

11 recommendations for
unitary local government
Cheshire



Final recommendations for unitary local government in Cheshire

May 2004

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Foreword

In this report we set out our final recommendations for unitary patterns of local government in the two-tier areas of Cheshire.

In reaching conclusions on our final recommendations, the Regional Assemblies (Preparations) Act 2003 required us to assume the existence of elected regional assemblies and that the functions of local authorities will remain unchanged. Unlike the structural reviews of the 1990s, we are required to propose at least two options for patterns of wholly unitary local government in each two-tier county area – the 'status quo' is not an option. Our work has been guided by the Local Government Act 1992 and by the *Policy and Procedure Guidance* issued by the Office of the Deputy Prime Minister (ODPM), which raised issues relating to performance, capacity, community leadership and representation, among others.

This context, and the requirement to assume the existence of an elected regional assembly in each of the three regions under review, has pointed towards the creation of larger rather than smaller unitary local authorities. The individual authorities need to be large enough to influence thinking in the region and also to provide the full range of local government services across a large geographical area, sometimes sparsely populated and based in many small local communities. The ODPM guidance also recognises the importance of effective mechanisms for accountability and the community leadership role.

We consider it is important to comment on the impact unitary structures, if implemented, might have on representation and community leadership at the local level. Some stakeholders have recognised the opportunity the review presents to create a new structure of local governance with the potential to bring about increased involvement of local communities at the grass roots level through, for example, decision-making devolved to local areas and links with parish and town councils. This has led to some welcome innovative thinking in some submissions, building upon existing good practice. The potential exists, from this review and in the context of elected regional assemblies, for a new shape to local government across what are currently two-tier areas, marrying together strategic scope and capacity with well-grounded responsiveness to diverse local communities.

Our draft recommendations were options for consultation. We were seeking to refine our proposals and we posed a number of questions, primarily to local authorities. For the larger unitary authority options we asked how they might maintain or enhance a strategic focus while at the same time ensuring local involvement to reflect and represent local communities, and develop partnerships with others such as local councils and other community groups. For options based on amalgamations of districts the issue was primarily how to deliver large-scale services such as education and social care effectively, and the potential to develop strategic capacity in relation to these services.

It is not part of our task to take a view on the merits or otherwise of unitary local government outside the context of this review. Nevertheless, we have become aware during this review that there is an appetite for change among most two-tier local authorities in the three regions under review, with or without the establishment of elected regional assemblies. There is a strong view that the context within which local government now operates, for example the focus on community leadership, cross-cutting issues and quality service delivery, along with the culture of inspection and 'league tables', points to a move towards a structure of unitary authorities with sufficient capacity and resources to fulfil their intended role.

Following the publication of our draft recommendations, we undertook consultation with local stakeholders. We also commissioned further opinion research by MORI in each review area, to gauge local people's views. One of the consistent messages arising from this research is that people value the quality of local government services above other criteria, including the cost of services. Reasons given for the different preferences among the options we put forward reflect the balance that needs to be struck between economies of scale/efficiency and community engagement.

We are very grateful for the co-operation we have received during the review from the elected members and staff of councils in the affected areas, other stakeholders and the many others who contacted us with their views.

Ultimately the public will vote on the new structures they see as most appropriate for their area in referendums to be held in the near future. In the event that the result of referendums is to introduce elected regional assemblies, The Boundary Committee's intention will be to conduct, as a matter of priority, electoral reviews in all new or continuing authorities, or any others materially affected by the outcome of the review.

Pamela Gordon
Chair, The Boundary Committee for England

What is The Boundary Committee for England?

The Boundary Committee for England is a committee of The Electoral Commission, an independent body set up by Parliament under the Political Parties, Elections and Referendums Act 2000.

Members of the Committee:

Pamela Gordon (Chair)
Professor Michael Clarke CBE
Robin Gray
Joan Jones CBE
Ann M. Kelly
Professor Colin Mellors

Archie Gall (Director)

The Boundary Committee's main area of work to date has been periodic electoral reviews (PERs). We are required by law to review the electoral arrangements of every principal local authority in England. The aim of PERs is to ensure that the number of electors represented by each councillor in an area is as nearly as possible the same, taking into account local circumstances.



Summary of final recommendations for Cheshire

On 16 June 2003 The Boundary Committee for England received a direction from the Deputy Prime Minister to undertake local government reviews in the two-tier areas of three English regions: North East, North West and Yorkshire & the Humber.

We began the review of local government structures in Cheshire on 17 June 2003.

This report sets out our final recommendations for Cheshire. It summarises the results of the consultation we undertook on our draft proposals, and makes proposals for two options for patterns of unitary authorities in Cheshire.

Our proposals for patterns of wholly unitary authorities are set out in chapter 5 of this report and are indicated on the maps in Appendix A. They are:

- **Option A: single unitary authority comprising the whole of Cheshire county area;**
- **Option B: three unitary authorities based on combinations of existing districts in Cheshire (Macclesfield and Congleton; Vale Royal and Crewe & Nantwich; and Chester City and Ellesmere Port & Neston).**

This report should be read in conjunction with our *Local government review overview report* (henceforth 'the overview report'), which was published in December 2003 concurrently with our draft recommendations for Cheshire. Our overview report explained the general approach we adopted in developing the draft recommendations. Copies can be downloaded from our website or by contacting us.

The ODPM will now consider the recommendations contained within this report as part of its preparations for referendums on elected regional assemblies and local government change. It is understood that the Government will not take final decisions on the local government options for a period of six weeks from the date of this report (until 6 July 2004) during which time you may write to the Deputy Prime Minister with any comments.

The Deputy Prime Minister can be contacted at the following address:

Office of the Deputy Prime Minister
Zone 5/B1
Eland House
Bressenden Place
London SW1E 5DU



1 Background to the local government review

1 On 16 June 2003, The Boundary Committee for England was directed by the Deputy Prime Minister to carry out an independent review of local government structure, as a precursor to a referendum on elected regional assemblies, in the six two-tier county areas of the North East, North West and Yorkshire & the Humber regions. Our task was to report to the Deputy Prime Minister by 25 May 2004 with at least two options for wholly unitary patterns of local government in each two-tier county area.

2 This report contains our final recommendations for options for structural change in Cheshire. Subject to Ministers' decisions on our final recommendations, electors in the two-tier areas of Cheshire will be asked to vote on their preferred pattern for unitary government at the same time as the referendum on elected regional assemblies. Our recommendations inform electors about the possible unitary structures of local government that could be implemented in the event of a 'yes' vote in the referendum on elected regional assemblies.

3 In seeking to recommend at least two options for unitary local government in each two-tier county under review, we have also been able to consider and make proposals for changes to the boundaries of existing single-tier authorities adjoining two-tier areas. However, this has only been with a view to expanding the areas of the single-tier authorities, by absorbing part or all of an existing two-tier authority area. In Cheshire we are not putting forward final recommendations which impact on neighbouring single-tier authorities.

4 We cannot review the boundaries of regions as part of these local government reviews, nor can we recommend the retention of the existing two-tier local government structure.

5 In carrying out these reviews, we have acted in accordance with:

- Section 14(8) of the Regional Assemblies (Preparations) Act 2003, i.e. to:
 - assume that there is an elected assembly for the region;
 - recommend structural change for so much of the area of the region as is comprised of the areas of all of the relevant (i.e. two-tier) local authorities in the region;
 - have regard to the need to reflect the identities and interests of local communities;
 - have regard to the need to secure effective and convenient local government; and
 - have regard to guidance issued by the Deputy Prime Minister.

- Section 14 of the Local Government Act 1992, which defines structural change as the replacement, in any non-metropolitan area (i.e. outside Greater London and the six metropolitan county areas), of the two principal tiers of local government with a single-tier. The two principal tiers of local government are district and county councils. Such replacement may take one of two forms, either:
 - the transfer to a county council of the functions of district councils in that area; or
 - the transfer to a district council of the functions of the county council for that area.

- The general duty set out in section 71(1) of the Race Relations Act 1996 and the statutory Code of Practice on the Duty to Promote Race Equality (Commission for Racial Equality, May 2002), i.e. to have due regard to:
 - eliminate unlawful racial discrimination;
 - promote equality of opportunity; and
 - promote good relations between people of different racial groups.

6 As part of a local government review the Committee may make recommendations for:

- the abolition of a local authority whose functions have been transferred to another authority;
- the creation of new local government areas (i.e. a district or a county);
- alterations to local government areas; and
- any statutory joint arrangements which may be required for the exercise of strategic and other functions, particularly in circumstances where it is proposed to transfer county council functions to districts, whether on existing or altered boundaries.

7 Details of the legislation under which we work are set out in the ODPM's guidance to the Committee, which is available on the ODPM's website (www.odpm.gov.uk). Our own guidance document, *Guidance and procedural advice for the local government reviews*, produced at the start of the present review process in June 2003, also provided information about our approach to the reviews. Copies of the guidance are available through our website (www.boundarycommittee.org.uk) or by contacting us at the address at the back of this report.

8 The review was in four stages (see Table 1).

Table 1: The stages of the review

Stage	Dates	Description
Stage One	17 June 2003 – 8 September 2003	Commencement of review and submission of proposals for wholly unitary patterns of local authorities.
Stage Two	9 September 2003 – 30 November 2003	The Committee considers proposals, determines draft recommendations and prepares draft recommendations report.
Stage Three	1 December 2003 – 23 February 2004	The Committee publishes draft recommendations report and invites representations.
Stage Four	24 February 2004 – 25 May 2004	The Committee considers representations, reaches conclusions on final recommendations and submits a final report to the Deputy Prime Minister.

9 Stage One began on 17 June 2003, when we wrote to the County Council and district councils in Cheshire inviting proposals for unitary patterns of local government. We also notified adjoining unitary and metropolitan authorities and other key stakeholders in Cheshire, including Cheshire Police Authority, Cheshire Fire Authority, parish and town councils and the Members of Parliament with constituencies in Cheshire. We placed a notice in the local press, issued a press release and asked the local authorities to distribute posters on our behalf. The closing date for receipt of submissions (the end of Stage One) was 8 September

2003. Each two-tier local authority was also requested to provide us with financial information about their authority.

10 We also commissioned public opinion research, carried out by MORI, in each of the districts in Cheshire. This comprised around 300 face-to-face interviews and one focus group per district. The results of this research were published on 17 October 2003 and are available from our website, as well as MORI's website at www.mori.com.

11 At Stage Two we considered all the submissions received during Stage One, along with the public opinion research analysis and financial information, and prepared our draft recommendations.

12 Stage Three began on 1 December 2003 and ended on 23 February 2004. This stage involved publishing our draft recommendations for Cheshire and public consultation on them. We placed a notice in the local press advising of the publication of our draft recommendations and issued a press release.

13 As part of the consultation exercise, we decided to issue an information leaflet to households in two-tier areas in Cheshire. This was not a legal requirement but we wanted to extend the public consultation as widely as possible and the leaflet was intended to be a further communications tool, in addition to our consultation reports, website, and media advertising.

14 Some difficulties were encountered in the delivery of the household leaflets. Although we intended that the leaflets should be delivered at the start of the consultation period, in many areas delivery did not occur until the latter part of it. We are also aware that some residents may not have received leaflets. Accordingly, to ensure maximum exposure of our draft recommendations, we placed additional notices in local media in each review area towards the end of the consultation period. We were much assisted in publicising our draft recommendations by the often quite considerable publicity given to them by the local press and media.

