

## *Invitations to councils in England*

- *to make proposals for future unitary structures*
  - *to pioneer, as pathfinders, new two-tier models*
-

## *Invitations to councils in England*

- *to make proposals for future unitary structures*
- *to pioneer, as pathfinders, new two-tier models*

On 5th May 2006 the responsibilities of the Office of the Deputy Prime Minister (ODPM) transferred to the Department for Communities and Local Government (DCLG)

Department for Communities and Local Government  
Eland House  
Bressenden Place  
London  
SW1E 5DU  
Telephone: 020 7944 4400  
Website: [www.communities.gov.uk](http://www.communities.gov.uk)

© Crown Copyright, 2006

*Copyright in the typographical arrangement rests with the Crown.*

*This publication, excluding logos, may be reproduced free of charge in any format or medium for research, private study or for internal circulation within an organisation. This is subject to it being reproduced accurately and not used in a misleading context. The material must be acknowledged as Crown copyright and the title of the publication specified.*

Any other use of the contents of this publication would require a copyright licence. Please apply for a Click-Use Licence for core material at [www.opsi.gov.uk/click-use/system/online/pLogin.asp](http://www.opsi.gov.uk/click-use/system/online/pLogin.asp), or by writing to the Office of Public Sector Information, Information Policy Team, St Clements House, 2-16 Colegate, Norwich, NR3 1BQ. Fax: 01603 723000 or email: [HMSOlicensing@cabinet-office.x.gsi.gov.uk](mailto:HMSOlicensing@cabinet-office.x.gsi.gov.uk)

If you require this publication in an alternative format please email [alternativeformats@communities.gsi.gov.uk](mailto:alternativeformats@communities.gsi.gov.uk)  
Communications and Local Government Publications  
PO Box 236  
Wetherby  
West Yorkshire  
LS23 7NB  
Tel: 08701 226 236  
Fax: 08701 226 237  
Textphone: 08701 207 405  
Email: [communities@twoten.com](mailto:communities@twoten.com)  
or online via the DCLG website: [www.communities.gov.uk](http://www.communities.gov.uk)

Printed in the UK on material containing no less than 75% post-consumer waste.

October 2006

Product Code: 06 LGSRU 04198

# Contents

	Page	
Section 1	Purpose of these invitations	5
<b>Part A</b>	<b>Proposals for future unitary structures</b>	<b>7</b>
Section 2	The invitation for unitary structures	8
Section 3	The criteria for unitary structures	9
Section 4	The council's/councils' proposal for unitary structures	12
Section 5	The Government's handling of proposals for unitary structures	16
Section 6	Submission of proposals for unitary structures	19
<b>Part B</b>	<b>Pioneering new two tier models</b>	<b>21</b>
Section 7	The invitation for pathfinders	22
Section 8	Proposals for pathfinders and their handling	23
Section 9	Submission of proposals for pathfinders	24
	<b>Annex A – Service delivery &amp; unitary proposals</b>	<b>25</b>
	<b>Annex B – Contact points in Government Offices</b>	<b>27</b>



## Section 1 – Purpose of these invitations

1.1 These invitations meet the commitments in the Local Government White Paper to invite:

- i) local authorities in shire areas to make proposals for unitary local government; and
- ii) partnerships of a county council and all the district councils in the county area to pioneer as pathfinders new models of two-tier working.

Part A of this document is the invitation for unitary proposals, and Part B is the invitation to be a 'pathfinder' for new two-tier models.

1.2 The Government has made these commitments because:

- i) it has concluded that local government in two-tier areas faces additional challenges that can make it harder to achieve that strong leadership and clear accountability which communities need. There are risks of confusion, duplication and inefficiency between tiers, and particular challenges of capacity for small districts;
- ii) it recognises that many local authorities are already working to improve the quality of services in two-tier areas, building strong and sustained partnerships between councils in a county area, but the Government considers there is the potential to go further. In short, the Government believes that the status quo is not an option in two-tier areas if councils are to achieve the outcomes for place shaping and service delivery that communities expect, and deliver substantial efficiency improvements;
- iii) it accepts that in a number of areas where there is a broad cross section of support for this, these reforms should now involve a move to unitary local government; and
- iv) it also recognises that in the majority of county areas reforms will now take the form of developing innovative new models of two-tier working as described in the White Paper. This process is to be assisted by pathfinder partnerships of a county council and all the district councils in the county, committed to pioneering radical change.

