unitary councils meets only the criterion on local support.

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The single unitary proposal

In relation to this proposal, the Secretary of State considered that it could be judged as strongly meeting the criterion of improving local government and service delivery across the area. He noted that the proposal set out how improvements to the operation of local government will be achieved through the removal of the two-tier system and alignment of decision making, where eight councils will be replaced by one council. He recognised other public service providers, other government departments, and the Department's planning directorate supported this view. He also noted that the proposal suggests that direct financial benefits are £31.9m per annum with transition costs of £18m and recognises that there will be indirect benefits from service transformation, although not quantifying these as they will be dependent on decisions of the new council. He was aware that the Department's analysts confirmed that in their view the proposal will produce savings, improve value for money and improve the financial sustainability of local government in the area.

The Secretary of State considered that there is a good deal of local support in the round for a single unitary. He recognised that there is a body of support for this proposal amongst residents. He noted that there is evidence of significant support from businesses, including the York and North Yorkshire Chambers of Commerce, and from public sector service providers – including health organisations, the University of York, the Chief Fire Officer and the Chief Constable of the North Yorkshire Police, and that five local MPs have indicated their support for the proposal.

The Secretary of State also considered that the single unitary could be judged to meet the credible geography criterion. He noted that the population of the council is just over the range of population size set out in the invitation, but has an established local identity as referred to in the criterion. Moreover, the geography of the council would preserve delivery of current county services over a county-wide area and through its established local identity is easily understood by residents. It maintains the brand of North Yorkshire and a North Yorkshire unitary would have the critical mass to deliver services effectively to a large rural area and market towns. The proposed geography also aligns with arrangements in existing public sector partnerships and will allow existing relationships and partnership working to be maintained without disruption.

The proposal for two unitary councils

In relation to this proposal, the Secretary of State considered that it could not be judged as meeting the criterion of improving local government and service delivery across the area. Although he considered that improvements in the operation of local government were likely resulting from the alignment of decision making and that there was a likelihood that strategic leadership will be improved through a reduction in decision-making bodies, he also noted the significant risks of disruption for some major services during the transition period and the longer-term risks around the lack of alignment with other key public sector partners. This was recognised as a key factor for public sector partners in particular – who cited the disruption and loss of existing partnerships as key issues in

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service delivery. There were also some specific longer-term risks around service delivery – for example the impact of breaking up the very high performing North Yorkshire children’s services and the longer-term sustainability of adult social care. He nevertheless recognised that the proposal suggested that direct financial benefits were £32.5m per annum with transitional costs of £29.1m. The Secretary of State was also aware that the Department’s analysts confirmed that in their view the risks of this option would be greater than for the single unitary, although this proposal would produce savings, improve value for money and improve the financial sustainability of local government in the area.

The Secretary of State considered that there is a good deal of local support in the round for the two unitary proposal. He noted that there is a body of support for this proposal from town and parish councils and business organisations. He noted the evidence of some support from residents and limited support from public sector partners. He also noted that two local MPs have indicated their support for this proposal.

The Secretary of State also considered that the two unitary proposal could not be judged to meet the credible geography criterion. He noted that the populations of the councils in the proposal are within the range of population size set out in the invitation, however the areas would not appear to be based on local identity for either area. Indeed, the proposed geography would appear to have no regard for the local identity of York, which would be subsumed into a wider area. There were strong views from many of the public sector partners that the proposed geography will create disruption, cut across existing partnership arrangements and will not align to other public sector partners in the area.

The Secretary of State’s conclusions

Accordingly, given his conclusions as to how each of the proposals stands in relation to the criteria, the Secretary of State considered it appropriate to implement the single unitary proposal, and hence he has decided, subject to Parliamentary approval, that this proposal is to be implemented.

NEXT STEPS

The Secretary of State now intends to seek Parliamentary approval for the necessary secondary legislation to implement this single unitary proposal. It is intended that the draft structural changes Order will be laid in Parliament around the turn of the year and that it will include provision for appropriate transitional arrangements, including for elections in May 2022 for the future unitary council and for that council to assume the full range of local authority responsibilities on 1 April 2023, when predecessor councils would be abolished.

My team and I look forward to working constructively with all the North Yorkshire councils on the implementation of the proposal. As a first step we will be discussing with North Yorkshire Chief Executives and their senior officers details to be included in the structural changes Order and subsequently we will be sharing with them detailed texts of the Order as the drafting is developed. I would suggest it would be helpful for

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us to meet with all North Yorkshire Chief Executives in the near future, and my office will be in touch about arranging such a meeting.

Ministers now expect all the councils in North Yorkshire to work collaboratively and constructively together. Ministers are clear that there is now an opportunity, if Parliament approves the structural changes Order, to establish for the people of North Yorkshire more sustainable local government which will better serve local communities and businesses across the area, delivering for them the high quality and efficient local services people and businesses need and deserve.

I am copying this to the Chief Constable of North Yorkshire Police; the Chief Fire Officer of North Yorkshire Fire and Rescue Service; and to the chief executive of the York and North Yorkshire Local Enterprise Partnership.

A handwritten signature in black ink that reads "P. Rowsell". The signature is written in a cursive style and is underlined with a single horizontal stroke.

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