15 During Stage Three, we also commissioned further public opinion research, again carried out by MORI, in order to gauge local people's views on our draft recommendations. The results were published on our website on 14 April 2004. The research comprised around 300 face-to-face interviews in each two-tier district under review. We also commissioned additional quantitative research in a number of review areas. Further details are provided in chapter 4.

16 During Stage Four we carefully reconsidered the draft recommendations in the light of the Stage Three consultation and decided on our final recommendations to the Deputy Prime Minister.

Cheshire

17 Located in the North West of England, Cheshire is bordered by Wales in the west, Derbyshire, Staffordshire and Shropshire to the south and south east, with the conurbations of Manchester and Liverpool to the north and north west respectively. The population is mainly distributed across the county in a mixed rural and urban pattern, the latter being concentrated in small and medium size towns. The major exception to this is the more densely populated borough of Ellesmere Port & Neston. The county is served by both national and regional road connections including the M6 and M56, and mainline rail connections. Map 1 shows the existing local authority boundaries, the main population centres, important geographical features and communication and transport links within Cheshire.

18 In 1994 the Local Government Commission for England carried out a local government structural review of Cheshire. The review resulted in no change to the existing two-tier structure. This was followed in 1995 by a directed review, with the recommendation that Halton and Warrington districts become unitary authorities; they received unitary status in 1998.

Table 2: Current local authority structures

Authority	Population (2001)	Area (hectares)	Population density (pop/ha)
Cheshire County Council	673,800	208,302	3.2
Chester City Council	118,200	44,804	2.6
Congleton Borough Council	90,700	21,099	4.3
Crewe & Nantwich Borough Council	111,000	43,041	2.6
Ellesmere Port & Neston Borough Council	81,700	8,841	9.2
Macclesfield Borough Council	150,200	52,497	2.9
Vale Royal Borough Council	122,000	38,019	3.2

Source: Office for National Statistics (ONS)

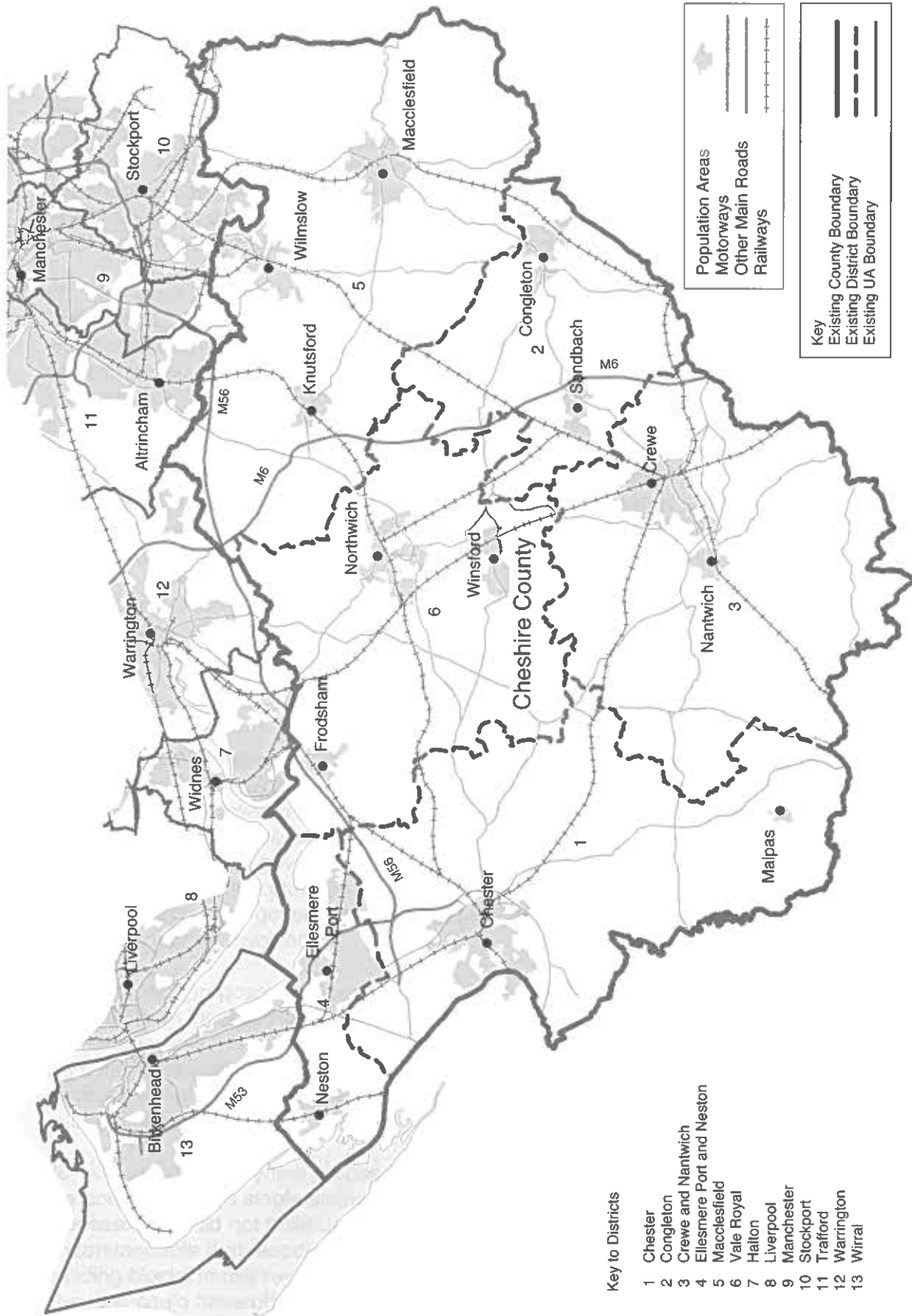
19 Table 3 summarises the current functions of county and district councils. The new unitary authorities we are proposing would have responsibility for all of these functions.

Table 3: Current functions of county and district councils

Function	District councils	County councils
Education		•
Housing	•	
Planning applications	•	
Strategic planning		•
Transport planning		•
Passenger transport		•
Highways		•
Fire		•
Social services		•
Libraries		•
Leisure and recreation	•	
Waste collection	•	
Waste disposal		•
Environmental health	•	
Revenue collection	•	

Source: Local Government Association (www.lga.gov.uk)

Map 1: Existing local authority boundaries in Cheshire



2 The Committee's approach

20 The draft recommendations overview report published in December 2003 set out the approach we adopted in developing the draft proposals on which we consulted between 1 December 2003 and 23 February 2004.

21 The overview report explained the background to our work and how it differed significantly from the 1990s reviews carried out by the Local Government Commission for England (LGCE). The Regional Assemblies (Preparations) Act 2003 ('the 2003 Act') requires us to assume the existence of elected regional assemblies and that the functions of local authorities will remain unchanged. Unlike the earlier reviews, we are required to propose at least two options for patterns of wholly unitary local government in each two-tier county area – the 'status quo' is not an option.

22 Our work is guided by the Local Government Act 1992 ('the 1992 Act'), as was that of the LGCE. However, we must have regard to guidance issued by the ODPM, which raised issues relating to performance, capacity, community leadership and representation, among others, that we needed to address in formulating our recommendations. The overview report explained our approach to these issues in further detail and set this in the context of the significant changes that have occurred in local government over the last 10 years. Indeed some of the issues we raised for further consultation centred upon aspects of the 'modernisation agenda' such as the reinforcement of the community leadership role, the importance of partnership working and performance in service delivery, and the impact of new patterns of local government upon these.

23 We are required to submit to the Deputy Prime Minister at least two options for wholly unitary patterns of local government in each county area under review. Our recommendations are designed to secure patterns of unitary local government for the residents of the two-tier areas under review that provide for long-term, sustainable local authorities.

24 The establishment of new unitary authorities as a consequence of this review would entail the creation of authorities that combine the functions of both county and district councils. However, we acknowledge that a considerable amount of governance and service provision, while carried out locally, is not the direct responsibility of local government and this would not change as a result of this review. This is an important consideration, and consequently we have had regard to patterns of non-local government service provision and sought views from the relevant agencies involved.

25 Our draft proposals generally, but not exclusively, built upon the submissions received from local authorities and other stakeholders. In the main they were contained within the existing county areas but, in a number of review areas, where we believed it would facilitate effective and convenient local government in the current two-tier areas, we proposed extending existing metropolitan or unitary authority areas.

26 We received very few proposals for the creation of unitary authorities based on the boundaries of a single district council. Equally, however, we received few proposals that did not build upon existing local authority boundaries. It is understandable that respondents should have favoured using existing districts as building blocks in this review but in some cases we suspect that more substantial changes could have offered benefits.

27 The number and diversity of the areas under review, in terms of their geography and population, have presented particular challenges for us. Our approach, while informed by a consistent application of principle, resulted in different conclusions on draft recommendations in different settings. This was probably inevitable given the nature of the county areas being reviewed. What is clear is that there is no single test that can be applied to determine whether or not a particular pattern of unitary local government is the right one for a given area. Instead, there is a need to look at a complex array of considerations and to exercise judgement.

28 We received many further submissions during Stage Three and these have been taken into account in reaching conclusions on our final recommendations. In certain areas, these included new proposals on which, because of the constraints of the review timetable, we did not have an opportunity to consult. This chapter considers the further evidence taken into account in reaching our conclusions, under a series of headings:

- geographical size, population and capacity;
- community identity;
- performance;
- community leadership and representation;
- joint arrangements and partnership working;
- effective service delivery;
- financial costs;
- new and continuing authorities;
- boundary issues.

Geographical size, population and capacity

29 In the overview report we expressed the view that new unitary authorities need to be capable of 'punching their weight' within a regional context. We remain convinced this is important and our final recommendations tend towards larger rather than smaller units. In each of the regions under review there already exist some substantial metropolitan and unitary authorities with significant populations and resources. Their influence within the regional dimension is likely to be disproportionate unless balanced by new unitary authorities with similar or larger populations and capacity. Conversely, in some cases the existing larger authorities may, because of their long-standing capacity to deliver the full range of local government services, form the basis for new amalgamations with areas currently served by two-tier authorities.

30 The size of an authority, in both geographical and population terms, and its capacity to deliver the 'modernisation agenda' are issues that feature throughout the guidance to us from the ODPM. This alone meant that our proposals were likely to differ significantly from those of the 1990s reviews. In the overview report we commented that there was no specific population size recommended by the ODPM for new unitary structures, although this was an issue frequently raised with us by local authorities, particularly during Stage One of the review.

31 The ODPM guidance, while acknowledging that smaller units of local government may have advantages in terms of responsiveness and public confidence, states that this underestimates the potential for larger authorities to deliver effective democratic scrutiny through devolved arrangements, effective working with parish and town councils and improved democratic representation. Larger authorities would also have the potential to balance 'localism' with taking a more strategic view of how

the needs and aspirations of their communities might be addressed within the wider context of the region.

32 We have looked at the evidence available linking population size and effectiveness of service delivery and conclude that it is mixed. There are smaller authorities working effectively, as evidenced by inspection and CPA results, and larger ones working less well, and vice versa. Broadly, our view on this issue remains the same as expressed in the overview report. During Stage Three, we received further evidence to the effect that determinants of success in smaller rural unitary authorities tend to be the same as that in larger units, namely leadership, adopting decision-making arrangements that reflect diverse communities, and building effective partnerships. However, we also received some evidence that rural authorities, at both district and county level, encountered difficulties in the recruitment and retention of high calibre and specialist staff.