1.3 The Government has reached its conclusions on two-tier government following the debate it launched in December 2005. The most recent debate built on the one that has been ongoing since at least the early 1990s. More recently this debate has been thrown into sharper focus as we recognise the local authority's role in place shaping.

1.4 The starting point for this debate was to ask communities to think about how places are to perform, economically, environmentally and socially, and what the right governance arrangements are to deliver these outcomes. As part of the debate government engaged in five Ministerial dialogues with local politicians, officials, local businesses, and residents; roundtable discussions with leaders of county, district and

‘shire unitary’ councils in each of the eight regions outside London; and in eight meetings with Chief Executives of county, district and ‘shire unitary’ councils.

- 1.5 These discussions centred around a view that any proposals for governance change, whether involving new two-tier models or moving to unitary structures, should:
  - i) enhance strategic leadership, neighbourhood empowerment, accountability, value for money and equity;
  - ii) command a broad cross section of support; and
  - iii) be affordable, representing value for money and meeting any costs of change from councils’ existing resources.
- 1.6 The Government expects all councils in continuing two-tier areas, even if they are not pathfinders, to pursue new arrangements to achieve the same level of improvement and efficiency gains as the new unitaries and pathfinders will be achieving.
- 1.7 The Government recognises that a council may wish to respond both to the invitation to propose a unitary structure, and as a member of a partnership to the invitation to be a pathfinder. In such cases, the Government would expect councils to await its response to the ‘unitary’ proposal before taking forward any pathfinder proposal, except to the extent that progress with the ‘pathfinder model’ could facilitate the move to unitary status.

# Part A

## Proposals for future unitary structures

## Section 2 – The invitation for unitary structures

- 2.1 This invitation is addressed to each principal council in England outside the areas of Greater London and the Metropolitan Counties.
- 2.2 Each of these councils – county councils and district councils, including those currently with unitary status – are now invited, if they so wish, to make a proposal for future unitary local government structures for their area.

### Terms of the invitation

- 2.3 A proposal must be submitted by a council or a group of two or more councils.
- 2.4 Any proposal must relate to the area of the council, or of each of the councils, submitting it. The area covered by a proposal may, in addition to the area of the council or councils submitting the proposal, also include adjoining areas which are currently outside that of the submitting council or councils.
- 2.5 The area of any proposed future unitary authority must consist of either:
  - i) the whole of the area of an existing local authority – county or district council (including those with unitary status); or
  - ii) a combination of such whole areas.
- 2.6 In submitting a proposal councils must have regard to the guidance set out in sections 3–6. Any proposal should conform to the criteria set out in section 3 of the guidance.
- 2.7 A proposal must set out the future local government structure for all the areas affected by the change. Hence, where a proposal involves the creation of a unitary authority for an area that does not cover an existing whole county area or areas, the proposal must set out the arrangements which are to apply in the remainder of the affected county area or areas.

### Response to the invitation

- 2.8 It is wholly at the discretion of a council whether or not it responds to this invitation. The Government accepts that it is only in some areas that local government restructuring is widely seen as the way forward. It will be from councils in such areas that proposals are made.
- 2.9 Proposals should be submitted to the Department for Communities and Local Government so as to be received on or before 25 January 2007. For further details see section 6.

## Section 3 – The criteria for unitary structures

3.1 The criteria with which any proposal must conform are:

- i) the change to the future unitary local government structures must 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 must:
  - 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.

### Affordability

3.2 Restructuring must 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.

- 3.3 Any council making a proposal should ensure that all costs incurred as a result of reorganisation are met locally without increasing council tax.
- 3.4 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**

- 3.5 The Government recognises that any proposal 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 any proposal to have support from a range of key partners, stakeholders and service users/citizens. The Government will consult on proposals that it is minded to implement prior to taking any final decisions.

## **Strategic leadership**

- 3.6 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.<sup>1</sup>
- 3.7 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;<sup>2</sup>
  - 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**

- 3.8 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.

