



Proposals for Future Unitary Structures
in Bedfordshire
Stakeholder Consultation



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About this consultation exercise

1. In January 2007, the Government received 26 proposals from councils wishing to move to a single tier of local government. All proposals were assessed against a number of criteria that the Government set out when it invited local authorities to submit proposals in the *Invitation to Councils in England* issued in October 2006.
2. 16 of these proposals, including those made by Bedford Borough Council and Bedfordshire County Council, progressed to stakeholder consultation after an initial assessment of the likelihood of the outcomes specified by criteria being met.
3. Following the consultation, on July 25 2007, the Secretary of State announced that both of the proposals for Bedfordshire were reasonably likely to meet the outcomes specified by the criteria, but that she was minded to implement that made by Bedford Borough Council for the area of Bedford Borough. However, the Secretary of State recognised that the Bedford Borough proposal was based on the proposition that the rest of Bedfordshire should also become unitary, and considered that were Bedford Borough to become unitary, the remainder of the two-tier county would be unviable. Her decision was therefore subject to there being a satisfactory proposal for the rest of the county.
4. Consequently, on November 19, the Secretary of State issued a further Invitation to Bedfordshire County Council, Mid Bedfordshire District Council and South Bedfordshire District Council to make a "Type B" proposal for future unitary local government structures for the area comprising of the districts of Mid Bedfordshire and South Bedfordshire. Under the Local Government and Public Involvement in Health Act 2007, a Type B proposal is a proposal that there should be a single tier of government for an area which:
 - i) is currently a district, or two or more districts, in the county concerned; and
 - ii) is specified in the proposal.
5. A joint proposal from Mid Bedfordshire District Council and South Bedfordshire District Council for a Central Bedfordshire unitary, that is complementary to Bedford Borough Council's proposal, was received in response to this Invitation. The Secretary of State has not yet assessed the Central Bedfordshire proposal and has therefore not yet reached a view as to whether, if this proposal were implemented with the Bedford Borough proposal, they are reasonably likely to meet the outcomes specified by criteria set out in our Invitation.
6. All comments and representations received in response to this consultation will be carefully considered as part of our assessment of the extent to which the proposals are reasonably likely to meet the outcomes specified in the five criteria set out in the Invitation.

7. If the Secretary of State concludes that the proposals for Bedford Borough Council and Central Bedfordshire are together reasonably likely to meet the outcomes specified by the criteria, she will then need to decide whether to implement those proposals or instead the county wide unitary proposal from Bedfordshire County Council. This decision will be based on which of the proposals would better achieve the long-term outcomes specified by the five criteria in that Invitation (see paragraph 20).

Who we are consulting

8. A list of the consultees that we are approaching in the first instance is available on our website at <http://www.communities.gov.uk/documents/localgovernment/pdf/322773>. Partners and stakeholders being consulted include all local authorities, the wider public sector, the business community, and the voluntary and community sector. It is, however, open to anyone to respond to this consultation.
9. We are in particular seeking views from key partners and stakeholders that have an interest in the area affected by the proposal. We are consulting on the extent to which the Central Bedfordshire and the Bedford Borough proposal are reasonably likely to meet the outcomes specified by the five criteria set out in the Invitation, and which of the two alternative options would better achieve those outcomes, and request evidence to support views.
10. All local authorities in the area affected by the proposal on which we are consulting are asked to bring this consultation to the attention of their key stakeholders.
11. In addition, it is open to anyone to respond to this consultation document. All comments and representations will be carefully considered, together with any other information that we may receive, before final decisions are taken.

Timing

12. Throughout this process the Government has been clear that it is important to reach final decisions as soon as possible in order to minimise the period of uncertainty for councils, their staff, their stakeholders and citizens. For this reason, we stated at the outset our intention of implementing structural change by 1 April 2009. As part of the process we announced on 25 July our intention to invite further proposals for the remaining county area in Bedfordshire. By ending consultation on 13 February 2008, we can keep to this implementation timetable and thereby avoid another year of uncertainty and disruption, allowing local authorities to focus on service delivery.

Sending your responses

13. We invite responses by 13 February 2008. If possible, please send your responses via e-mail to: structures@communities.gsi.gov.uk
14. Alternatively, please send your comments to:
Unitary Structures Consultation Team
Zone 5/E8
Eland House
Bressenden Place
LONDON
SW1E 5DU
15. Any queries on the proposals should be directed to the council concerned.
16. Your responses may be made public by Communities and Local Government. If you do not want all or any part of your response or name made public, please state this clearly in the response. Any such request should explain why confidentiality is necessary, but all information in responses may be subject to publication or disclosure under freedom of information legislation unless a specific exemption applies. Any confidentiality disclaimer that may be generated by your organisation's IT system will not be considered as such a request unless you specifically include a request, with an explanation, in the main text of your response.
17. If you have any comments on the way that this consultation has been conducted then please send them to: Albert Joyce Zone 6/J10, Eland House, Bressenden Place, London, SW1E 5DU.
18. You can read this consultation paper online at the Communities and Local Government website www.communities.gov.uk.