33 Recent research commissioned by the ODPM defines capacity as 'the right organisation, systems, partnerships, people and processes to deliver against a particular agenda or plan.'¹ Overall capacity appears to be more than the sum of its individual parts and studies on improvement in local government have recognised that successful councils have strong corporate capacity. There is no conclusive evidence of a simple and overriding relationship between size, whether expressed in a geographical sense or in terms of overall population, and capacity.

34 Geography and population density were dominant considerations over much of the area under review and 'local government' often expressed a concern about the added cost of delivering services in rural and sparsely populated areas. However, there were also concerns about addressing the needs of communities under larger unitary options especially where issues of deprivation and access to external funding might apply. We received further evidence about these matters during Stage Three. We took account, where appropriate, of geographical features that define the natural boundaries of communities.

35 We also received arguments for and against mixing rural and urban areas in a single authority, the latter on the grounds that the rural areas would be neglected, or that the focus on economic and urban regeneration would be diluted. For our part, we see benefits and synergies in urban/rural mixes although there must be regard to topography and geographical size. There is often an interdependence between rural and urban areas, and in such circumstances we see few benefits in seeking to separate them artificially.

36 The ODPM guidance asks us to consider the extent to which the structure, geography and size of an authority might influence its ability to exercise community leadership, engage with the local community and work effectively with partner organisations. From the information and proposals received, we conclude that there is no simple formula for success.

37 While there are no absolute parameters relating to size of authority, we acknowledge that there are potentially capacity issues with very small authorities. This was highlighted to us by a number of government departments in the ODPM guidance and by some stakeholders. We are of the view that it is necessary for the Committee to search for solutions that while not guaranteeing high performing

¹ Office of Public Management (2003) *Capacity building in local government – research on capacity building needs*, available at www.odpm.gov.uk.

councils with any certainty, would not place the proposed new councils at a disadvantage in resource or capacity terms.

38 Our proposals are intended to strike a balance between, on the one hand, unitary authorities of an appropriate size and capacity to deliver services effectively and, on the other, those that to some extent reflect geography, historic ties and the socio-economic links between communities in an area.

Community identity

39 Within any area there will be many different and overlapping communities. There are 'affective' communities and there are 'effective' communities. The former relate to affinity to a particular town, village or area, the latter to shared identities and activities such as work, shopping and local schooling for children.

40 While the ODPM guidance makes no comment about the geographical size of unitary structures, we are asked to give weight to the wider patterns of community within an area and to the economic links between them. The 'geographical reach' of the new authorities would therefore involve a number of communities of place and interest.

41 The ODPM guidance also stressed the link between community leadership and the ability of councils to ensure the identities and interests of local communities are properly reflected in the decisions authorities make about service provision. This has been a factor we have sought to explore, particularly with the proponents of larger unitary authorities.

42 The evidence from the MORI research carried out on our behalf in each of the review areas tended to bear out the ODPM view that people most frequently identify with their immediate locality, village or town, i.e. their affective community. Previous research also confirmed this view. Given the emphasis of the ODPM guidance, the very local level is clearly not a basis upon which to build new local government structures. We noted some attachment among residents to historic county **areas**, although not necessarily to the county **council**, and some attachment to a particular region.

43 In terms of 'effective' communities, the research found that neighbouring metropolitan areas such as Manchester and Newcastle can exert a significant pull in terms of employment, leisure and shopping and in some cases this influence spreads to counties in neighbouring regions. However, in the limited context of this review, the 'pull' of a major city does not necessarily have any particular implications for local government restructuring. On the other hand there are geographical barriers (e.g. physical features) within the review areas that exert considerable influence, especially, but not exclusively, in the large rural areas of dale and moor.

44 Opinion research is only one strand of evidence considered by the Committee. In general terms, the final recommendations, which we have narrowed down from the options circulated for consultation, are based on patterns of unitary local government that reflect community identities. We acknowledge, however, that not all levels of community identity can be reflected in our recommendations, given the balance we seek to strike between various factors. In particular, all options we put forward need to provide for potentially high performing unitary authorities. There is some evidence in proposals from local authorities for devolved decision-making and local service delivery, which could involve and engage with local communities. However, effective

and sustained implementation is likely to present challenges for all new authorities, not least because there would be financial costs arising from such arrangements.

45 We proposed names for unitary authorities as part of our draft recommendations that we believed would reflect local people's feelings about historic and traditional affiliations. We specifically asked for views on the proposed names during the consultation on our draft recommendations and have taken account of the responses in our final recommendations.

Performance

46 The ODPM guidance mentions a number of factors that high performing councils appear to have in common. These include high quality political leadership, good managerial skills, adequate corporate capacity, a willingness to innovate and good relationships with external organisations. While not directly affecting the ability to be high performing, size and geography may also have an impact upon the ability of a council to recruit and retain specialist staff, develop the corporate centre or have the capacity to develop specialist services, community leadership and partnership working.

47 The introduction of corporate assessments as part of wider external inspection of local authorities has highlighted the key role councillors play in overall council performance. The overview report recognised this but concluded that it would be difficult to replicate current arrangements with any certainty under new unitary patterns of local government in the review areas. We received further evidence during Stage Three on the results of external inspection or re-inspections.

48 We remain of the view that current performance is not necessarily a guide to future performance as many factors are involved. As such, future performance is difficult to predict. We are nevertheless aware, from submissions and published independent inspection results, of the current range of performance across existing local authorities in the review areas. In many cases they could provide a good basis from which to build the new authorities.

49 At the time we formulated our draft recommendations, we commented on the published performance scores of neighbouring unitary councils seeking to widen their boundaries into a two-tier area. We received further evidence from some such authorities during Stage Three in more recently published reports that show improving performance. It is encouraging to note that improvements in performance can be achieved relatively quickly; this underlines the need not to place too great an emphasis on current results when looking towards future authorities.

50 We consider the final recommendations we now make would not disadvantage the new unitary authorities in terms of resources or potential capacity and in this sense we have concluded that the conditions are potentially in place to create high performing local authorities.

Community leadership and representation

51 The ODPM guidance made a number of references to the key role councils play in leading their communities, and the factors that we may wish to consider when proposing new unitary structures. Indeed, this is an area where councils have begun to develop many new initiatives in response to the Local Government Act 2000. Central to the Government's agenda is the need for strong and accountable local democratic leadership, leading and empowering local communities.

52 We consider that the community leadership role exercised by local authorities is of major importance and we have looked carefully at how proposed unitary authorities could tackle this issue. Community leadership in the sense that it represents the needs and aspirations of communities can operate at more than one level. It can be concerned with local, sub-regional, regional, national and European levels. It is linked to community identity and the confidence that citizens have that their democratic representatives understand the needs of communities. The opinion research conducted on our behalf has suggested that for citizens there is often a preference for decision-making at its most local level. However, this tends to be based on a preference for local government units that in many cases would be significantly smaller than existing districts and that would not be viable in the terms of the remit of this review.

53 We received further evidence during Stage Three on how large unitary councils could engage with the many diverse communities within their area, reconciling potentially conflicting priorities and developing effective organisational structures that would ensure effective service delivery was maintained. Some of these submissions showed thoughtful and innovative approaches to these issues. Conversely, we received further evidence relating to smaller-scale options that stressed local knowledge and understanding of communities as key elements of approaches to community leadership. There was evidence of local support for this approach.

54 Some of the initial (Stage One) submissions proposed a relatively large number of councillors for new unitary authorities, particularly those that would be on a county-wide scale. We recognise that individual members would have a wider range of constituency duties as councillors in a unitary authority. Representational issues would certainly feature in any future review of electoral arrangements.

55 We received further evidence during Stage Three on the impact a much wider range of service responsibilities would have, not only on the workload of individual councillors but also on the geographical area each would be likely to represent. We acknowledge that local representation is not solely concerned with the overall number of councillors and the ratio of residents to councillors. Almost inevitably, the overall number of councillors would reduce significantly in each county area as a consequence of the replacement of the current two-tier structure by a unitary pattern of local government.

56 The separation of Executive and Scrutiny arrangements, as provided for in the 2000 Act, are a relatively recent introduction in local government. We sought and received further evidence of the impact large-scale devolution would have on the overall decision-making arrangements of councils. We also sought evidence of the impact the large number of elected representatives proposed under some options might have on the effectiveness of the decision-making process and its links to wider organisational management. Some of the models put forward for the largest unitary authority proposals would present a considerable challenge to overcome inherent difficulties in operating an extensive system of area devolution, and in finding models of political management capable of operating effectively in such a context.

57 That is not to say such challenges cannot be met. It is clear that some patterns of devolved decision-making can work within the legislative framework. However, issues remain, for example, about the role of non-council member representatives on area boards and the powers of such bodies, in terms both of the level of decision-making and geographical extent. These are grey areas. We believe that further guidance from the ODPM would be both welcomed by local government and be a necessary part of encouraging innovation to take place.

58 The role of town and parish councils under a unitary structure of local government is potentially significant given the likely overall reduction in elected members, although we retain the caution we expressed in the overview report concerning capacity, capability and desire in some parts of the parish and town council sector. Some stakeholders recognised the opportunity for a wider role for town and parish councils in their initial submissions, possibly supported by the enhanced potential deriving from Quality Parish status, the amalgamation of smaller parish councils to increase available resources, or the creation of new local councils where none exist at present.

59 As set out above, however, alternative proposals have also been made for devolving powers locally, through specially-designed local arrangements such as area committees or boards, and some submissions suggest the operation of such arrangements could be complementary to the progress of the Quality Parish initiative in individual areas.

60 We sought further evidence as to how these arrangements might work in practice and perhaps link with devolved decision-making and the development of community strategies and Local Strategic Partnerships (LSPs). Further evidence supporting this approach tended to be from larger town and parish councils. However, we recognise that at present this could not be considered a substitute for effective community leadership and engagement from the new unitary authorities. It seems clear that different approaches are likely to be taken in different areas. This is appropriate, given that locally grown devolved arrangements, as opposed to a 'one size fits all' approach, are more likely to deliver on the ground.

61 Even without the establishment of new unitary patterns of local government in the review areas, the Committee is of the view that Government might wish to consider incentives aimed at encouraging principal authorities to provide support in implementing the proposals they have put to us regarding links with town and parish councils, devolved decision-making and service delivery. However, we recognise that initiatives to enhance existing town or parish councils or create new ones may not be appropriate in all parts of the review areas, including presently unparished urban areas.

Joint arrangements and partnership working

62 In the overview report we commented on the increasingly important role partnerships play in supporting the delivery of a wide range of priorities and services with other local partners, although we also recognised this was a developing area. We received further evidence relating our draft recommendations to existing or potential partnership activity and, in particular, the interaction between LSPs and local authorities. We have taken this into account. Some submissions at Stage Three raised specific issues about the nature and relevance of different types of partnership arrangements in the wider context of securing service provision. This material has helped inform our thinking on these issues and the way in which they relate to our final recommendations.

63 The ODPM guidance for The Boundary Committee states that we 'should consider the evidence that smaller local authorities rely more heavily on joint arrangements to deliver quality public services and that these serve to confuse lines of accountability' (Paragraph 5.18). The submissions made to us suggest that the terms 'joint arrangements' and 'partnerships' are often used interchangeably to refer to a wide range of working arrangements. These range from 'statutory' agreements, arising from section 101 of the Local Government Act 1972, to more innovative ways

of working which the Government has actively encouraged to improve the quality of services, or to tackle problems that cut across organisational boundaries. These arrangements can include partnerships associated with the delivery of major services or projects that frequently exist for example between social services and health service providers.