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

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

### 3.9 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.<sup>3</sup> 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 (ie neighbourhood/parish) governance arrangements which empower the frontline councillor to champion their community.

## Value for money services

3.10 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’.<sup>4</sup> Councils should work with local partners to utilise the capacities and skills of the best service providers in the public, private and third sectors.

### 3.11 Restructuring proposals must 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’.<sup>5</sup> 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.

<sup>3</sup> ‘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 that can be done to draw 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

<sup>4</sup> *Population Size and Local Authority Performance*: Department for Communities and Local Government, 2006

<sup>5</sup> *Sustainable Communities: People Places and Prosperity*, ODPM, 2005

## Section 4 – The council’s/councils’ proposal for unitary structures

- 4.1 Any proposal must be in accordance with the terms of the invitation (see section 2).
- 4.2 The proposal must be presented in the form of a business case and supporting financial analysis.
- 4.3 The business case should include the following key elements:
  - i) a full description of the proposed local government structure;
  - ii) the strategic aim of the proposal;
  - iii) main benefits of the proposal;
  - iv) timing of benefits; and
  - v) financial case.

These are discussed in further detail below.

- 4.4 The business case will also need to reflect the diverse communities which may be found in the area of a proposed unitary – ranging for example from small villages/rural communities, through market towns, to a major urban centre with perhaps its own neighbourhoods. It will also need to show the contribution that ward councillors, town councils, parish and community councils and parish meetings can make to representing, leading and empowering the most local communities within the unitary’s area.

### Description of the proposed local government structure

- 4.5 The business case will need to clearly set out a full description of the proposed new structure for the whole of the area concerned. Where the proposal involves adjoining areas in addition to the area of the council or councils submitting it, the Government will not consider proposals that include areas of Greater London and the Metropolitan Counties. In addition, the business case for a proposal which involves the creation of a unitary authority for part of a county area must also consider and set out the structural arrangements that would apply to the remainder of the affected county area/s.
- 4.6 In describing the proposed new structure, the council/s submitting proposals may wish to consider the use of maps in addition to a textual description.
- 4.7 The description of the proposed structure should include details of proposed electoral arrangements for the proposed authority/ies such as the number of councillors and the number and type of electoral area for the new authority and the detail of any area or neighbourhood arrangements (including parishes and parish councils). Authorities may want to map such arrangements.

- 4.8 The description of the proposed structure should be supported by any relevant statistical details such as the population of the proposed authority/ies for the whole area concerned, council tax base and the representative base (i.e. the electorate for each councillor). This may be set out in the main body of the document or in a supporting annex to the main document.

## **The strategic aim**

- 4.9 This section of the business case should identify the key objective of the proposal, providing a full explanation of why it is being made and the issues that it seeks to address, and why these issues are best addressed by a proposal for a new unitary structure.

## **Main benefits**

- 4.10 The business case should outline the main benefits (including non-financial benefits) of the proposed changes. In line with the criteria at section 3, it should demonstrate how the proposals will deliver:
- i) strong, effective, and accountable strategic leadership;
  - ii) genuine opportunities for neighbourhood flexibility and empowerment; and
  - iii) value for money and equity on public services.

## **Strong, effective and accountable strategic leadership**

- 4.11 In demonstrating how the proposed changes will contribute to strong, effective and strategic leadership, the business case should show:
- i) how the proposals will deliver sufficient corporate capacity to support effective partnerships; respond to change and provide strategic leadership for service improvements; and
  - ii) how partnership arrangements will be constructed in order to enable integrated and coherent service delivery across the wider public sector and any impact on existing or established partnerships.

## **Neighbourhood flexibility and empowerment**

- 4.12 In demonstrating how the proposed arrangements will deliver neighbourhood engagement and empowerment, the business case should show:
- i) how the proposal will build on the strengths and opportunities within neighbourhoods/parishes to improve access, quality and responsiveness of services;
  - ii) how new arrangements will improve citizen's awareness, participation and influence; and
  - iii) strengthen the role of the frontline councillor.

