



# **NEWS**

**For immediate release**

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## **Local government reform proposal agreed by majority of Northamptonshire councils**

A proposal for local government reform in Northamptonshire has been agreed by seven out of eight councils in the county.

Daventry District Council, East Northamptonshire Council, Kettering Borough Council, Northampton Borough Council, Northamptonshire County Council, South Northamptonshire Council and the Borough Council of Wellingborough all decided to submit the proposal while Corby Borough Council decided not to.

This is the conclusion of a process initiated following Government inspector Max Caller's investigation into finances at Northamptonshire County Council. He proposed in his Best Value Report that two new authorities be formed, one for the west of the county and one for the north.

The Secretary of State then wrote to the county's eight local authorities inviting them to explore options for reform and to submit one proposal, stating that a range of options would not be accepted.

In April 2018, the then Secretary of State for Housing, Communities and Local Government set the following criteria:

- A single county-wide unitary is explicitly excluded as an option
- Each new proposed authority must have a population substantially in excess of 300,000
- The proposal must be based on existing council boundaries

In addition to the criteria set out by the Secretary of State, Government has stated that:

- Only one proposal will be accepted, not a range of options
- It must demonstrate clear potential for savings
- It must command a good deal of local support
- Due consideration should be given to the recommendations in the Best Value Report
- Any solution should prioritise the Government's wider housing and growth agenda
- Extensive consultation must be carried out

A joint consultation was held, focussing on the two-unitary model – the only option which met all of the Government’s criteria. The proposal is for two unitary councils: West Northamptonshire, comprising the current area of Daventry, Northampton and South Northamptonshire; and North Northamptonshire, comprising the current areas of Corby, East Northamptonshire, Kettering and Wellingborough.

Feedback from the consultation showed that while there were differences of opinion across the county, with a strong preference among many respondents in the West for a 3-unitary solution, ORS concluded that: *‘the government requirement for the proposal for two unitary councils to command “a good deal of local support as assessed in the round across the whole area of the proposal” is more than satisfied’.*

PricewaterhouseCoopers’ evaluation of this option concluded that: *“The analysis in this report has identified that whilst local government reorganisation can achieve a level of cost savings, in itself, it will not lead to the creation of two new sustainable unitary local authorities. Indeed, it potentially risks only redistributing the existing financial instability across two new organisations, unless steps are taken to address the existing cost and income challenges.”*

The proposal has now been submitted for consideration by the Government as it was not a requirement for all councils to agree to it. We expect a response in the Autumn and will be seeking early discussions with Ministers to agree how the councils and the government can work together to ensure that the two new unitary authorities will be financially sustainable and provide high-quality services from the moment they are created in April 2020.

**-ENDS-**

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