64 LSPs are non-statutory and non-executive bodies drawn together to develop strategies and priorities to deliver improvements against a range of cross-cutting local issues for which no single partner has full responsibility. They are required in each of the 88 Neighbourhood Renewal Fund areas, but they also operate elsewhere on a county and sub-county (district) basis with a range of partners drawn from across the public, private and voluntary and community sectors. The essence of these partnerships is to bring together the major service providers and stakeholders in a locality to develop shared views and co-ordinate service provision and policy development.

65 In addition, there are also contractual partnerships that cross the spectrum of local government functions. Procurement of services is one example. In relation to a service being provided directly by the local authority or indirectly through some form of contract or agreement, the Government recognises a 'mixed economy' and it is for individual councils within the requirements of the Best Value regime to determine an appropriate approach.

66 This spectrum of methods of service delivery may involve 'joint arrangements' (in the strict sense of arrangements authorised by s.101 of the 1972 Act) and other forms of partnership in differing degrees. At one pole, a local authority may arrange for the delivery of the whole of a service for which it is responsible through another local authority, or two or more local authorities may arrange to deliver such services jointly. Such arrangements are wholly the creation of s.101 of the 1972 Act. At the opposite pole, an authority may choose to deliver a service in partnership with one or more non-local authority agencies (whether in the public, commercial or voluntary sectors).

67 The statutory basis for those arrangements will generally be found elsewhere than in s.101, typically in s.2 of the Local Government Act 2000. Between these poles lies scope for a wide variety of arrangements involving more than one local authority and featuring elements of joint arrangements and broader forms of partnership. For instance, a local authority may deliver a service under joint arrangements with another local authority, which in turn procures that service from or with the non-local authority sector. Alternatively, two or more local authorities may make joint arrangements among themselves collectively, to procure services from that sector.

68 These are all lawful and proper mechanisms for a local authority to secure the provision of a service for which it is responsible. The Boundary Committee has an interest in identifying effective partnership working – including possible joint working between unitary local authorities – as a guide to possible future patterns of local government structure. At the same time, however, the Committee is of the view that the more extensive the use of joint arrangements – that is, the involvement of a plurality of local authorities – in the provision of a service, the greater the risk that lines of local authority accountability may be blurred. Part of the advantage of unitary over two-tier structures is that a single local authority has clear responsibility for providing a range of services. The involvement of more than one local authority through joint arrangements risks compromising that advantage. That is a factor to which we are entitled to, and do, give weight.

69 We have tended toward a preference that any unitary authorities resulting from this review should be capable of providing or procuring, without recourse to formal joint arrangements, the full range of local government services. Joint or partnership working between local authorities may provide an economic, effective and efficient means of providing services but, in our view, such arrangements should not be essential to the delivery of quality services. On the other hand, partnership working with bodies outside local government is increasingly important in the provision of comprehensive services, i.e. not just those within the remit of local government.

70 We express these views having regard to the guidance given by the ODPM and to the submissions made to us during the review, including those received at Stage Three. We consider our approach consistent with the ODPM guidance and the policy reflected in it.

71 It is a matter of judgement for the potential new authorities whether, and to what extent, arrangements between authorities or groups of authorities might be part of service delivery mechanisms, and to what extent they would serve to cloud accountability, bearing in mind the recognition of a 'mixed economy' in service provision. However, this is but one consideration and, as will be clear from this report as a whole, our final recommendations for particular authorities are based on many other factors besides. We have sought to recommend unitary authorities of such a capacity to ensure that they have the maximum flexibility in deciding how local services will be provided, whether directly by the council concerned or through some other arrangement.

72 We are mindful of factors relating to partnership working referred to in the guidance. In particular, while partnerships can be an effective way of delivering priorities where more than one organisation has a role to play in achievement, there is a risk that a multiplicity of partnerships can impose additional costs and take a disproportionate amount of senior management and councillor time. Similar considerations can apply in partnership organisations that deal with a multiplicity of local authorities. We are concerned to ensure that our recommendations for patterns of unitary authorities will allow the new councils to work effectively with partner organisations.

73 Most local authorities under review stated that they either have in place a community strategy and an LSP to monitor its delivery, or are in the process of setting them up. LSPs are seen by Government as a way of involving a wide range of partners in the achievement of agreed community objectives while at the same time rationalising existing partnerships and addressing what has been referred to as 'partnership fatigue'.

74 Our proposals have sought to strike a balance between arrangements that take into account the role of LSPs while at the same time reflecting the needs of the major service and project partnerships that may operate over a significant geographical area. Most submissions from local authorities commented on how they would seek to restructure current partnership arrangements to reflect their preferred option for unitary local government.

75 Where possible our proposals for new unitary authorities have attempted to bring about a level of coterminosity with the boundaries of key strategic partners. While this may not always be the case, it is in part a reflection of the multiplicity of these partnerships within the region and the areas under review. However, the

establishment of new unitary authorities may in itself have a beneficial effect in bringing about the rationalisation of existing partnerships.

Effective service delivery

76 A key issue from our Stage One public opinion research was the emphasis the community places upon the delivery of high quality public services. As a consequence we sought further evidence from key stakeholders concerning this issue, although the question varied depending on the option. For larger unitary authority options we were concerned about the arrangements for service delivery at the local level of services currently provided by district councils. In the case of smaller unitary authority options we were concerned about the capacity to deliver large-scale services such as education and social care. We were also interested (bearing in mind national e-government targets) to receive evidence of IT based solutions to service delivery issues.

77 We received additional evidence in relation to larger unitary authority proposals regarding how services would be maintained at the local level for a range of functions using 'one-stop' customer centres integrated with authority-wide IT networks and a customer contact centre. A number of submissions also set out arrangements for the rationalisation of a number of services to bring benefits in terms of enhanced customer service and common IT networks.

78 Specific examples of proposals included housing benefit and council tax administration, electoral registration, integration of waste disposal and collection and the range of regulatory services currently administered across county and district councils. Our view is that some of these initiatives, if implemented as outlined in submissions, would enhance services to the local community while at the same time maintaining a local presence across functions that offered local people the opportunity to transact a wide range of business with the new councils.

79 For smaller unitary authority proposals we received additional information relating to the arrangements that would be developed to deliver the larger-scale services such as education and social care. This is an important issue, since one of the most fundamental effects of structural change is the acquisition by any resulting sub-county unitary authorities of responsibility to provide these services. The information we received was mixed in quality. There was an emphasis on building on district-based or area arrangements already present in many county council organisational structures as a means of providing local solutions. The argument was also made that for some specialist services, some form of joint arrangement with other local authorities, possibly with outsourcing, might be appropriate.

80 We remain concerned at the contention, prevalent in some proposals for smaller unitary authorities, that the 'passporting' of a high proportion of education funding directly to schools somehow means that less money is required for education overall and that in particular there will be less need for some of the services currently provided by Local Education Authorities (LEAs). We believe this may underestimate the continuing role of the LEA and its key function in supporting schools. Similarly, the implications of the Children Bill for local authorities were sometimes underplayed. In addition, there appeared to be insufficient attention in some submissions to the impact responsibility for the strategic management of large-scale services would have, both on the corporate centre of an authority and on overall service delivery.

81 Some proposals for smaller unitary authorities stressed that the local knowledge of the current district councils would be beneficial in delivering large-scale services.

Submissions also referred to developing closer links with, for example, individual schools for the benefit of education generally. A specific example in one case referred to poor school performance being mainly concentrated in the area of a proposed smaller unitary authority and therefore best handled at that level rather than as part of a much wider county area as at present. Proposals for smaller unitary authorities (as much as those for larger ones) also stressed the benefits available from the integration in a unitary authority of all local government services.

82 One particular area where most submissions appeared strong was economic regeneration, where partnership and other collaborative initiatives were mentioned. Partnership working, building on the recently established LSPs, was also cited in some cases as a way to develop new service initiatives and priorities. There was a view in some submissions that capacity was demonstrated by recent inspection results. There was a general recognition that smaller unitary authorities in particular may need to develop links with other councils or partners for some specialist services to achieve the additional capacity required to ensure provision of a wider range of services.

Financial costs

83 The ODPM's guidance provided a financial model for use by The Boundary Committee. This model only addresses the current costs of 'being in business' and does not consider the total transitional or ongoing costs of change. As such, it differs from financial models used during previous local government reviews. Research on modelling the costs of local government reorganisation is available on the ODPM website (www.odpm.gov.uk).

84 We consider that the model provided by the ODPM provides a useful starting point for comparing different options based on a limited range of well-defined costs. However, we took the view that cost estimates cannot be a determining factor in deciding which patterns of wholly unitary structures are appropriate.

85 At the beginning of the review we requested that all local authorities in the two-tier areas under review complete a financial return. The Audit Commission assisted us in the process by assessing whether the information provided by local authorities had been prepared in accordance with the Committee's requirements and was consistent with relevant supporting records held by the authority. We also appointed PricewaterhouseCoopers (PwC) as our financial consultants for the purposes of this review and to assist us in collecting and analysing the financial data using the financial model.

86 The Audit Commission found that the returns for Cheshire were prepared in accordance with our requirements, and that the financial and related information contained in the returns was relevant to assessing the costs of 'being in business' and was consistent with the records held by each of the local authorities under review.

87 We received further evidence from stakeholders on the possible costs associated with implementation of various proposals arising from this review. We have not evaluated them in any great detail, nor given cost estimates undue weight in reaching our final recommendations. We commented in the overview report that while there are many views on the costs of restructuring, the financial model provided by the ODPM to identify the costs of 'being in business', while narrow in concept, provides an opportunity for comparison. We have noted the further evidence

provided but it has not been audited by the Audit Commission or analysed by our financial consultants (PricewaterhouseCoopers).

88 In any event, we have considerable doubts over the accuracy and viability of any costing model that seeks to predict future local authority costs associated with restructuring. That is because such matters will largely depend on the policies and priorities of the elected members of those new unitary authorities when they are established some years hence. In particular, for example, it needs to be borne in mind that some of the notional 'savings' illustrated in the costs of 'being in business' exercise might be balanced by costs implicit in implementing comprehensive local devolution arrangements.

89 This report provides the estimated costs of 'being in business' for each option put forward as part of our final recommendations to the Deputy Prime Minister.

New and continuing authorities

90 The legislation in relation to new and continuing authorities is complex, particularly in the context of this review. Under the provisions of section 14(5)(b) of the 1992 Act, **new** authorities result where there are boundary changes involving 'the amalgamation, or aggregation of areas or parts of areas or involving other substantial alterations of areas'. On the face of it, this seems straightforward: where there are *substantial* alterations of areas, **new** authorities are created. Conversely, **continuing** authorities will be created in circumstances where there are no substantial alterations in area. However, this is to overlook the provisions of the Regional Assemblies (Preparations) Act 2003, which introduce a further dimension.

91 However, this is to overlook the provisions of the Regional Assemblies (Preparations) Act 2003, which introduce a further dimension. Section 14(5) of the 2003 Act provides that the Committee 'must not consider any boundary changes in relation to:

- (a) any area in the region which is not the area of a relevant authority [a metropolitan district or shire unitary authority] unless it has the effect that any part of the area of a relevant local authority [a two-tier county or district council area] *becomes part of the area of a local authority which is not a relevant local authority*' (emphasis added).