## Public services – value for money and equity

4.13 In demonstrating how the proposed arrangements will deliver effective and cost efficient service delivery, the business case should show:

- i) arrangements for delivering the services at Annex A including strategies and priorities for improvement and meeting efficiency targets. Proposals should also demonstrate how any differences in service provision, i.e. different IT systems, will be addressed;
- ii) how the proposal will deliver value for money services: ensuring that costs are commensurate with service delivery, performance and the outcomes achieved. How forecasts of these costs compare with costs of other councils after they are adjusted to take into account local circumstances;
- iii) how the proposal makes best use of modern procurement methods and partnerships that result in efficiencies and better outcomes for users; and
- iv) how learning from high performing providers and user feedback is being applied.

4.14 The Government will not expect any reduction in the quality of services or cuts in services as a result of developing this proposal or a move to unitary status.

## Timing of benefits

4.15 It is possible that the benefits of the proposals will be realised to different timescales. For example, where proposals involve significant reconfiguration of service delivery arrangements, there may be lengthy lead-in times. The business case should indicate when benefits are expected to be realised, particularly where these are beyond the timeframe of the financial framework.

## Financial case

4.16 This element of the business case should detail the financial benefits that the proposal will bring to the area. Likewise it should include an assessment of the costs that will be incurred in delivering those benefits and how those costs will be met. This should include worked examples of how an authority could align council tax levels across its area (subject to decisions by central Government on regulations and on acceptable council tax levels).

4.17 Councils may wish to break down these costs and benefits into two main headings – the initial transitional costs that will be incurred in making the change to a unitary structure and the financial benefits that may result from that change, and the costs that will be incurred in delivering other benefits, some of which may be incurred in the medium to longer term as a result of service re-engineering. The Government accepts that these latter costs may be subject to further refinement after the submission of the proposals, and the Government will take into account reasonable adjustments when making its decisions.

4.18 In addition, every proposal must include a detailed financial analysis of the costs involved. To assist authorities in this task the Government has developed a financial framework which must be completed and submitted as part of the proposal. Separate frameworks and guidance notes on their completion have been prepared for the following types of proposal:

- i) a proposed new unitary authority based on existing county boundaries; and
- ii) a proposed new unitary authority for part of an existing county area/s (part-county proposal).

4.19 Councils can access the frameworks and guidance notes from the Department's website at [www.communities.gov.uk](http://www.communities.gov.uk)

## **Other information**

4.20 The proposal may also contain such other material as the council or councils wish to include.

## **Preparing the business case**

4.21 The Government recognises that to prepare a proposal a council may need information from other local authorities. The Government expects local authorities to co-operate with each other in the provision of information needed to construct robust proposals.

4.22 The Secretary of State will be prepared to use her powers under section 230 of the Local Government Act 1972 to require such information to be provided, should such co-operation not be forthcoming.

4.23 Government will not accept liability for the cost of preparing business cases in response to this invitation.

## **Sources of further information**

4.24 Officials from the Government Offices and the Department for Communities and Local Government will be on hand during the preparation period to provide support to councils preparing proposals. The Government Offices should be councils' first point of contact. For further details see Annex B.

4.25 A specialist helpline has also been established for councils who require assistance in completing the financial framework. The helpline number is contained within the guidance document that accompanies the framework and can be found on the Department's website at [www.communities.gov.uk](http://www.communities.gov.uk)

## Section 5 – The Government’s handling of proposals for unitary structures

5.1 The process of deciding which, if any, proposals to implement will be handled in three stages.

### Stage 1

5.2 Between the end of January and end of March 2007, the Government will carefully consider all the proposals it receives on or before 25 January 2007. The Government gives no commitment that it will consider proposals received after that date.

5.3 Proposals will be subject to an initial assessment to ensure that they conform to the terms of the invitation (see paragraphs 2.3 – 2.7).

5.4 Those which conform will be assessed against the criteria in section 3 of this invitation.

5.5 In carrying out that assessment, the Government may request further information from the council/councils submitting the proposal, from other councils affected by the proposal, and from such other persons or bodies as it considers appropriate.

5.6 Where information is not available to the Government, or otherwise, the Government may when considering a proposal make such assumptions and estimates as it sees fit.

