

2 May 2025

# LOCAL GOVERNMENT REORGANISATION INTERIM PLAN FEEDBACK: SUFFOLK

To the Chief Executives of:
Babergh District Council
East Suffolk District Council
Ipswich Borough Council
Mid Suffolk District Council
Suffolk County Council
West Suffolk District Council

# **Overview:**

Thank you for submitting your interim plans. The amount of work from all councils is clear to see across the range of options being considered. For the final proposal(s), each council can submit a single proposal for which there must be a clear single option and geography and, as set out in the guidance, we expect this to be for the area as a whole; that is, the whole of the area to which the 5 February invitation was issued.

Our aim for the feedback on interim plans is to support areas to develop final proposal(s). This stage is not a decision-making point, and our feedback does not seek to approve or reject any option being considered.

The feedback provided relates to the following interim plans submitted by Suffolk councils:

- the local government reorganisation interim plan submitted by the Suffolk District and Borough Councils
- the Suffolk County Council interim plan submission
- the Ipswich Borough Council interim plan

We have provided feedback on behalf of central government. It takes the form of:

- 1. A summary of the main feedback points;
- 2. Our response to the specific barriers and challenges raised in your plans; and
- 3. Annex A with more detailed feedback against each of the interim plan asks.

We reference the guidance criteria included in the invitation letter throughout, a copy of which can be found at <u>Letter: Suffolk – GOV.UK.</u> Our central message is to build on your initial work and ensure that final proposal(s) address the criteria and are supported by data and evidence. We recommend that final proposal(s) should use the same assumptions and data sets or be clear where and why there is a difference.

We welcome the work that has been undertaken to develop Local Government Reorganisation plans for Suffolk. This feedback does not seek to approve or disprove any option or proposal, but provide some feedback designed to assist in the development of final proposal(s). We will assess final proposal(s) against the guidance criteria provided in the invitation letter and have tailored this feedback to identify where additional information may be helpful in enabling that assessment. Please note that this feedback is not exhaustive, and should not preclude the inclusion of additional materials or evidence in the final proposal(s).

In addition, your named MHCLG area lead, William Eldon, will be able to provide support and help address any further questions or queries.

We are providing written feedback to each invitation area individually, but we will be led by you on how verbal feedback is best delivered and who is most appropriate to attend a feedback meeting.

# **Summary of Feedback:**

We have summarised the key elements of the feedback below, with further detail provided in Annex A.

- 1. In defining geographies, existing district areas should be considered the building blocks for proposal(s), but where there is a strong justification more complex boundary changes will be considered. Your final proposal should include clarity on, and a clear justification for, any proposed boundary changes where relevant. Further information is provided on boundary changes in the barriers and challenges section below.
- 2. In some of the options you are considering populations that would be below 500,000. The criteria set out that the 500,000 population figure is a guiding principle, not a target. If this does not make sense for an area, particularly in relation to other criteria and housing growth, the rationale should be set out (see criterion 2). More detail on those rationales would be helpful, and you may wish to support existing narratives with data.
- 3. The criteria ask that consideration should be given to the impacts for crucial services such as social care, children's services, SEND and homelessness, and for wider public services including for public safety (see criterion 3). For all options where there is disaggregation, such as any two or more unitary council model under consideration, further detail will be helpful on how the different options might impact on these services and how risks can be mitigated.