92 It is, of course, the prerogative of the Courts to give an authoritative interpretation of the statute. However, in our view, taken together, these provisions mean that unitary authorities formed from the amalgamation of existing authorities in two-tier areas will, in all cases, be **new** authorities. Conversely, those that result from the amalgamation of single- and two-tier authorities will, in legal terms, be **continuing** authorities, as will those which achieve unitary status on their existing boundaries. This includes metropolitan districts, whose status, notwithstanding section 14(7)(b) of the 1992 Act, would be unaffected by any changes to their boundaries with non-metropolitan areas. Our recommendations are based on this understanding.

93 However, we envisage that all the unitary authorities that would be created as a consequence of, or result from, this review should be viewed as making a fresh start, irrespective of the formal distinction above. In making our recommendations, we took the approach of assessing the viability of new authorities delivering the totality of local government services and fulfilling their various representational and community leadership roles. While appreciating that we could not start with a completely 'blank

sheet' in these matters, it was not our approach to see how unitary authorities could be created by 'adding' on to existing functions. Indeed, it was encouraging that even county councils seeking to become unitary authorities appreciated that the incorporation of those functions currently exercised by district authorities would have a significant impact and would require them to think again about the wider structure, processes and culture of the authority. We endorse this view and would advocate very strongly that whatever the boundaries of the new unitary authorities that emerge, they should be seen, in all practical senses, as 'new' authorities.

94 As a means of reinforcing this view, The Boundary Committee will wish to undertake an electoral review of all the unitary authorities resulting from this review, so that first elections to shadow authorities take place on revised electoral arrangements.

Boundary issues

95 During the course of the review we identified or had our attention drawn to a number of boundary anomalies between our proposed unitary authorities. A number of these appeared to have a prima facie case for change. However, experience suggests that boundary changes can be extremely controversial locally and, bearing in mind the focus of this review and constraints of the review timetable, we decided not to pursue them. In any event, there is a quite separate principal area boundary review process under which the Deputy Prime Minister can ask for the Committee's advice on such matters. We would encourage the Deputy Prime Minister to consider whether such a review should be undertaken at an early stage.

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3 Draft recommendations

96 This chapter summarises our draft recommendations for Cheshire.

97 Our draft recommendations for Cheshire were published on 1 December 2003. In formulating our draft recommendations, we had to ensure that our proposals would facilitate a pattern of unitary authorities for the whole of Cheshire. We could not look at one local authority area in isolation, but needed to consider the consequential effects of any proposed options across the whole of the county. We have now been able to further assess those patterns in the light of what has been put to us during consultation on our draft recommendations and the further information we sought from a number of interested parties after the end of consultation.

98 Our proposals were those that we considered would be most likely to provide the setting for high-performing and robust unitary authorities and sought to build on the proposals put to us during the first stage of consultation.

99 We proposed that three options for patterns of unitary government in Cheshire should be put forward for consultation as set out in the table below:

Table 4: Draft recommendations

Option	Unitary authority	Constituent parts	Population (2001)
Option One: single unitary authority	Cheshire	Cheshire County Council	673,800
Option Two: two unitary authorities	East Cheshire	Congleton, Macclesfield, eastern parts of Crewe & Nantwich and Vale Royal borough councils	318,800
	West Cheshire	Chester City, Ellesmere Port & Neston, western parts of Crewe & Nantwich and Vale Royal borough councils	355,000
Option Three: three unitary authorities	East Cheshire	Congleton and Macclesfield borough councils	240,800
	Mid Cheshire	Vale Royal and Crewe & Nantwich borough councils	233,100
	Chester & West Cheshire	Ellesmere Port & Neston Borough Council and Chester City Council	199,900

100 At Stage One we also sought views on the proposal for Ellesmere Port & Neston Borough Council to be linked with Wirral Borough Council.

4 Submissions received

101 We received 1,935 representations in relation to Cheshire county during the consultation on our draft recommendations. These included submissions from each two-tier authority under review. We are grateful to all those who gave us their views during the consultation period.

102 Table 5 summarises the preferred options of the existing local authorities in Cheshire. In many cases they provided us with one preferred option while some also indicated a second preference.

Table 5: Summary of representations by two-tier authorities in Cheshire

Authority	Preferred option	Second preference
Cheshire County Council	Single unitary authority, based on existing county boundaries (Option One of our draft recommendations).	Two unitary authorities based on an east-west Cheshire split (not using district boundaries).
Chester City, Congleton, Crewe & Nantwich, Ellesmere Port & Neston, Macclesfield and Vale Royal borough councils	Three unitary authorities, based on pairs of existing districts (Option Three of our draft recommendations).	Two unitary authorities based on district boundaries; East Cheshire (Congleton, Macclesfield, Crewe & Nantwich); West Cheshire (Chester City, Ellesmere Port & Neston, Vale Royal).

Cheshire County Council

103 Cheshire County Council provided further evidence in support of a county-wide unitary authority based on its existing boundaries. The submission addressed issues such as service delivery and capacity, and provided additional evidence as to how such an authority would be able to successfully engage with local communities, including details about proposed area committees. The County Council stated that its second preference would be two unitary authorities based on an east-west split of the county as proposed in Option Two of our draft recommendations.

Cheshire district councils

104 At Stage Three, the six district councils in Cheshire produced a joint submission. They proposed three unitary authorities based on the pairing of district councils, as per Option Three of our draft recommendations. They argued that each unitary authority would be able to engage with local communities by building on the existing districts' current methods of area working, as well as being able to deliver the large scale services that are currently run by the County Council, such as education and social care. The districts provided further information regarding the funding and strategic delivery of major services by such a pattern of unitary authorities. The district councils expressed a second preference for two unitary authorities based on groupings of districts.

Adjoining unitary authorities

105 Warrington Borough Council supported Option Three.

Parish and town councils

106 We received 55 representations from parish and town councils in Cheshire. In general, support was divided between Option One and Option Three. Twenty-two of these submissions were in support of Option One and 20 were in support of Option Three. Four parish and town councils supported Option Two. One parish and town council supported linking Ellesmere Port & Neston with Wirral as proposed in our draft recommendations. Two parish and town councils opposed an elected regional assembly and one expressed a preference for the status quo. One parish council proposed two unitary authorities based on groupings of existing districts as per the districts' second preference.

National bodies

107 We received 14 representations from national stakeholder organisations.

108 The Association of British Counties favoured naming new unitary authorities to reflect the geography of traditional counties and provided suggested names for each of the draft options. The Association of Lord Lieutenants favoured including as few unitary authorities in each county as possible.

109 The Environment Agency noted that all the options would involve a reduction in the number of local authorities, which could allow for better targeting of resources and improved working relationships.

110 The Social Services Inspectorate (SSI) found that there was merit in both Option Two and Option Three of our draft recommendations. The SSI has concerns as to whether the three unitary authorities would have the necessary capacity to deliver strategic services but would be almost coterminous with existing Primary Care Trust (PCT) boundaries.

111 The Countryside Agency submitted research that found effective political leadership a more important characteristic of successful rural unitary authorities than factors relating to size, structure and geography. It also identified several common characteristics in successful authorities.

112 The County Councils Network (CCN) supported proposals for a single unitary authority in each of the counties under review. It argued that such authorities would fit within the local government modernisation agenda, building on the track record of existing county councils, and be both strategic and local in nature.

113 The National Union of Teachers (NUT) stated their opposition to the breaking up of the education function where it is currently delivered at a county level, arguing that new unitary authorities would not be large enough to provide the necessary infrastructure.

114 The Trading Standards Institute expressed a preference for county-wide unitary authorities in each area under review, arguing that they would have the lowest transitional and operating costs, and would facilitate high performance. Local Authorities Co-ordinators of Regulatory Services (LACORS) requested that the

Committee carefully consider the impact of any local government changes on smaller regulatory services. The General Register Office (GRO) expressed concerns about the viability of the registration service and stated that any further disaggregation may exacerbate its position.

115 The National Council on Archives (NCA) supported arrangements that would maintain strong archive services in the areas under review. The Museums, Libraries and Archives Council (MLA) favoured arrangements that would ensure that museum and archives collections, currently held at county level, are not broken up. The Association of Chief Archivists in Local Government (ACALG) expressed a preference for county-wide unitary authorities, as the best way to ensure the continuity of archive provision. The National Archives stated that, in the event of multiple unitary authorities being established in a county, joint arrangements may be necessary for archives and records management services. The ACALG and the NCA also favoured such joint arrangements, if necessary.

Public opinion research

116 During the consultation on our draft recommendations we commissioned MORI to carry out public opinion research on our behalf. This research consisted of around 300 face-to-face interviews, in each of the districts in Cheshire, as well as in Wirral Borough Council. The purpose of this research was to explore people's views in relation to the draft options we put out for public consultation.

117 Further interviews were carried out in the Vale Royal and Crewe & Nantwich districts. The purpose of these additional interviews was to enable us to gauge more closely the community identities, interests and preferences of local people in areas within each district that presented us with particular challenges during the review.

118 Interviewees were asked about their preferences for the three options put forward for public consultation. The research findings showed that, across Cheshire as a whole, Option Three was the most popular option of interviewees (45%). Option One was the second most preferred option (25%) while Option Two was the least supported option (11%).

119 When thinking about the review, interviewees were asked what they felt were the important issues that should be taken into account. As with the research carried out at Stage One, quality of services was cited as the single most important issue across all areas. In addition, those interviewed also expressed a desire for new authorities to be accountable to local people and respond to local people's wishes. The cost of services was also identified as an issue that should be considered, albeit to a lesser extent.

120 The MORI opinion research for Cheshire was published on 14 April 2004 and can be downloaded from our website (www.boundarycommittee.org.uk) and from MORI's website (www.mori.com).

Other representations

121 We received representations in response to our draft recommendations from Members of Parliament, regional, county and sub-county organisations, political groups, councillors, local organisations and local residents.

122 Andrew Miller MP (Ellesmere Port & Neston) expressed support for Option Three, Sir Nicholas Winterton MP (Macclesfield), although preferring no change,

stated that of the options put forward for consultation, Options One and Three reflected identity and communities of interests which he thought the people of Cheshire would find acceptable.

123 We received seven representations from regional bodies commenting on options in Cheshire.

124 Merseytravel proposed a new structure which would include Ellesmere Port & Neston as part of Merseyside. Merseyside Fire & Civil Defence Authority noted that it would only be affected if Ellesmere Port & Neston district were combined with Wirral Borough Council. The North West Museums, Libraries & Archives Council and North West Regional Archive Council requested that consideration be given to partnerships and joint arrangements in relation to their particular fields. The Northwest Development Agency commented on all the draft recommendations but did not express any preference. The Association of Greater Manchester Authorities urged that further consideration be given to Manchester City Council's proposal to extend its boundaries to include all of the Manchester Airport area. Merseyside Magistrates Court Committee have no comment.

125 Three submissions were received from Primary Care Trusts. Central Cheshire PCT stated that it would seek coterminosity of its boundaries with new unitary authorities where necessary and said it supported those proposals which would result in the minimum cost and disruption. Ellesmere Port & Neston PCT expressed support for Option Three. Cheshire West PCT considered Option Three had more benefits than Option One, but that both should appear on the referendum ballot paper.

126 Cheshire Magistrates Courts, Cheshire Constabulary and Cheshire Police Authority both commented on issues that would affect them if Ellesmere Port & Neston were to be combined with Wirral Borough Council.