5.7 The Government will reach its judgement on a proposal having regard to the proposal, to any information submitted to it following a request as described in paragraph 5.5, and to such assumptions and estimates it has made in connection with the proposal. It may also have regard to any other information available to it and Government policy which it considers relevant to reaching the judgement.

5.8 Only proposals which in the Government’s opinion meet the criteria set out in section 3 will proceed to stage 2 of the process.

### Stage 2

5.9 At the end of March 2007, the Government intends to announce which proposals will proceed to stage 2. It will also announce those proposals which will not be proceeding.

5.10 At stage 2, the Government will consult widely with partners/stakeholders in the areas affected by the proposals. Partners/stakeholders will thus have an opportunity to make representations about proposals that potentially will affect them. For these purposes, partners/stakeholders include all local authorities, the wider public sector (e.g. police, health, Learning and Skills Council, RDA), business community, voluntary and community sector. It is intended that this consultation would be launched at the end of March with a 12 week consultation period.

5.11 During this period, the business case may also be further developed in discussion with authorities and stakeholders. In addition the financial case underpinning a

proposal that proceeds to stage 2 will be subject to limited assurance in relation to the submissions of baseline figures. This will be carried out by the Audit Commission and the cost will be borne by the councils making the proposals.

5.12 The Government intends that the consultation stage of the process will be completed by the end of June 2007.

### **Stage 3**

5.13 Following consultation, the Government will re-assess proposals to take account of:

- i) the outcome of a stakeholder consultation to be held on each proposal; and
- ii) any further development of the business case.

5.14 The Government intends to announce, by the end of July 2007, which proposals will proceed to implementation.

### **Prioritising proposals**

5.15 To the extent that implementation of the proposals involves transitional costs financed by councils’ reserves (see section 3), this will have an impact on planned public expenditure totals and so on the fiscal rules. The Government will need to ensure this impact is properly managed, avoiding the risk of sudden increases in public spending that could result from implementing a large number of proposals at once.

5.16 Accordingly, and in line with the Secretary of State’s public commitment to “a short window of opportunity for that small number of councils”, the Government thinks it will be unlikely to be able to implement more than eight proposals. However, the final decision on the number of proposals that will be implemented will depend crucially on the content of local authority submissions and the potential impact on public expenditure totals if these proposals were approved. This expected maximum number would not preclude the Government from deciding to implement more if they offered good value for money and were affordable.

5.17 If the Government considers that the number of proposals judged to be within the terms of the invitation is likely to be more than it will be able to implement, it will prioritise them before undertaking the stakeholder consultation (i.e. at the commencement of stage 2). Such prioritisation will be made having regard to a range of factors including: the extent to which a proposal delivers the outcomes we are seeking; the extent it involves using reserves; and value for money factors such as a proposal’s efficiency gains.

5.18 If proposals are prioritised the Government will indicate their priority, and the basis on which this has been derived, when undertaking the stakeholder consultation at the commencement of stage 2.

### **Implementation**

5.19 The Government will require legislation to implement proposals. The earliest opportunity for such legislation would be the 2006/07 Parliamentary Session.

5.20 Were legislation to be sought and enacted in this Session, Orders implementing proposals could be made by the end of 2007. This would allow any elections to future unitary councils to be held in May 2008, permitting the new unitary structures to be fully operational by April 2009 at the latest.

5.21 Following the announcement of the proposals which will be implemented, the Government intends to work with the authorities in those areas to put in place any necessary secondary legislation. Government expects all authorities affected to co-operate to ensure that the process is completed smoothly.

## Timetable

5.22 An indicative timetable for handling proposals is set out below:

Oct 2006	Alongside the White Paper, an invitation to all county, district and unitary councils in England, except London Boroughs and metropolitan district councils, to submit proposals for unitary structures.
Jan 2007	Deadline for councils to submit proposals for unitary structures.
March 2007	Announcement of the Government's preliminary views as to those proposals that have met specified criteria. Consultation with local stakeholders that are potentially affected by proposals.
June 2007	Stakeholder consultation closes.
Early July 2007	Final announcement of those areas that will be restructuring into unitaries.
May 2008	Elections to new unitaries.
By April 2009	New unitaries up and running.

