

Initial Options Appraisal of single unitary with 3 Area Assemblies

An initial options appraisal against the government criteria for LGR proposals was conducted using the same assumptions, methodology and with reference to the same evidence base as was used in the KCC internal options appraisal that was presented to the Cabinet Committee on 28 July.

Criterion	Score (out of 5)	Ranking
A - A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government	4	Joint 2 nd (with option 2b)
B - Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks	4	Joint 2 nd (with option 2b)
C - Unitary structures must prioritise the delivery of high-quality and sustainable public services to citizens	4	Joint 2 nd (with options 1b, 2b and 3a)
D - 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	4	Joint 1 st (with option 3a)
E - New unitary structures must support devolution arrangements	1	Joint last (with option 1b)
F - New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment	3	Joint 2 nd (with 3a and 4a)
TOTAL	20	Second (after 3a)

Initial options appraisal – main issues impacting scoring (1)

A. A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government - Score = 4/5	B. Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks - Score = 4/5	C. Unitary structures must prioritise the delivery of high-quality and sustainable public services to citizens - Score = 4/5
<ul style="list-style-type: none"> • A single unitary is the most effective way to ensure that the taxbase is appropriate for the area and there is no undue disadvantage for one part of the county over another. • Demand pressures, income and spend can be spread across the county rather than being concentrated in individual smaller unitaries, avoiding unmanageable demand in specific localities. • Would maximise the available area to manage housing demand and spatial planning constraints. • However, delegating planning decisions to Area Assemblies could mean some existing challenges of planning across LA boundaries remain. 	<ul style="list-style-type: none"> • Population greatly exceeds Government's indicated range for LGR proposals. • Likely to provide significant efficiencies and value for money with short payback period. • Keeping social care and SEND services countywide eliminates large disaggregation costs; modelling suggests potential saving. • Strong financial resilience plus local responsiveness through Area Assemblies provides high potential for transformation and invest-to-save. • Transition costs are predicted to be low. • However, there would be some additional cost of setting up and operating as three Area Assemblies. • Legacy debt would be manageable by spreading it across the whole area. 	<ul style="list-style-type: none"> • Economies of scale and local flexibility provides high potential for improving service delivery and tackling current challenges, assuming agreement between administration and Area Assemblies on key issues. • Removes unnecessary fragmentation – K&M can decide the most appropriate scale at which each service should be delivered. • High capacity to invest in Public Service Reform, and Area Assemblies follow some partner service delivery boundaries. • However, holding social care decision-making centrally could lead to 'bottlenecks' of decision-making and need to engage with multiple partnership arrangements, potentially slowing localised opportunities for PSR. • Manages impacts for crucial services well with minimal service disruption and risk.

Initial options appraisal – main issues impacting scoring (2)

D. 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 - Score = 4/5	E. New unitary structures must support devolution arrangements - Score = 1/5	F. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment - Score = 3/5
<ul style="list-style-type: none"> • Likely to provide efficiencies including in back-office costs, albeit there would be some costs in operating Area Assemblies. • Area Assemblies counter remoteness and provide local decision-making around visible services. • Could be perceived as 'fair' due to no disparities in Council Tax levels. • Retains the three-area (N, W and E) model for many services that some key partners indicated they preferred, although social care and HCP boundaries would not align unless delivery designed that way. • N, W, E split is sensitive to local identity and how people live, while the single unitary retains county identity. 	<ul style="list-style-type: none"> • Would not support devolution – a single unitary and Strategic Authority cannot be established on the same geographical footprint. • There is no geographical neighbour for K&M to combine with. • Under current Government criteria, devolution opportunities would be very minimal / non-existent. • Population ratios between the local authority and a strategic authority are not 'sensible'. • Provides capacity to manage border issues and does not separate border infrastructure into separate authorities. 	<ul style="list-style-type: none"> • Strong financial position would support resourcing of community engagement arrangements. • Resilient services would have more capacity to respond to the issues raised by communities. • Area Assemblies operate closer to communities and support place-based decision making, but the geographies are larger than proposed in some options - significant resource would be required to ensure meaningful engagement. • Area Assemblies could provide effective platforms for developing neighbourhood-level engagement arrangements that Government requires. • Number of elected Members required is far more than LGBCE's recommendation for new unitaries.

Detailed scoring table including sub-criteria (1)

Criteria	Score /5
A. A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government	4
Sensible economic areas with an appropriate tax base, no undue advantage for one part of the area	5
Sensible geography which will help to increase housing supply and meet local needs	3
B. Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks	4
Population of 500,000 or more	1
Delivers efficiencies and best possible value for money for taxpayers	4
Transition costs are manageable	4
Opportunities for transformation from existing budgets and invest-to-save projects	5
Debt is manageable within the new structures	5
C. Unitary structures must prioritise the delivery of high-quality and sustainable public services to citizens	4
Will improve local government and service delivery and avoid unnecessary fragmentation of services	5
Provides opportunities to deliver public service reform, including where this will lead to better value for money	3
Manages impacts for crucial services - social care, children's services, SEND and homelessness, and for wider public services including for public safety	5

Detailed scoring table including sub-criteria (2)

Criteria	Score /5
D. 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	4
Supported by partners and residents	4
Sensitive to issues of local identity and cultural and historic importance	4
E. New unitary structures must support devolution arrangements	1
Will help unlock devolution	1
Sensible population size ratios between local authorities and any strategic authority, with timelines that work for both priorities	1
F. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment	3
TOTAL	20

Scoring

- 5: Entirely meets the criteria
- 4: Strongly meets the criteria
- 3: Sufficiently meets the criteria
- 2: Partially meets the criteria
- 1: Does not meet the criteria