- 4. We welcome the steps that have been taken to work together on developing proposal(s) to date, and note the work undertaken to engage with stakeholders. As per criterion 4:
  - a. Effective collaboration between all councils will be crucial; we would encourage you to continue to build strong relationships and agree ways of working, including around effective data sharing. This will support the development of a robust shared evidence base to underpin final proposal(s)
  - b. it would be helpful if final proposal(s) use the same assumptions and data sets
  - c. it would be helpful if your final proposal(s) set out how the data and evidence supports all the outcomes you have included, and how well they meet the assessment criteria in the invitation letter
  - d. you may wish to consider an options appraisal that will help demonstrate why your proposed approach in the round best meets the assessment criteria in the invitation letter compared to any alternatives
- 5. We welcome the intention across proposal(s) to align local government reorganisation closely with ongoing devolution programmes as per criterion 5. Further detail would be welcome on how the preferred new structures would support arrangements for the proposed Norfolk and Suffolk Mayoral Strategic Authority (MSA) (as per criterion 5), in terms of how benefits of mayoral devolution will be achieved for local communities. Detail should be provided in the final proposal(s) on how local government reorganisation options will ensure sensible population size ratios between the proposed constituent councils of a Norfolk and Suffolk MSA, and what that might mean for governance arrangements. In this regard it will be helpful for proposal(s) to have regard to the model of unitary government that is proposed across the whole Norfolk and Suffolk area, and we welcome your intention to collaborate with partners to create proposal(s) that will enable a sensible solution for both areas in the context of the MSA.

# Response to specific barriers and challenges raised

Please see below our response to the specific barriers and challenges that were raised across the three interim plans:

#### 1. Feedback and timelines

You asked for further information on the feedback process. This is our written feedback, that is shareable and copied to all councils in the area. It is designed to support you to develop final proposal(s).

In addition, we are open to providing ongoing support to your work to progress your final plan. William Eldon has been appointed as your MHCLG point person and is ready to engage with the whole area on issues you wish to discuss further.

# 2. Funding and capacity funding

You asked about the timing of funding to support development plans. £7.6 million will be made available in the form of local government reorganisation proposal development contributions, to be split across the 21 areas. Further information will be provided on this funding shortly.

In terms of transitional costs, as per the invitation letter, we expect that areas will be able to meet transition costs over time from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects. Where they have been included, we have noted the inclusion of transition cost estimates and provide further comment in the table annexed below.

# 3. Advice on local (MHCLG) policy

You asked for further advice on how to incorporate policy areas, for example, the preparation of local plans and the future statutory override of the Dedicated Schools Grant in local government reorganisation business cases and transition plans.

Regarding local plans, we remain committed to ensuring universal coverage of up-to-date local plans as quickly as possible, so local government reorganisation should not be used as a reason to delay the preparation of local plans.

The legal status of local plans is not impacted by local government reorganisation. Where reorganisation occurs, new unitary authorities are expected to promptly prepare a local plan covering the whole of their area. Until that new local plan is adopted, existing constituent local plans remain in force as part of the development plan for their area. New unitary authorities have the discretion to progress any emerging constituent local plans.

We are aware that for areas undergoing local government reorganisation and devolution there will be a period of transition where responsibility for spatial development strategy might transfer between different authorities. We are seeking powers in the Planning and Infrastructure Bill to complement existing powers to make regulations for transitional arrangements when scenarios such as this occur.

As set out above, Will Eldon, has been appointed as your MHCLG point person and will be ready to engage with the whole area and support your engagement with government.

# 4. Clarity on wider government policy

We note your request for clarity on wider government policy. We are aware that local government is on the frontline for delivering across many government policies. As above, your named area lead, Will Eldon, will work with you and with relevant departments to help align final proposal(s) with evolving government policy.

## 5. Future timelines

We note points raised around the complexity of this change, and look forward to working with all councils to deliver this work across a reasonable timeline.

# 6. Budget setting

We note your request for principles and guiderails relating to local authority budget setting for 2026/27. Budget setting should be delivered locally, and it is our expectation is that all services and duties continue. Likewise, we expect that investment and/or large spending continue where it is sensible and conducted according to best practice.

As set out in the invitation letter, and above, we expect that areas will be able to meet transition costs over time from existing budgets.

# 7. Population Criteria

You asked for assurance that any exceptions to the 500,000 minimum population will be minimal in government's application of the criteria. As you know this is not a decision making point and we are not making an assessment against the criteria at this stage.

As specified in the Statutory Invitation guidance, the 500,000 population figure is a guiding principle, not a hard target. We understand, there should be flexibility and there will be scenarios where this figure does not make sense. In these instances, your rationale should be set out in your proposal(s).