127 Cheshire Fire Service also expressed support for Option One.

128 Seven submissions were received from national and local political groups. The Conservative Party opposed elected regional assemblies but said that all three options should be put to local people in a referendum. Wirral Borough Council's Labour Group supported Ellesmere Port & Neston joining Wirral. Wirral Conservative Group opposed such a proposal (as did the Moreton West and Saughall Massie Conservatives). Crewe & Nantwich Conservative Group support a pattern of two unitary authorities, one based on Macclesfield, Congleton and Crewe & Nantwich districts, and the second based on Vale Royal, Ellesmere Port & Neston and Chester City districts. Macclesfield Labour Party supported Option Three and Sandbach Area Labour Party supported Option One.

129 Submissions were also received from 28 individual local councillors. On the whole, support was divided between Options One and Three; each received support from 12 councillors. Only one councillor supported Option Two, while one expressed a preference for the status quo and another had concerns over the clarity of the districts' proposal and its cost. One Councillor supported more than one option but did not state a preference.

130 Age Concern Cheshire and Cheshire Community Council expressed their support for Option One. Cheshire Association of Governing Bodies expressed concern that any more than a single unitary for the county would reduce the expertise available to deliver education. Cheshire Carers Centre, a county-wide organisation,

had concerns about the fragmentation of its service, the duplication of work and funding under sub-county options.

131 Four schools and colleges (Reaseheath College, Wistaston Junior School, Alvanley Primary School, the Governing Body of The Bishops' Blue Coat Church of England School) expressed their support for Option One while, West Cheshire College Board of Governors supported Option Three.

132 The Bishop of Chester, Chief Crown Prosecutor for Cheshire, and the High Sheriff of Cheshire supported Option One.

133 We also received representations from 17 local organisations and businesses, of which five supported Option One, six supported Option Three and one supported Option Two. One respondent supported and one opposed Ellesmere Port & Neston to link with Wirral, and one had a preference for the status quo. The remaining two respondents made comments about potential costs and disruption.

134 In total 1,782 representations were received from individuals. One thousand two hundred and fifty-five respondents expressed their support for Option One and 226 for Option Three. Only 44 respondents supported Option Two. Eighteen supported more than one of the options without stating a preferred choice. Twenty-six offered other proposals for new unitary authorities in Cheshire. One hundred and five said they would prefer no change, while 19 opposed an elected regional assembly. The remaining 89 made a variety of comments, including 10 who opposed combining Ellesmere Port & Neston with Wirral.

5 Analysis of proposals

135 This section analyses the responses to the options that we sought views on and details our further consideration of those options in light of consultation. It also details our analysis of alternative proposals and comments received on our draft recommendations.

136 In our draft recommendations report, we set out the strengths and weaknesses of each of the proposed patterns of unitary authorities based on the information and evidence available to us during Stage One of the review. We have now been able to further assess those strengths and limitations in the light of the information provided during Stage Three consultation on our draft recommendations.

137 The analysis below informs our final recommendations for Cheshire, set out in chapter 6.

Draft recommendations: Option One – single unitary authority

Table 6: Single unitary authority

Unitary authority	Constituent parts	Population (2001)
Cheshire	Cheshire County Council	673,800

138 At Stage One, Cheshire County Council put forward the proposal of a single unitary authority based on the existing County Council boundary with a council size of around 120 members. We put forward this proposal as Option One in our draft recommendations. At Stage Three the County Council reiterated its support for this option.

139 We note that Cheshire County Council received an excellent rating from the Audit Commission in its 2003 Comprehensive Performance Assessment (CPA). We acknowledge that the County Council's present performance and capacity to deliver effective services can only provide a broad indicator of the potential future performance of a new county-wide unitary authority. However, we are of the view it would provide a useful basis from which to build a new unitary authority with the potential to be high performing. We consider that a single unitary authority could have the capacity and financial viability to provide the full range of local government functions and services. It has also been put to us that the retention of county council services within one organisation would be the least disruptive option, while allowing for the extension of economies of scale to services currently being provided by district councils, though a number of services currently carried out by districts would need to be merged.

140 The proposed county-wide unitary authority would have a relatively large population of approximately 674,000. A number of respondents have argued that an authority of this size would have the capacity to act strategically within the Cheshire sub-region, while also able to act as a 'voice for the county' at regional, national and European Union (EU) levels, building on the current work undertaken by Cheshire County Council.

141 At Stage Three, the County Council further developed proposals for up to 16 area committees, with associated planning and regulatory sub-committees, to be created across the county. It stated that these committees would be responsible for some delegated executive powers and non-executive functions, and would also

serve as forums for consultation and addressing local issues. Members would comprise unitary authority councillors and generally non-voting appointees. They would also incorporate a wide range of local groups for consultation purposes.

142 We note that the seven Cheshire LSPs are coterminous with the existing district and county boundaries. Further evidence received from the County Council showed that there is no short-term plan to alter this structure, or the LSP sub-structures under which certain initiatives operate, such as Life Long Learning and Community Safety partnerships. However, there would be scope for some rationalisation of the network if a unitary authority covering the whole county area was created should this be considered desirable.

143 At Stage Three, the County Council provided evidence of the capacity of a county-wide unitary authority to effectively represent the communities in the county, while also providing services to meet the needs of local people. We note that the County Council proposed increasing the number of councillors to 120 and acknowledged that the role of councillors will expand under a unitary authority structure. As a result of this change, the County Council recognised that members will need to rely on organisational support and in response to this it would adopt a learning and development training strategy to support elected members. Furthermore, the County Council advocated a system of vocational and academic accreditation in order to recognise the skills acquired as a councillor.

144 Nonetheless, we consider that a unitary Cheshire could still face a number of potential challenges. One of the most important would be in exercising its community leadership, representation and local service delivery roles. It would have to ensure that the scale of county-wide unitary local government would not impede the efficient allocation of resources or the effective management and delivery of services to local people. In this context, the difficulty of incorporating existing district level services with a strong public-facing orientation should not be underestimated.

145 We are of the view that the County Council's proposals for devolved structures and improved access to services could go a considerable way towards addressing these issues. However, the plans are ambitious and we note that some respondents have not been wholly persuaded of the merit of the proposed area committee network. In order to address these concerns, we consider that the area boards would have to demonstrate accountability to local people and other interested parties, particularly the existing Cheshire LSPs. They would also have to facilitate effective working with the corporate and political centres of the council, parish and town councils and local partners.

146 We have some concerns about the level of expected local participation in area committees in rural parts of the county and the capacity of existing town and parish councils to undertake new roles under this structure. We are mindful that, where areas are unparished and there is no obvious public interest in forming a parish or town council, the new unitary authority would need to ensure alternative structures to enable representation at the local level. However the County Council acknowledged that the cohesiveness and capacity for engagement of local groups varied across the county and it therefore advocated a flexible approach to devolution, together with specific capacity building initiatives where required.

147 While the population in Cheshire is fairly evenly distributed, we note that councillors in the more rural parts of the county, to the south west of the county in particular, would represent relatively geographically large areas. Electoral divisions of this size could restrict the potential for contact with constituents and increase the

amount of time spent travelling both within a rural division and to council meetings thereby limiting the time available for representative duties. However, we acknowledge the potential role that IT and other technology could play in addressing some of the geographical issues in relation to representation. The County Council have put to us that the relocation of the seat of local government from the west of the county to the centre, near Winsford, may alleviate some of these difficulties.

Draft recommendations: Option Two – two unitary authorities

Table 7: Two unitary authorities

Unitary authority	Constituent parts	Population (approx.)
East Cheshire	Congleton, Macclesfield, eastern parts of Crewe & Nantwich and Vale Royal borough councils	318,800
West Cheshire	Chester City, Ellesmere Port & Neston, western parts of Crewe & Nantwich and Vale Royal borough councils	355,000

148 At Stage One, a two unitary option was not proposed by any of the principal local authorities in Cheshire as a first choice. However, we decided that a comprehensive and balanced approach to the review process required us to give consideration to the possible merits of such an option. We proposed, as part of our draft recommendations, a two unitary option based on an east-west split of the county using a boundary line as broadly suggested by the County Council. This option would involve splitting the districts of Vale Royal and Crewe & Nantwich, using existing wards and parishes as building blocks.

149 Unitary authorities could reflect the broad social, economic and historic community of interest within Cheshire. To the east we note that the districts of Macclesfield, Congleton, eastern parts of Crewe & Nantwich and Vale Royal would unite the former mill towns and engineering areas and are linked by the A34 and the A54 roads, the former linking the eastern towns to Manchester. Chester City, Ellesmere Port & Neston, western parts of Crewe & Nantwich and Vale Royal would unite the predominantly agricultural areas of the south and south west of the county, and the industrial areas of the far north-west. The A54 and A41 roads, continuing to the larger conurbation of Liverpool, link towns in this area.

150 We take no particular view on the optimum population size or land area of new unitary authorities. However, with an average population of around 340,000, East and West Cheshire would be both comparable geographically and demographically to some of the larger existing unitary authorities in England.

151 At Stage Three, the County Council expressed the view that two unitary authorities would strike a balance between achieving economies of scale and be flexible and responsive to Cheshire's diverse communities. We are of the view that the capacity of the two unitary authorities could be further increased by partnership working with other adjoining local authorities, at the sub-regional level, as well as with public sector organisations. It was argued by several respondents that a larger unitary authority to the west of the county would have a greater capacity and expertise to address Ellesmere Port & Neston's particular deprivation and socio-economic issues.

152 The County Council and district councils also expressed the view that the two unitary authorities would be of a sufficient size to enable close contact with local communities and access to services. Under its preferred option of a single unitary authority, the County Council proposed to devolve some functions to area structures based upon the proposed 16 area committees, where local views would be reflected in policy-making through input into community strategies. The County Council suggested that the parish and town councils would be encouraged to play a greater role in service delivery and representation, in accordance with the Quality Parish Initiative. Similar approaches would be relevant in the case of Option Two in our draft recommendations. The County Council also argued that strategic strength would also be retained under this option, albeit to a lesser extent than a single unitary authority for Cheshire.

153 In relation to the delivery of strategic services, some respondents expressed the view that this option could meet the needs of the local communities while maintaining the necessary capacity to deliver high volume services such as education and social services. We remain of the view that existing partnerships, which focus on specific geographical areas within the county could, by and large, continue to operate within the two unitary authorities, although some realignment of partnership boundaries in the centre of the county might be desirable.

154 However, we continue to have a number of concerns about Option Two, which did not receive a great deal of support from respondents at Stage Three, or residents surveyed in MORI public opinion research.

155 In our draft recommendations report we stated that we would welcome further information from existing authorities as to how the two unitary authorities might function, particularly with regards to the specific challenges that would be faced by authorities of the size and geographical composition proposed, and the potential strategies they might employ to engage with and represent the local communities. We also asked for comments on our proposal to divide the district of Crewe & Nantwich between an East and West Cheshire. The evidence received for all issues was, however, somewhat limited.

156 At Stage One we considered that a proposed division of Crewe & Nantwich would not adversely affect local communities in relation to population, geographical area and the continuance of existing partnerships based on current boundaries. However at Stage Three we received evidence from the district councils that argued against our proposal of splitting the district of Crewe & Nantwich. They argued that the two towns share good communication links with each other being approximately five miles apart. The urban areas between Crewe & Nantwich are separated by only 800 metres of green space. The districts further argued that the towns are interdependent, relying on each other for a variety of services and that the two towns share one economic base.

157 While we are of the view that a two unitary configuration could have the capacity to deliver the range of services covered presently by both the County Council and the district councils, we did not receive persuasive detailed evidence of how the two authorities would function. While evidence may be adapted from other submissions supporting Options One and Three to help address issues of local representation and service delivery, we are concerned that such evidence would not be sufficiently robust as to allow us to put forward Option Two with any great confidence in the absence of strong local support for it. In general, we are not persuaded that proponents of the proposed East Cheshire and West Cheshire authorities have articulated a 'vision' for the new authorities.

