Proposed Local Government Reorganisation in Norfolk		
Executive Summary	The Ministry of Housing, Communities and Local Government (MHCLG) wrote to all Norfolk Leaders on 5 February 2025 inviting them to work with other council leaders in the area to develop a proposal for Local Government Reorganisation.	
	The letter sets out the criteria for new unitary councils and what is expected to be received in the interim plan to be submitted by 21st March 2025.	
	This report sets out the interim plan and requests Council to indicate a preference order for the options outlined moving forward.	
Options considered	The preparation of the interim plan prepared by the district councils in Norfolk considered one, two or three possible unitary authority models for the County and concluded that a three unitary model would best meet the criteria moving forward.	
Consultation(s)	NNDC member briefing – 11 <sup>th</sup> February 2025 Town and Parish Council briefings held on 18 <sup>th</sup> and 25 <sup>th</sup> February 2025	
Recommendations	<ol> <li>Council expresses its view that it disagrees with the Government's proposals to introduce a unitary local government structure in Norfolk; as it is not convinced that such an arrangement will best meet the needs of the district's rural communities and residents or deliver the savings and efficiencies anticipated.</li> <li>Accepting, however, that this is the position of Government as detailed in the English Devolution White Paper, the Council strongly objects to proposals being suggested for a single unitary authority covering the whole of Norfolk in that it will be of a very large scale in terms of area and population served, will not be able to reflect the distinct communities of place and interest which exist across the county, and not meet the definition of "local" government in understanding local places or in providing services tailored to meet local needs.</li> <li>The Council therefore strongly supports proposals for a three unitary council model for Norfolk in the future as the basis of the interim plan to be submitted to Government. The Council believes that such an arrangement would best meet the six key criteria laid out by Government and would see one authority based on the urban area of Norwich; an authority covering the West of the county with a strong agricultural and agri-tech economy and an East authority with a key focus on clean energy and tourism.</li> <li>Council therefore agrees that its response to</li> </ol>	

	Government regarding local government reorganisation in Norfolk to be submitted by 21 <sup>st</sup> March 2025 makes reference to an Interim Plan proposing three unitary councils in Norfolk as detailed at Appendix 3 with the submission of the response to be delegated to the Chief Executive in consultation with the Leader of the Council.
Reasons for	To respond constructively to the Government's invitation to
recommendations	local authorities in Norfolk to put forward proposals for a unitary council local government structure which seeks to promote and protect the interests of North Norfolk's residents, communities and businesses in the context of new council structures and complements proposals for a Norfolk and Suffolk Mayoral Combined Authority.
Background papers	Appendix A – MHCLG letter of 5 <sup>th</sup> February 2025
	Appendix B – Deloitte report  Appendix C – draft Interim Plan prepared by the Norfolk district councils.

Wards affected	All
Cabinet member(s)	Cllr T Adams, Leader of the Council
Contact Officer	Steve Blatch, Chief Executive, steve.blatch@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan:	A Strong, Responsible, & Accountable Council.
Medium Term Financial Strategy (MTFS)	Not applicable
Council Policies & Strategies	Not applicable

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	No
Details of any previous decision(s) on this matter	

# 1. Introduction & Background

1.1 On 16<sup>th</sup> December 2024, the Government published its <u>English Devolution</u> White <u>Paper</u> which set out plans to move power out of Westminster to local

communities, and proposing that every part of England would be covered by a devolution agreement with a strong preference for elected mayors operating through new Combined Mayoral Authorities. The White Paper also stated that in areas of the country with a two-tier local government structure of county and district, borough and city councils there would be a move towards establishing a unitary structure of local government for the future.

- 1.2 The Government confirmed that they would facilitate a programme of Local Government Reorganisation (LGR) for the 21 remaining two-tier county areas, creating larger unitary authorities. The expectation set out by the Minister of State for Local Government and English Devolution stated that all areas should develop locally-led proposals for reorganisation with existing councils working together to identify the best option for their area. These plans should complement devolution, rather than delay it, whilst avoiding scenarios where competing proposals are developed within a given geography.
- 1.3 As the Government announced on 5<sup>th</sup> February that Norfolk and Suffolk were to be included on the Devolution Priority Programme (DPP), the timelines for LGR are as follows:
  - 21 March 2025 the interim plan contained within this report is to be submitted to MHCLG
  - 26 September 2025 final proposals need to be submitted in the form of a full business case for the preferred solution(s)
  - January to April 2026 during this period Government will make a decision on the proposal(s) and confirm what this means for Norfolk
  - May to August 2026 LGR legislation is prepared and laid before Parliament
  - May 2027 Shadow Unitary Elections
  - May to December 2027 any transitional legislation is prepared and laid before Parliament
  - April 2028 New Unitary(s) vested in Norfolk

## 2. Government guidance / criteria for new unitary councils

- 2.1 The letter received from MHCLG on 5 February 2025 (Appendix A) sets out the criteria that need to be considered for the full submission and that the interim plan needs to be mindful of. The letter also sets out what needs to be included / considered in the interim plan.
- 2.2 Criteria high level, (with detail available at Appendix A)
  - 1. A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government
  - 2. Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks
  - 3. Unitary structures must prioritise the delivery of high quality and sustainable public service to citizens

- Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views
- 5. New unitary structures must support devolution arrangements
- 6. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment
- 2.3 The letter is also clear that boundary changes and engagement / consultation also need to be considered when formulating the proposal.