## Evaluation

5.23 All implemented proposals will be subject to independent long term evaluation that the Government will commission. This evaluation will look at the processes of the change to a new unitary structure – for example, assessing how straightforward or costly these are – and the outcomes that the change is delivering, in particular the improvements in relation to the previous two-tier arrangements.

## Section 6 – Submission of proposals for unitary structures

- 6.1 To submit a proposal the council or group of councils making the proposal should submit a proposal as described in section 4, together with such other material as they see fit to the address specified below.
- 6.2 Any such submission should be submitted so as to be received on or before 25 January 2007. The Secretary of State may arrange for all submissions that she receives to be placed in the Libraries of Parliament.
- 6.3 Proposals should be submitted to:

Department for Communities and Local Government  
5/G10, Eland House  
Bressenden Place  
London  
SW1E 5DU

e-mail: [structures@communities.gsi.gov.uk](mailto:structures@communities.gsi.gov.uk)

### Further Information

- 6.4 Officials from the Government Offices and Department for Communities and Local Government will be on hand during the preparation period to provide support to councils preparing proposals. The Government Offices should be councils' first point of contact. For further details see Annex B.
- 6.5 Queries about the exercise more generally should be addressed to:

Mark Barnett  
Department for Communities and Local Government  
5/E8, Eland House  
Bressenden Place  
London  
SW1E 5DU

Tel: 020 7944 4086

e-mail: [structures@communities.gsi.gov.uk](mailto:structures@communities.gsi.gov.uk)



# Part B

## Pioneering new two-tier models

## Section 7 – The invitation for pathfinders

- 7.1 This invitation is addressed to partnerships consisting of an English county council and all the district councils in the county area.
- 7.2 All such partnerships are now invited, if they so wish, to pioneer as ‘pathfinders’ an innovative two-tier model of their choice for their area, and to make a proposal setting out their intentions for developing and implementing this model.

### Terms of the invitation

- 7.3 The aim of the two-tier model to be pioneered should be:
- i) unified service delivery, with service users having no need to understand whether the county, district, or indeed other service provider is responsible;
  - ii) stronger leadership for place shaping;
  - iii) effective accountability arrangements so that people know who is responsible for what decision; and
  - iv) shared back office functions and integrated service delivery mechanisms.
- 7.4 The new two-tier model must relate to the whole of the county area.
- 7.5 The two-tier model should meet the same criteria (set out in paragraph 3.1) as proposed new unitary structures (see section 3). As regards the affordability criteria, it is not expected that implementing two-tier models will result in authorities having to incur and finance transitional costs in advance of savings, accordingly paragraph 3.2 is not applicable.
- 7.6 Proposals must be submitted by the partnership of a county council and all the district councils in the county area.
- 7.7 A proposal must outline the new two-tier model which the partnership intends to develop, highlighting in particular the legislative changes it believes would be necessary to develop the model to the full.
- 7.8 A partnership submitting a proposal must be prepared for its development and implementation to be subject to long term evaluation that the Government would commission.

### Response to the invitation

- 7.9 It is wholly at the discretion of a partnership whether or not it responds to this invitation. Proposals should be submitted to the Department for Communities and Local Government so as to be received on or before 25 January 2007. For further details see section 9.

## Section 8 – Proposals for pathfinders and their handling

- 8.1 A proposal should describe the new two-tier model which the partnership intends to develop and implement, and must identify:
- i) how in the partnership's view it will achieve the aims referred to in section 7.3 and meet the criteria in section 7.5;
  - ii) the extent to which the model can be developed with existing legislation; and
  - iii) the legislative changes which the partnership would like to see in order to implement the model; these changes may include, changes to achieve new innovative governance models, as described in the White Paper, such as moving to a common group of employees or a single cadre of councillors within the county area.
- 8.2 To the extent that the model can be developed with existing legislation, the Government expects the partnership to proceed as soon as practicable.
- 8.3 The Government will carefully consider all the proposals it receives on or before 25 January 2007.
- 8.4 When considering a proposal the Government may request further information from the partnership.
- 8.5 The Government intends by the end of March 2007 to decide which pathfinder proposals it intends to work with. These pathfinders will be subject to independent long term evaluation continuing for a number of years. The evaluation will look at the processes of changing to the various new governance models – for example, assessing how straightforward or costly these are, and the outcomes that the new models are delivering, particularly the improvements that are being achieved to remove the inefficiencies and confusions of the traditional two-tier structures and to deliver the aims for unified service delivery and leadership for place shaping.
- 8.6 The Government expects partnerships whose proposals are not accepted to continue to take forward their proposals, to the extent possible under current legislation.

