

To: All Chief Executives of Cumbria Councils,
Chief Executive Lancaster City Council



Ministry of Housing,
Communities &
Local Government

By email

21 July 2021

Dear Chief Executive

LOCAL GOVERNMENT IN CUMBRIA

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. These proposals were in response to the Secretary of State's invitation of 9 October 2020, and four proposals were received from councils in Cumbria. The consultation ran for eight weeks to 19 April 2021; the Government received over 13,000 responses in total; for Cumbria some 3,200 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 two unitary councils on an East-West geography for the whole of the administrative county of Cumbria, and not to implement the proposal for a single unitary council nor the two other proposals for two unitary councils for the 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 Cumbria 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 East-West unitary councils meets all three criteria and noted that due to the size and geographical barriers of Cumbria, together with the rurality of its population, it was more appropriate to implement this compared to the one unitary

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proposal that also met all three criteria. The other two unitary proposals did not meet all the criteria and accordingly it is appropriate to implement the proposal for East-West unitary councils.

The East-West unitary proposal

In relation to this proposal, the Secretary of State considered that it could be judged as meeting the criterion of improving local government and service delivery across the area. He considered that the proposal included evidence of improvement to local government and the delivery of public services, which was supported by a number of stakeholders; the proposal allows for more localised decision making on key services, and in the case of the existing county fire and rescue services, there will be a need to maintain the existing operational arrangements; the proposal suggests that savings annually of between £19.1m and £31.6m will be achieved and that the transition will require a total one-off investment of £17.6m to £23.8m. He was aware that the Department's analysts confirmed that in their view all the Cumbria options would be good value for money.

The Secretary of State considered that there is a good deal of local support in the round for the proposal for East-West unitaries. He noted there is a body of support for the East-West option as there is support for change to a unitary form of government, with greater support for solutions where services are delivered more locally; the evidence in the consultation is limited about support for this specific proposal. However, there is support from business recognising that this proposal could better support the advanced manufacturing base and supply chain around Sellafield; benefits of this proposal were recognised by the nuclear industry, including the National Nuclear Laboratory. Three local MPs have indicated their support for the proposal.

The Secretary of State also considered that the proposal for East-West unitaries could be judged to meet the credible geography criterion. He concluded that the populations of the councils (225k and 273k) are below the range of council size set out in the invitation, but the proposed councils would have established local identity and local economic geography, as referred to in the criterion.

The proposal for a single unitary

In relation to this proposal, the Secretary of State considered that it could be judged as meeting the criterion of improving local government and service delivery across the area. He noted that the proposal is likely to generate improvements to the operation of local government through the removal of the two-tier system and alignment of decision making; the proposal suggests that direct financial benefits are £96.5m over five years whilst recognising that there will be indirect benefits from service transformation, but these are not quantified as they will be dependent on decisions of the new council; the proposal states that transition to unitary local government in Cumbria will all occur in the first year and cost £17.3m. He was aware that the Department's analysts confirmed that in their view all the Cumbria options would be

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good value for money but that this option would be likely to be better value for money.

The Secretary of State considered that there is a good deal of local support in the round for the single unitary proposal. He noted that this support includes that from educational institutions, PCC, fire organisations and certain neighbouring principal councils; residents and parish council responses in the consultation are finely balanced.

The Secretary of State also considered that the single unitary proposal could be judged to meet the credible geography criterion. He noted that the proposed council is within the range of council size set out in the invitation, and the geography of the council would preserve current service delivery for county level services over a county-wide area.

However, as mentioned above, the Secretary of State considered that it would be more appropriate to implement the proposal for East-West unitary councils, given the size and geographical barriers of Cumbria, together with the rurality of its population.

The North South unitary proposal

In relation to this proposal, the Secretary of State considered that it could be judged as meeting the criterion of improving local government and service delivery across the area. He noted that this proposal included evidence of improvement to local government and the delivery of public services; the proposal suggests that savings annually of between £19.1m and £31.6m will be achieved and that the transition requires total one-off investment of £17.6m to £23.8m. He was aware that the Department's analysts confirmed that in their view all the Cumbria options would be good value for money.

The Secretary of State considered that there is a good deal of local support in the round for this unitary proposal. He noted that there is a body of support for the North South option as evidenced by the fact that there is support for change to a unitary form of government, with greater support for solutions where services are delivered more locally; the evidence in the consultation is limited about support for this specific proposal; two local MPs have indicated their support for the proposal.

The Secretary of State also considered that the proposal could not be judged to meet the credible geography criterion. He noted that the populations of the councils (260k and 240k) are below the range of council size set out in the invitation without identifying any issues of local identity or geography, as referred to in the criteria.

The Bay unitary proposal

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. He noted that whilst the proposal provides some evidence of improvement to local government in the area of the 'Bay' Council, it does not consider the impact of restructuring in the proposed North Cumbria Council, nor the impact of

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removing Lancaster City from Lancashire, which could also affect boundaries of the police and fire authorities; the proposal states that transition will cost £27.2m and create direct benefits of £100.5m over 10 years, together with indirect costs of £15.2m and indirect benefits of £41.8m. He was aware that the Department's analysts confirmed that in their view all the Cumbria options would be good value for money.

The Secretary of State considered that there is a good deal of local support in the round for this unitary proposal. He noted that there is considerable support from residents of the area for The Bay proposal, and there is also support from health bodies and businesses. He also noted that a Lancashire MP has indicated support for this proposal but that no Cumbria MPs have done so.

The Secretary of State considered that The Bay proposal could not be judged to meet the credible geography criterion. He noted that the proposal is silent in relation to North Cumbria or the impact that removing Lancaster City from Lancashire would have on local identity and credible geography.

The Secretary of State's conclusions

Accordingly, given his conclusions as to how each of the proposals stands in relation to the criteria and possible implementation, the Secretary of State considered it appropriate to implement the proposal for two unitary councils on an East-West geography, and hence he has decided, subject to Parliamentary approval, that this proposal is to be implemented. In reaching this view, he was also aware that all the principal councils in Cumbria were seeking change and that the consultation had demonstrated wide support for reform.

NEXT STEPS

The Secretary of State now intends to seek Parliamentary approval for the necessary secondary legislation to implement this two unitary East-West 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 councils and for those councils 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 Cumbria councils on the implementation of the proposal. As a first step we will be discussing with Cumbria 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 us to meet with all Cumbria Chief Executives in the near future, and my office will be in touch about arranging such a meeting.

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Ministers now expect all the councils in Cumbria 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 Cumbria 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 Executive of Lancashire County Council; the Chief Constables of Cumbria Police and Lancashire Police; the Chief Fire Officers of Cumbria Fire and Rescue Service and the Lancashire Combined Fire Authority; and to the chief executive of the Cumbria Local Enterprise Partnership.

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

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