## 8. Protection of historic and civic responsibilities

You raised the issue of protection for historic and civic responsibilities in Suffolk. The Government recognises the importance of local historic and ceremonial rights to local communities and will ensure these are protected after any reorganisation of local government. We will work closely with local leaders to ensure that such rights and privileges are identified and preserved either through general regulations which apply to reorganisation exercises or supplementary and consequential secondary legislation.

## 9. **Boundary Changes**

You asked about changes to current district boundaries to set up authorities that reflect local identities and economies, and are fit for service delivery and growth in the future.

As the Invitation sets out, boundary changes are possible, but that "existing district areas should be considered the building blocks for proposals, but where there is a strong justification more complex boundary changes will be considered."

The final proposal must specify the area for any new unitary council(s). If a boundary change is part of your final proposal, then you should be clear on the boundary proposed, which could be identified by a parish or ward boundary, or if creating new boundaries by attaching a map.

Proposals should be developed having regard to the statutory guidance which sets out the criteria against which proposals will be assessed (including that listed above).

If a decision is taken to implement a proposal, boundary change can be achieved alongside structural change. Alternatively, you could make a proposal for unitary local government using existing district building blocks and consider requesting a Principal Area Boundary Review (PABR) later. Such reviews have been used for minor amendments to a boundary where both councils have requested a review — such as the recent Sheffield/Barnsley boundary adjustment for a new housing estate. PABRs are the responsibility of the Local Government Boundary Commission for England who will consider such requests on a case-by-case.

# ANNEX A: Detailed feedback on criteria for interim plan

#### Feedback Ask - Interim Plan Criteria Identify the likely options We welcome the initial thinking on the options for local for the size and government reorganisation in Suffolk and recognise that this is subject to further work. We note the local boundaries of new councils that will offer the context and challenges outlined in the proposals and best structures for delivery the potential benefits that have been identified for the options put forward. Your plans set out your intention of high-quality and sustainable public services to undertake further analysis, and this further detail and evidence, on the outcomes that are expected to across the area, along with indicative efficiency saving be achieved of any preferred model, would be opportunities. welcomed. Relevant criteria: For the final proposals, each council can submit a single proposal for which there must be a clear single 1c) Proposals should be option and geography and as set out in the guidance supported by robust we expect this to be for the area as a whole; that is, evidence and analysis and the whole of the area to which the 5 February invitation include an explanation of was issued. the outcomes it is expected to achieve, You may wish to consider an options appraisal against including evidence of the criteria set out in the letter to provide a rationale for estimated costs/benefits the preferred model against alternatives. and local engagement. Where there are proposed boundary changes, the proposal should provide strong public services and financial sustainability related justification for the 2 a-f) - Unitary local change. government must be the right size to achieve Proposals should be for a sensible geography which efficiencies, improve will help to increase housing supply and meet local capacity and withstand needs, including future housing growth plans. Options financial shocks. not aiming for a population of 500,000 people should demonstrate a rationale for why that approach makes & 3 a-c) Unitary structures sense for the area. must prioritise the delivery of high quality and As per criterion 1c, it would be helpful if in final sustainable public services proposals, indicative efficiency savings could be to citizens. identified, or expanded upon where indicative figures are already provided, and benchmarked against a population size of 500,000. Given the financial pressures you identify it would be helpful to understand how efficiency savings have

local place and identity.

identity.

been considered alongside a sense of place and local

It would also be helpful to understand how efficiency savings have been considered alongside a sense of We recognise that the options outlined in the interim plans are subject to further development. The bullets below indicate where further information would be helpful across all options that are taken forward. We will assess final proposals against the criteria in the invitation letter. Referencing criterion 1 and 2, it would be helpful for the final proposals to provide:

- breakdowns, that are as detailed as possible, for where any efficiency savings will be made, with clarity of assumptions on how estimates have been reached and the data sources used, including differences in assumptions between proposals and that are benchmarked
- information on the counterfactual against which efficiency savings are estimated, with values provided for current levels of spending
- a clear statement of what assumptions have been made and if the impacts of inflation are taken into account
- a summary covering sources of uncertainty or risks, with modelling, as well as predicted magnitude and impact of any unquantifiable costs or benefits.
- where possible quantified impacts on service provision, as well as wider impacts.