Proposals for Bedfordshire

19. The Invitation to Bedfordshire County Council, Mid Bedfordshire District Council and South Bedfordshire District Council issued on 19 November 2007 invited them to make proposals for the area comprising of the districts of Mid Bedfordshire and South Bedfordshire by 17 December 2007.

20. Councils responding to the Invitation were required to have regard to guidance issued by the Secretary of State under section 3(5) of the Local Government and Public Involvement in Health Act 2007. That guidance set out what a proposal should seek to achieve, and matters that councils should take into account in formulating a proposal. In particular, the guidance stated that:

- i) any proposal should seek to achieve the following outcomes:
 - i. the change to the future unitary local government structures is to be:
 - affordable, i.e. that the change itself both represents value for money and can be met from councils' existing resource envelope; and
 - supported by a broad cross section of partners and stakeholders; and
 - ii. those future unitary local government structures are to:
 - provide strong, effective and accountable strategic leadership;
 - deliver genuine opportunities for neighbourhood flexibility and empowerment; and
 - deliver value for money and equity on public services.

These outcomes are described in more detail in Annex A

- ii) When formulating any proposal, councils should have regard to Bedford Borough Council's proposal made in response to the Secretary of State's Invitation of 26 October 2006, which the Secretary of State is currently minded to implement, and may wish to make a proposal complementary to Bedford Borough Council's proposal.
21. Mid Bedfordshire District Council and South Bedfordshire District Council have submitted a joint proposal for the remaining area of Bedfordshire that they intend to be complementary to Bedford Borough Council's proposal.
22. There are therefore now three proposals for Bedfordshire which could provide two alternative options for unitary structures in the area: the first option is a proposal for a unitary Bedford Borough Council taken with a proposal for a unitary Central Bedfordshire council; the second option is a proposal for a county wide unitary for Bedfordshire.
23. The Local Government and Public Involvement in Health Act 2007 includes provisions for implementing structural change. Under the Act, the Secretary of State can by order implement proposals made by local authorities in response to an Invitation.

Consultation arrangements

24. You will be able to obtain details of the Central Bedfordshire proposal from http://www.southbeds.gov.uk/council_democracy/joint_response.aspx and <http://www.midbeds.gov.uk/Unitary/default.aspx>, including information on:
- i) the full business case (as submitted for the 17 December 2007 deadline);
 - ii) the detailed financial analysis – i.e. the financial framework and supporting documents – which should be consistent with the ‘developed’ business case

Details of the Bedford Borough proposal to which this proposal is intended to be complementary can be found at <http://www.bedford.gov.uk/Default.aspx/Web/UnitaryBid>. Details of the proposal for a single unitary Bedfordshire made by Bedfordshire County Council can be found at <http://www.bedfordshire.gov.uk/CouncilAndDemocracy/News/AllTogetherBetter.aspx>.

25. Your comments on the proposals are now invited. We are seeking your views on:
- i) the extent to which the Central Bedfordshire proposal and the Bedford Borough proposal, if implemented together, are likely to meet the outcomes specified by the criteria in our Invitation (see paragraph 20 and Annex A). In particular we would welcome partners’ and stakeholders’ views on the extent the proposals would, in their opinion, if implemented, deliver strong effective and accountable leadership, deliver genuine opportunities for neighbourhood flexibility and empowerment and value for money and equity on public services.
 - ii) Which of the two alternative options for unitary structures for Bedfordshire would better achieve the long-term outcomes specified by the criteria, namely effective strategic leadership, neighbourhood empowerment and value for money and equity on public services to the greater extent. The alternative options are:

Unitary Proposals – Councils Submitting Proposals		Proposed Unitary Structure
1)	(a) Bedford Borough Council (b) Mid Bedfordshire District Council and South Bedfordshire District Council	Bedford unitary and Central Bedfordshire unitary
2)	Bedfordshire County Council	County unitary

26. Consultees are requested to support their comments and views, where appropriate, with relevant evidence and analysis of the proposal.

Next steps

27. During the consultation period we may also seek further information from councils in Bedfordshire, to help assess risks around their estimation of costs and savings.
28. Our assessment of the proposals will be completed having regard to the responses to this consultation, and all other available relevant information. We intend to announce decisions as to which proposal(s) will proceed to implementation in late February.