## Section 9 – Submission of proposals for pathfinders

- 9.1 To submit a proposal the partnership making the proposal should submit a proposal as described in section 8, together with such other material as they see fit to the address specified below.
- 9.2 Any such submission should be submitted so as to be received on or before 25 January 2007. The Secretary of State may arrange for all the submissions that she receives to be placed in the Libraries of Parliament.
- 9.3 Proposals should be submitted to:

Department for Communities and Local Government  
5/G10, Eland House  
Bressenden Place  
London  
SW1E 5DU

e-mail: [structures@communities.gsi.gov.uk](mailto:structures@communities.gsi.gov.uk)

### Further Information

- 9.4 Officials from the Government Offices and the Department for Communities and Local Government will be on hand during the preparation period to provide support to councils preparing proposals. The Government Offices should be councils' first point of contact. For further details see Annex B.
- 9.5 Queries about this exercise more generally, should be addressed to:

Mark Barnett  
Department for Communities and Local Government  
5/E8, Eland House  
Bressenden Place  
London  
SW1E 5DU

Tel: 020 7944 4086  
e-mail: [structures@communities.gsi.gov.uk](mailto:structures@communities.gsi.gov.uk)

## Annex A – Service delivery and unitary proposals

1. Children's Services
  - Education Services not funded through the Dedicated Schools Grant
  - Children's Social Services
  - Other
2. Highways, Roads and Transport
  - Maintenance and street services
  - Parking
3. Adult Social Care
4. Housing
  - Housing Benefits
  - Housing Services
5. Cultural and related services
6. Environmental Services
  - Street Cleaning and Waste
  - Air Quality
  - Environmental Health
  - Other
7. Planning and Development
  - Preparation of the Local Development Framework
  - In relation to the Regional Spatial Strategy
  - Waste and Mineral Planning
8. Fire Services
9. Economic Development
10. Corporate Support Services

## 11. Central Services

- Local tax collection
- Electoral Registration Services

## 12. Other costs

- Pensions
- Trading Accounts

## Annex B – Contact points within the Government Offices

### East Midlands

Peter Murphy  
The Belgrave Centre  
Stanley Place  
Talbot Street  
Nottingham  
NG1 5GG

Tel.: 0115 971 4720  
Email: peter.murphy@goem.gsi.gov.uk

### East of England

Andrew Limb  
Eastbrook  
Shaftesbury Road  
Cambridge  
CB2 8DF

Tel.: 01223 372 538  
Email: andrew.limb@goeast.gsi.gov.uk

### North East

Julia Veall  
Citygate  
Gallowgate  
Newcastle upon Tyne  
NE1 4WH

Tel.: 0191 202 2251  
Email: julia.veall@gone.gsi.gov.uk

### North West

Michael Greenwood  
City Tower  
Piccadilly Plaza  
Manchester  
M1 4BE

Tel.: 01619 524 389  
Email: michael.greenwood@gonw.gsi.gov.uk

### **South East**

John Haward  
Bridge House  
1 Walnut Tree Close  
Guildford  
GU1 4GA

Tel.: 01483 882 693  
Email: john.haward@gose.gsi.gov.uk

### **South West**

Richard Sheard  
2 Rivergate  
Temple Quay  
Bristol  
BS1 6EH

Tel.: 0117 900 1850  
Email: richard.sheard@gosw.gsi.gov.uk

### **West Midlands**

Philippa Holland  
5 St Philip's Place  
Colmore Row  
Birmingham  
B3 2PW

Tel.: 0121 352 5350  
Email: philippa.holland@gowm.gsi.gov.uk

### **Yorkshire and the Humber**

Kersten England  
City House  
New Station Street  
Leeds  
LS1 4US

Tel.: 0113 283 6887  
Email: kersten.england@goyh.gsi.gov.uk