We recognise that financial assessments are subject to further work. Referencing criteria 1 and 2, the bullets below indicate where further information would be helpful across all options:

- data and evidence to set out how your final proposal(s) would enable financially viable councils across the whole area, including identifying which option best delivers value for money for council tax payers
- further detail on potential finances of new unitaries, for example, funding, operational budgets, potential budget surpluses/shortfalls, total borrowing (General Fund), and debt servicing costs (interest and MRP); and what options may be available for rationalisation of potentially saleable assets
- clarity on the underlying assumptions underpinning any modelling e.g. assumptions of future funding, demographic growth and pressures, interest costs, Council Tax, savings earmarked in existing councils' MTFS

 financial sustainability both through the period to the creation of new unitary councils as well as afterwards.

For proposals that would involve disaggregation of services, we would welcome further details on how services can be maintained where there is fragmentation, such as social care, children's services, SEND, homelessness, and for wider public services including for public safety. Under criterion 3c) you may wish to consider:

- how each option would deliver high-quality and sustainable public services or efficiency saving opportunities
- What would the different options mean for local services provision, for example:
  - o do different options have a different impact on SEND services and distribution of funding and sufficiency planning to ensure children can access appropriate support, and how will services be maintained?
  - o what is the impact on adult and children's care services? Is there a differential impact on the number of care users and infrastructure to support them from the different options?
  - o what partnership options have you considered for joint working across the new unitaries for the delivery of social care services?
  - o do different options have variable impacts as you transition to the new unitaries, and how will risks to safeguarding to be managed?
  - o do different options have variable impacts on schools, support and funding allocation, and sufficiency of places, and how will impacts on school be managed?
  - o what are the implications for public health, including consideration of socio-demographic challenges and health inequalities within any new boundaries and their implications for current and future health service needs. What are the implications for how residents access services and service delivery for populations

most at risk? How will public health expertise and intelligence be embedded?

Further detail would be welcomed on the opportunities you have noted for wider public service reform and how this may be enabled by the options.

Include indicative costs and arrangements in relation to any options including planning for future service transformation opportunities.

Relevant criteria:

2d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects

Where it has been provided, we note the estimate transition cost range of £12.5 to £20.7m. In the final proposal, we would welcome further clarity on the assumptions and data used to calculate the transition costs and efficiencies.

We welcome initial thinking the on service transformation and back-office efficiencies referenced. In all final proposals further detail would be helpful on these and other potential service transformation opportunities and invest-to-save projects from unitarisation across a range of services e.g. for front line services, and whether different options provide different opportunities for back-office efficiency savings.

- Within this it would be helpful to provide detailed analysis on expected transition and/or disaggregation costs and potential efficiencies of proposal(s). This could include clarity on methodology, assumptions, data used, what year these may apply and why these are appropriate
- Detail on the potential service transformation opportunities and invest-to-save projects from unitarisation across a range of services e.g. consolidation of waste collection and disposal services or in relation to back-office efficiency savings
- Where it has not been possible to monetise or quantify impacts, you may wish to provide an estimated magnitude and likelihood of impact
- Summarise any sources of risks, uncertainty and key dependencies related to the modelling and analysis
- Detail on the estimated financial sustainability of proposed reorganisation and how debt could be managed locally.

We note the estimate of the transition costs outlined in the plan and your note about the financial challenges that councils are facing. It would be helpful if detail on the councils' financial positions and further modelling is set out in detail in the final proposal. We welcome the joint work you have done to date and recommend that all options and proposals should use the same assumptions and data sets or be clear where and why there is a difference (linked to criterion 1c).

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 the Local Government Boundary Commission for England guidance.

# Relevant criteria:

6) New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.

We welcome the commitments to preserve representation of place for communities and to tailor arrangements based on local characteristics and needs.

New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.

Additional details on how the community will be engaged and specifically how the governance, participation and local voice will be addressed to strengthen local engagement, and democratic decision-making would be helpful.