#### 3. Interim Plan

- 3.1 The Government has stated that interim plans should set out the progress made to date by local partners in developing proposals in line with the criteria and guidance. The Government recognises that that the level of detail that is possible at this stage may vary from place to place, but lays out its expectation that the interim plan is submitted jointly by all councils in an area. However, it is also recognised that interim plans might describe more than one potential proposal for the area, if there is more than one option under consideration.
- 3.2 Recognising the very limited time available between the 5<sup>th</sup> February and the date of 21<sup>st</sup> March by which interim plans needed to be submitted to Government, the seven district, city and borough councils in Norfolk jointly commissioned through a tender process consultants, Deloitte, to prepare an evidence-based report evaluating possible unitary council models for Norfolk which could be used to inform the development of the interim plan to be submitted to Government. The Deloitte report is attached for members reference at Appendix B.
- 3.3 Government guidance advised that interim plans should consider the following issues:
  - a) Identify any barriers or challenges where further clarity or support would be helpful
  - b) Identify the likely options for the size and boundaries of new councils that will offer the best structures for delivery of high-quality and sustainable public services across the area, along with indicative efficiency saving opportunities
  - c) Include indicative costs and arrangements in relation to any options including planning for future service transformation opportunities
  - d) Include early views as to the councillor numbers that will ensure both effective democratic representation for all parts of the area, and also effective governance and decision-making arrangements which will balance the unique needs of your cities, towns, rural and coastal areas, in line with Local Government Boundary Commission for England guidance
  - e) Include early views on how new structures will support devolution ambitions
  - f) Include a summary of local engagement that has been undertake and any views expressed, along with your further plans for wide local engagement to help shape your developing proposals

- g) Set out indicative costs of preparing and standing up an implementation team as well as any arrangements proposed to coordinate potential capacity funding across the area
- h) Set out voluntary arrangements that have been agreed to keep all councils involved in discussions as this work moves forwards and to help balance the decisions needed how to maintain service delivery and ensure value for money for council taxpayers, with those key decisions that will affect the future success of any new councils in the area
- 3.4 The Deloitte report has considered a one, two or three unitary council structure for Norfolk against the key criteria laid out by the Government and concluded that a three unitary model scores most strongly across all six criteria.
- 3.5 The Deloitte paper is an independent and objective piece of work which has informed the drafting of an interim plan detailing the position of six of the seven district councils in Norfolk which support a three-unitary council model. This interim plan is attached as Appendix C to this report and would form the submission to Government by 21st March.

#### 4. Comments from the S151 Officer

There are no direct costs involved in the submission of the Interim Plan to Government; but there might be significant costs incurred by the Council in the future as it considers the detail of any formal proposals for local government reorganisation alongside business as usual. A further report will be presented to Council as and when such details are known.

#### 5. Legal Implications

5.1 The Government has issued the invitation for proposals for a single tier of local government, under the Local Government and Public Involvement in Health Act 2007. This invitation is issued to all principal authorities in Norfolk (i.e. the districts, city, borough and county council). Although there is no legal requirement to respond to the invitation, it would not be in the best interests of North Norfolk's residents or communities to not respond to the invitation. The interim plan does not pre-determine any formal decision the Council may take in the future when a full business case on any preferred option or solution is prepared.

## **Comments from the Monitoring Officer**

This report follows the Devolution White Paper and the Government's move towards a unitary structure. The process is moving at pace with a tight timeline for key steps. Following the MHCLG letter, this Council, along with leaders of other Norfolk Councils were invited to work together to develop a proposal for local government reorganisation. Six of the seven district councils in Norfolk support a three-unitary council model. This council is not legally required to respond to the invitation to submit an interim plan, but doing so provides an opportunity to participate in the decision as to structures and to represent the interests of the district, its residents and those connect to the area.

#### 6. Risks

3.4 There is no legal requirement upon the Council to submit a proposal to Government. However, the risk of not doing so means that the Council would not take the opportunity to influence any interim plan or preferred solution and local government reorganisation might be taken forward in Norfolk by the Government regardless of the Council's concerns or position.

## 7. Net Zero Target

7.1 Not applicable to this report.

# 8. Equality, Diversity & Inclusion

8.1 Not applicable to this report

## 9. Community Safety issues

9.1 Not applicable to this report.

#### 10 Conclusion and Recommendations

- 1. Council expresses its view that it disagrees with the Government's proposals to introduce a unitary local government structure in Norfolk; as it is not convinced that such an arrangement will best meet the needs of the district's rural communities and residents or deliver the savings and efficiencies anticipated.
- 2. Accepting, however, that this is the position of Government as detailed in the English Devolution White Paper, the Council strongly objects to proposals being suggested for a single unitary authority covering the whole of Norfolk in that it will be of a very large scale in terms of area and population served, will not be able to reflect the distinct communities of place and interest which exist across the county, and not meet the definition of "local" government in understanding local places or in providing services tailored to meet local needs.
- 3. The Council therefore strongly supports proposals for a three unitary council model for Norfolk in the future as the basis of the interim plan to be submitted to Government. The Council believes that such an arrangement would best meet the six key criteria laid out by Government and would see one authority based on the urban area of Norwich; an authority covering the West of the county with a strong agricultural and agri-tech economy and an East authority with a key focus on clean energy and tourism.
- 4. Council therefore agrees that its response to Government regarding local government reorganisation in Norfolk to be submitted by 21<sup>st</sup> March 2025 makes reference to an Interim Plan proposing three unitary councils in Norfolk as detailed at Appendix 3 with the

submission of the response to be delegated to the Chief Executive in consultation with the Leader of the Council.