ANNEX A – outcomes to be achieved by a proposal

Affordability

1. Restructuring should deliver value for money and be self-financing so that:
 - i) transitional costs overall must be more than offset over a period (“the payback period”) by savings;
 - ii) the “payback period” must be no more than 5 years;
 - iii) in each year, capital transitional costs incurred are to be financed through revenue resources, or the normal process of prudential borrowing or the use of capital receipts;
 - iv) in each year, other (i.e. revenue) transitional costs incurred are to be financed through a combination of the following–
 - in year revenue savings arising as a result of restructuring;
 - other in year specified revenue savings that are additional to annual efficiencies (e.g. Gershon savings) which local authorities are expected to make;
 - drawing on available revenue reserves, subject to ensuring that satisfactory amounts remain to meet unforeseen pressures or other potential calls on reserves. Use of revenue reserves should be the final option considered, both because of the need to preserve a contingency to meet future pressures and because use of reserves adversely affects the fiscal aggregates in a given year, increasing spending but not receipts and so placing further pressure on the Government’s fiscal rules;
 - v) the use of capital resources to meet revenue costs will not be permitted.
2. Any council making a proposal should ensure that all costs incurred as a result of reorganisation are met locally without increasing council tax.
3. Central Government will accept no liability for any miscalculation or cost overrun in the final outturn. The Government will not accept that any additional, unforeseen costs of restructuring should be recovered from council tax payers and that, therefore, any unforeseen costs will need to be financed from other sources.

A broad cross section of support

4. The Government recognises that the change to a unitary structure for the area comprising of the districts of Mid-Bedfordshire and South Bedfordshire may not carry consensus from or within all sectors. While no single council or body, or group of councils or bodies, will have a veto, it will be necessary for the change to a unitary structure to have a level of support from a range of key partners, stakeholders and service users/citizens.

Strategic leadership

5. New governance arrangements should provide strong, effective and accountable strategic leadership. This leadership should work with their local community, business community, voluntary sector and other stakeholders to create a vision for the future of the place and go on to deliver it. Community leadership is one of the most important features of future of local governance.¹
6. All proposed leadership models should provide:
 - i) strong, stable mandates, consistent with enabling local authorities to take a long-term, strategic view of the needs of their area and take tough decisions if necessary – particularly challenging for the third of local authorities under no overall control;²
 - ii) a more outward-orientation, consistent with a growing need to represent the community in discussions and debates with organisations and parts of government at local, regional and national level e.g. through LAAs;
 - iii) clear and direct accountability, consistent with making powerful local leaders more responsive and responsible, and tackling disengagement and powerlessness by shortening the distance between governors and governed; and
 - iv) personal visibility, consistent with the need to bring coherence to an increasingly complex landscape of local actors and partnerships.

Neighbourhood empowerment

7. To improve the quality of life for citizens the Government believes that all communities should have the power and resources to influence the decisions that affect them in their localities. To enable genuine empowerment there needs to be devolution of power down to local communities.

1 *All Our Futures: The challenges for local governance in 2015*, ODPM, 2005

2 Although this number has historically varied, it has been fairly consistent since the early 1990s

8. Proposals should therefore:
- i) establish a strong citizen focus, including how the authority will discharge the duty, proposed in the White Paper, to inform, consult, involve and devolve;
 - ii) empower local people so that they have the power to influence the decisions that affect their lives including the ability to shape service provision;
 - iii) engage all sections of the community and increase the attractiveness of engagement to widen participation to all.³ For example Local Charters allow for greater transparency in service provision, enabling service providers and communities to reach a shared understanding about their respective roles, responsibilities and expectations; and
 - iv) deliver clear and accountable community (i.e. neighbourhood/ parish) governance arrangements which empower the frontline councillor to champion their community.

Value for money services

9. Restructuring allows councils to challenge current procedures and review their service provision across the board, typically known as 'business process improvement'. Services should be delivered effectively, efficiently and in an integrated and coherent way, ultimately driving up 'customer satisfaction'.⁴ Councils should work with local partners to utilise the capacities and skills of the best service providers in the public, private and third sectors.
10. Restructuring proposals should enable:
- i) value for money service delivery, offering efficient, effective and joined up public services, maximising collaboration and technology;
 - ii) effective, responsive services that are best suited to meet the needs and preferences of local and business communities; ultimately '...services which people use because they value them, not because they have no alternative'.⁵ Authorities should also take into consideration demand and communications in the area including for example, areas of deprivation, transport links and travel-to-work, shopping/leisure patterns; and
 - iii) communities to play an active role in influencing and shaping both planning and delivery of services.

3 'We need to transform the opportunities available for all people and communities to shape neighbourhoods...' Sustainable Communities: People, Places and Prosperity ODPM 2005

'...there is much more than can be done to drag marginalised and vulnerable people into local decision making... important to find new ways of increasing people's capacity or desire to become more involved' *Promoting Effective Citizenship and Community Empowerment: A guide for local authorities on enhancing capacity for public participation*, ODPM 2006

4 *Population Size and Local Authority Performance*, Communities and Local Government, 2006

5 *Sustainable Communities: People, Places and Prosperity*, ODPM 2005