158 We consider that alternative options would be more likely to provide the setting for high performing unitary authorities in Cheshire and appropriately represent local communities.

Draft recommendations: Option Three – three unitary authorities

Table 8: Three unitary authorities

Unitary authority	Constituent parts	Population (2001)
East Cheshire Council	Congleton and Macclesfield borough councils	240,800
Mid Cheshire Council	Vale Royal and Crewe & Nantwich borough councils	233,100
Chester & West Cheshire Council	Ellesmere Port & Neston Borough Council and Chester City Council	199,900

159 At Stage One, Congleton, Crewe & Nantwich, Ellesmere Port & Neston, Macclesfield, and Vale Royal proposed three new unitary authorities based on the boundaries of pairs of the six district councils. We put forward this proposal as Option Three in our draft recommendations.

160 Having examined the proposed pattern of unitary local government, we remain of the view that the new unitary authorities under this option would bring together broadly similar geographical and socio-economic areas. There would also be good transport and communication links between the three proposed authorities with the M6 giving access to Birmingham, Liverpool and Manchester.

161 In the north-west of the county, we note that a number of national and international funded regeneration schemes operate, involving both Chester City and Ellesmere Port & Neston districts. A West Cheshire unitary authority would need to address particular economic issues, including those relating to manufacturing and research industries to the north, retail and service industries in the centre of the area, and high technology and financial services south of Chester.

162 We note that Macclesfield and Congleton districts have established good working relationships on a number of issues, such as health and social care, and share local government strategies and programmes such as Best Value, Local Partnership Service Agreements and corporate and community plans.

163 The districts of Vale Royal and Crewe & Nantwich also share similar socio-economic profiles. Shared strategies and programmes included a common single strategic Health Authority and community health and ambulance trusts. However, the Central Cheshire PCT is not wholly coterminous with any of the three districts it currently serves (including Congleton) and this option might lead to a reorganisation of PCT boundaries if that was deemed necessary.

164 The districts argued that the size of the new authorities would be conducive to focusing on local needs and would be able to deliver effective and convenient local government. Given the population, and the land area covered by the proposed authorities, we are of the view that the three unitary authorities might enable a more focused perspective on service delivery compared to a single unitary authority. Public opinion research carried out by MORI at Stage Three on the three options put forward in our draft recommendations favoured Option Three, which was the highest

response of all the options. Respondents who prefer Option Three do so in the main because they want their council to cover a small area.

165 We note that the establishment of three unitary authorities based upon a combination of the district council areas would not require a reconfiguration of the majority of the present network of partnerships. Two of Cheshire's PCTs have supported this option. At Stage One all four PCTs stated that they would seek coterminosity with new unitary authority boundaries should this be necessary. We note that joined-up public service arrangements to plan, deliver and evaluate social care and health service provisions are already organised at a sub-county level. Local Implementation Teams (LITs) exist to manage responses to these issues in Ellesmere Port & Neston, Cheshire West, Central Cheshire and East Cheshire. The districts argue that this approach could not be replicated at a county-wide level.

166 The existing district authorities stated that they have some experience of working with local community forums and acknowledge that the new authorities would need to positively engage with residents in both parished and un-parished areas. The districts demonstrated awareness of the potential lack of capacity within existing parish and town councils to take on an enhanced service delivery role. Furthermore, the districts proposed the provision of alternative community engagement mechanisms for such unparished areas and capacity-building training to local people who want to get involved in local issues.

167 The six district councils stated that the role of the member would, and should, change if three unitary authorities are created. The districts argue that members need to be instrumental in shaping the proposed new authorities, as local councillors would represent wards of between 2500-3000 residents. The districts stated that the role of members in the proposed unitary authorities would differ from both existing county and district councillors, as they would be responsible for all local authority functions. Councillors would not only have executive and scrutiny responsibilities but will be expected to work with partners at local, unitary and sub-regional levels. The new unitary authorities would be able to direct resources to ward level, which could improve member support by increasing the capacity of the councillors to perform more efficiently at the local level.

168 We are aware that current performance of councils is not necessarily any guide to future performance; current performance cannot necessarily be reproduced in a new authority with any certainty. However, we acknowledge that the CPA results published in December 2003 show the Cheshire district councils, on the whole, to be good performing councils and the new unitary authorities would have an opportunity to build upon the achievements highlighted by the Audit Commission.

169 Nevertheless, we consider that the proposed three unitary authorities would need to address a number of challenges. One of the most significant challenges would be in relation to delivery and management of the large-scale services such as education and social services. The districts addressed this issue in their Stage Three submission, providing evidence of how they would deliver and manage such services. We are satisfied that they are aware of the complexities involved. We note that the districts are aware of local issues in relation to the disaggregation of budgets and allocating resources and have the financial viability, although they provided only limited evidence for long-term planning, delivery and management of key services.

170 The districts also foresee good partnerships working between the three proposed unitary authorities. Furthermore, they plan to continue to work closely with the existing district based LSPs and community and voluntary sector (CVOs) bodies.

Current examples of district based LSP initiatives include community safety partnerships, community legal service partnerships, Drug and Alcohol Action Teams, and Connexions.

171 We are mindful that smaller unitary authorities will need to have a sufficient resource base to take on responsibilities and have 'clout' at a regional level. It is our view that the authorities proposed would, potentially, have adequate capacity and could be in a position to build on existing sub-regional partnerships, such as the Mersey Dee Alliance, with adjacent local authorities.

172 We have some concerns over how successful the three new authorities would be in recruiting the specialist skilled staff required to deliver educational and social services. We accept that a shortage of specialised staff exists but there is some evidence this can be more serious in rural parts. We note that, in addressing this issue, the districts consider that the new unitary authorities would inherit enough skilled staff from the County Council, as well as the district councils, to deliver services. They also accept, however, that they would need to address any shortages and would do so through a programme of training and development.

Other proposals

173 At Stage Three we invited comments on Chester City's Stage One proposal to link Ellesmere Port & Neston district with Wirral, as we considered this proposal had some merit. This proposal made by Chester City Council complemented its Stage One proposal that a unitary authority be created on its own existing boundaries. We did not include this in our draft recommendations and Chester City Council did not pursue it at Stage Three, supporting instead the joint districts' submission for three unitary authorities in Cheshire. At Stage Three we received limited views on the proposal to link Ellesmere Port & Neston with Wirral and it was strongly opposed by Ellesmere Port & Neston Council.

174 At Stage One, we considered Manchester City Council's proposal for a boundary amendment in respect of areas adjoining Manchester Airport. We received further representation at Stage Three. We consider this proposal would not directly facilitate options for new local government structures in Cheshire, nor accord with the remit to which we are working. Other procedures exist to pursue such boundary issues and we do not consider it appropriate for us to propose boundary changes, anticipating future development, within the context of the current review.

6 Final recommendations

175 This chapter contains our final recommendations for Cheshire.

176 In formulating our final recommendations, we have sought to ensure that our proposals facilitate a pattern of unitary authorities for the whole of Cheshire. We cannot look at one local authority area in isolation, but rather need to consider the consequential effects of our proposals across the whole of the county. Our proposals are those that we consider most likely to provide the setting for high-performing and robust unitary authorities.

177 Having examined the evidence received, we consider that a single unitary authority covering Cheshire should form part of our final recommendations. We consider this option would, to an extent, reflect local attachment to the county area and command a degree of local support. The proposed unitary authority would have sufficient capacity to provide the full range of local government services and could be able to effectively deliver functions currently performed by the district councils. We are broadly content that respondents have addressed concerns raised in our draft recommendations report regarding the extent to which a county-wide unitary authority would be able to effectively represent, engage and deliver services to the various communities of Cheshire.

178 In our consultation report, we proposed the creation of two unitary authorities in Cheshire (Option Two of our draft recommendations). While we remain of the view that two unitary authorities in Cheshire would be viable, we do not consider that we have received convincing evidence as to how the proposed East and West Cheshire authorities might function, particularly in relation to local area working at the democratic and service delivery level. We received little evidence of a 'vision' for the proposed authorities including how it could deliver strategic services such as education and social services beyond a scaling down of the proposals in Option One.

179 While evidence could perhaps be adapted from other submissions supporting Options One and Three to address these issues, we are concerned that this is not sufficiently robust as to allow us to put forward this option with any great confidence. We consider that alternative options are more likely to reflect the criteria guiding this review, and are not putting this option forward as part of our final recommendations.

180 We are confirming the proposal for three unitary authorities as part of our final recommendations. We remain of the view that this option has the potential to create high performing unitary authorities in the county of Cheshire. We are content that the districts have addressed our concerns in relation to the delivery of major services such as education and social care, and that they have demonstrated an awareness of how three unitary authorities might successfully manage strategic services currently carried out by the County Council.

181 In relation to the proposed expansion of Wirral to take in Ellesmere Port & Neston, we consider that it would be inappropriate for us to recommend such a configuration, based on the evidence we received and the broad lack of support for this proposal. Therefore, this proposal is not put forward as a final recommendation.

182 We have not been persuaded to adopt any other proposals for new unitary structures. In such cases, we have generally received insufficient evidence to persuade us that the proposed unitary authorities would either adequately reflect

community identities and interests or would have the long-term capacity to deliver the full range of local government services effectively.

183 Table 9 details the proposed names for potential new unitary authorities under each of our options. We have reflected where appropriate the comments put to us during the consultation on our draft recommendations.

184 We have noted the suggestion that the names of the proposed authorities should reflect the historic county areas. However, we are not persuaded on the basis of the evidence received that the alternatives proposed would command local support. We therefore propose no amendment to the names of proposed unitary authorities put forward in our draft recommendations.

185 We are proposing that two options for unitary local government in Cheshire be put forward as our final recommendations, as set out below.

Final recommendations

Option A

The districts of Chester City, Congleton, Crewe & Nantwich, Ellesmere Port & Neston, Macclesfield and Vale Royal should be abolished and their functions transferred to Cheshire County Council, which should be renamed 'Cheshire Council'.

Option B

Cheshire County Council and the districts of Chester City, Congleton, Crewe & Nantwich, Ellesmere Port & Neston, Macclesfield and Vale Royal should be abolished. The functions of these authorities should be transferred to three new unitary districts, to be named 'East Cheshire' (comprising the former areas of Congleton and Macclesfield districts), 'Mid Cheshire' (comprising the former areas Crewe & Nantwich and Vale Royal districts) and 'Chester & West Cheshire' (comprising the former areas of Chester City and Ellesmere Port & Neston districts).

Table 9: Final recommendations for Cheshire

Option	Unitary authority	Constituent parts	Population (2001)
Option A: single unitary authority	Cheshire Council	Chester City, Ellesmere Port & Neston, Vale Royal, Crewe & Nantwich, Congleton, Macclesfield	673,800
Option B: three unitary authorities	East Cheshire	Macclesfield and Congleton	199,900
	Mid Cheshire	Vale Royal and Crewe & Nantwich	233,100
	Chester and West Cheshire	Ellesmere Port & Neston and Chester City	240,800

186 In addition to consulting on options for further local government structures in our draft recommendations report for Cheshire, we also considered and sought views on the treatment of ceremonial arrangements and the provision of certain services. Our conclusions on these issues are set out in Appendix B.

Financial model

187 The table below sets out the costs of 'being in business' of the current local government structure and for each of the options we are putting forward as final recommendations. Further information is available on our website.