In final proposal(s) we would welcome detail on your plans for neighbourhood-based governance, the impact on parish councils, and thoughts about formal neighbourhood partnerships and area committees.

Include early views on how new structures will support devolution ambitions.

Relevant criteria:

5a-c) New unitary structures must support devolution arrangements.

Further detail would be welcome in all plans on how the proposed new structures would support arrangements for the proposed Norfolk and Suffolk Mayoral Strategic Authority (MSA). We welcome the initial considerations for how local government reorganisation could support and align with wider devolution ambitions for the Suffolk and Norfolk area.

We would recommend collaboration and data sharing with partners across the proposed Suffolk and Norfolk MSA area, to work towards local government reorganisation proposal(s) that will enable a sensible solution for both areas in the context of the proposed MSA.

Across all proposal(s), looking towards a potential future MSA, it would be beneficial to provide an assessment that outlines if there are benefits and disadvantages in how each option would interact with

an MSA and best benefit the local community, including meeting devolution statutory tests.

As per criterion 5c, proposal(s) for new unitary authorities in the Suffolk area should ensure sensible population ratios between the proposed constituent councils who would make up the MSA.

In relation to the above, it may be beneficial to demonstrate how governance arrangements within proposal(s) have been developed in consultation with Norfolk local authorities.

More detail would be welcome on the implications of the various local government reorganisation options for the timelines and management of devolution across the Suffolk area.

While we cannot pre-judge devolution decisions, we are happy to discuss further any eventual transition period as the new unitary authorities and potential MSA are established.

We would welcome continued engagement with the Police and Crime Commissioner, Members of Parliaments and wider local stakeholders as you continue to develop your proposal(s).

To note, an MSA is the same as a Mayoral Combined Authority or Mayoral Combined County Authority.

Include a summary of local engagement that has been undertaken and any views expressed, along with your further plans for wide local engagement to help shape your developing proposals.

Relevant criteria:

6a-b) new unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment. We welcome the engagement undertaken to date in alignment with criterion 6. We also welcome and encourage the intention for wider engagement during the development of final proposal(s).

It is for you to decide how best to engage locally in a meaningful and constructive way with residents, voluntary sector, local community groups and councils, public sector providers, such as health, police and fire, and local businesses to inform your proposals.

For any option for two or more unitary councils, you may wish to engage in particular with those who may be affected by disaggregation of services. It would be helpful to see detail that demonstrates how local ideas and views have been incorporated into any final proposal(s).

Set out indicative costs of preparing proposals and standing up an We welcome initial cost estimate where these have been provided, and note the £500,000 cost estimate for the preparation of final proposals.

implementation team as well as any arrangements proposed to coordinate potential capacity funding across the area.

Relevant criteria:

Linked to 2d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.

Set out any voluntary arrangements that have been agreed to keep all councils involved in discussions as this work moves forward and to help balance the decisions needed now 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.

# Relevant criteria:

4 a-c) 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. We would welcome further detail in your final proposal(s) over the level of cost and the extent to which the costs are for delivery of the unitary structures or for transformation activity that delivers benefits.

In terms of transitional costs, as per the invitation letter, considering the efficiencies that are possible through reorganisation, we expect that areas will be able to meet transition costs over time from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.

We note about the financial challenges that many councils are facing. It would be helpful if detail on the councils' financial positions and further modelling is set out in detail in the final proposal(s).

£7.6 million will be made available in the form of local government reorganisation proposal development contributions, to be split across the 21 areas. Further information will be provided on this funding shortly.

In line with criterion 4, we welcome the joint working undertaken to date.

Effective collaboration between all councils will be crucial; areas will need to build strong relationships and agree ways of working, including around effective data sharing.

This will enable you to develop a robust shared evidence base to underpin final proposal(s) (see criterion 1c).

We recommend that final proposal(s) should use the same assumptions and data sets or be clear where and why there is a difference.

We would expect the final proposal(s) to have regard to the proposed Mayoral Strategic Authority area and/or neighbouring invitation areas where proposal(s) overlap.