Table 10: Financial model – costs of 'being in business'

	Costs (£m)
Existing two-tier structure	30.0
Option A	10.5
Option B	16.8

188 At Stage One, the County Council made comment on the PwC model used and offered an alternative financial model. At Stage Three the districts supplied us with additional financial information, including a financial analysis conducted by consultants Rita Hale & Associates. The analysis contended that the proposed three unitary authorities would be financially viable and would not face insuperable problems, and that they would be able to deliver services effectively without the need to resort to increased levels of joint working.

189 However, as at Stage One, the figures provided by the County Council and districts have not been audited by the Audit Commission, and we have no view on them.

190 In addition to consulting on options for future local government structures in our draft recommendations report for Cheshire, we also considered and sought views on the treatment of ceremonial arrangements and the provision of certain services. Our conclusions on these issues are set out in Appendix B.



Proposals for unitary local government in Cheshire

For example, table 9, Option B should read:

Population (2001): 240,000

Cheshire population (2001): 199,900



7 Next steps

191 Having completed the review of local government in Cheshire and submitted our final recommendations to the Deputy Prime Minister, we have fulfilled our obligation under the direction we received on 16 June 2003.

192 It is now up to the Deputy Prime Minister to decide whether to accept our recommendations, with or without modification, or reject them.

193 The ODPM will now consider the recommendations contained within this report as part of its preparations for referendums on elected regional assemblies and local government change. It is understood that the Government will not take final decisions on the local government options for a period of six weeks from the date of this report (until 6 July 2004) during which time you may write to the Deputy Prime Minister with any comments.

194 The Deputy Prime Minister can be contacted at the following address:

Office of the Deputy Prime Minister
Zone 5/B1
Eland House
Bressenden Place
London SW1E 5DU

195 The Electoral Commission will be responsible for conducting at a later date the referendums on elected regional assemblies. As part of the referendums, voters in two-tier areas of each region will have the opportunity to vote on their preferred pattern of unitary local government.

Appendix A

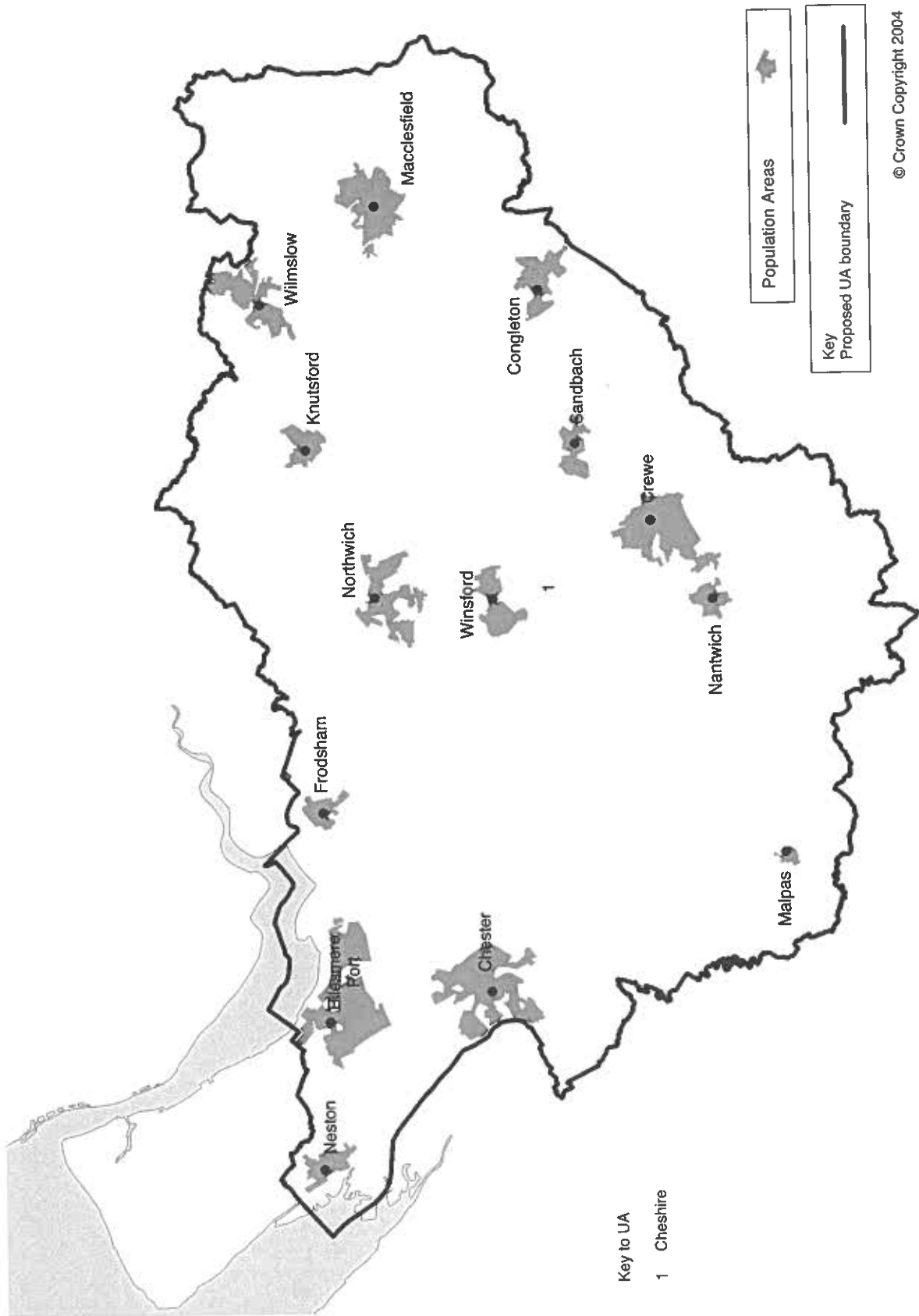
Maps of final recommendations for Cheshire

193 The following maps illustrate our final recommendations for wholly unitary patterns of local government in Cheshire:

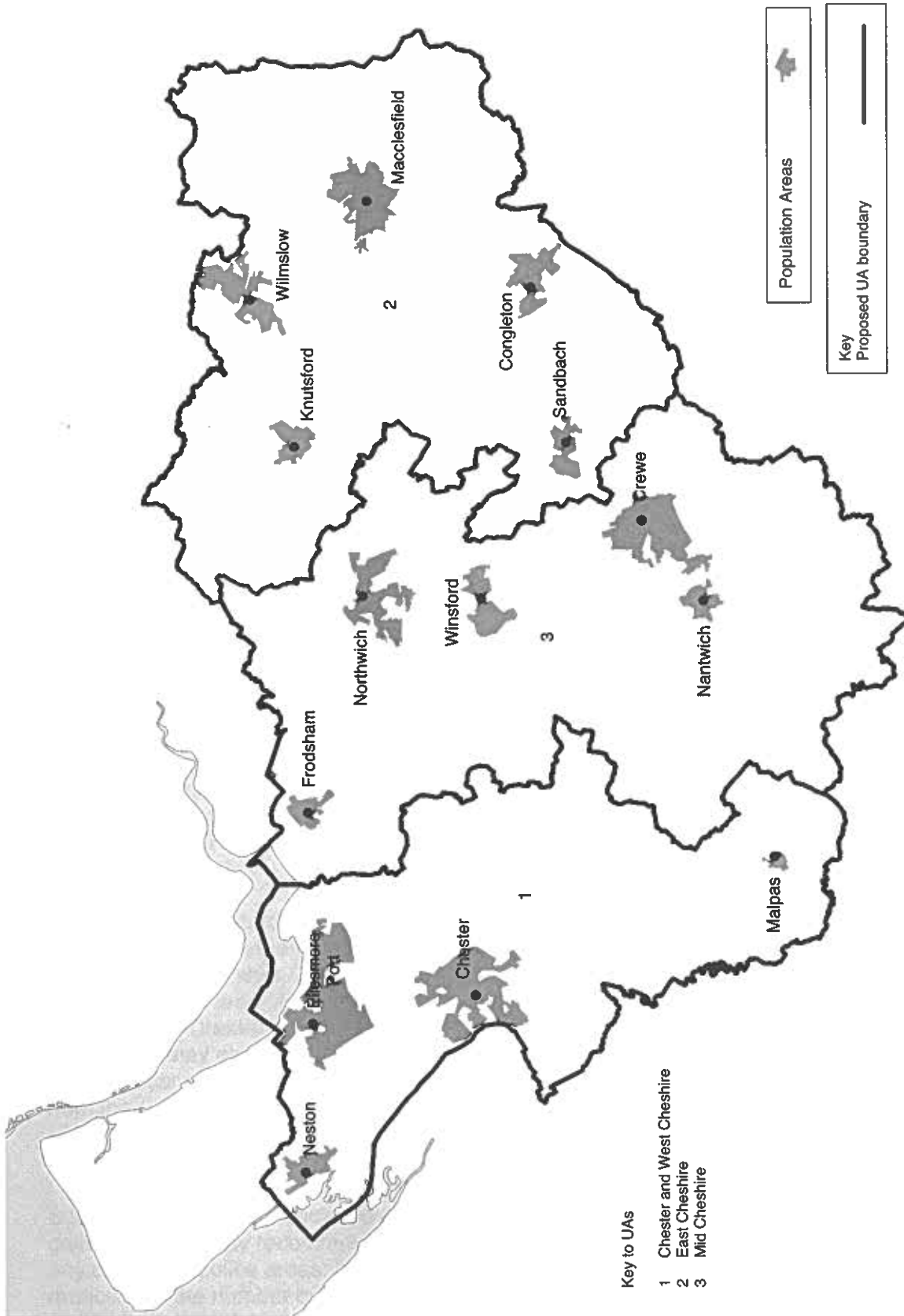
Map A1 illustrates Option A for a single unitary authority.

Map A2 illustrates Option B for three unitary authorities.

Map A1: Option A – a single unitary authority for Cheshire



Map A2: Option B – three unitary authorities for Cheshire



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Appendix B

Other matters

In addition to consulting on options for future local government structures in our draft recommendations report for Cheshire, we also considered and sought views on the treatment of ceremonial arrangements and the provision of certain services.

Our conclusions on these issues are discussed below.

Ceremonial arrangements

In strict legal terms, each unitary authority is a county in its own right. That is because Schedule 1 to the Local Government Act 1972 defines local government areas in England and Wales by reference to county areas, not district areas (unitary districts are created by 'deeming' the unitary authorities as districts for certain statutory functions). The 'deeming' is achieved in the structural change order.

Under the Reserve Forces Act 1980 every county is entitled to a Lord Lieutenant. While this is entirely appropriate for unitary counties, in practical terms there is no need for most unitary districts to have their own Lord Lieutenant and other ceremonial arrangements

Existing ceremonial arrangements in Cheshire will remain unaffected under Option A of our final recommendations.

Final recommendation – Option B

The county of Cheshire should be retained for ceremonial and related purposes, and the new unitary districts of Chester & West Cheshire, Mid Cheshire and East Cheshire should be associated with the county for such purposes.

During our consultations a number of other ceremonial-related issues were raised with us, in relation to the preservation of mayoralties and city status following reorganisation. These are important matters to local people and should not be overlooked.

We understand that, following the precedent of the 1974 reorganisation, on application the Deputy Prime Minister can provide for Charter Trustees to be established for an area. This means that those councillors elected to represent wards which are in the area of the existing local authority will constitute a body corporate known as the Charter Trustees of the borough or city. Charter Trustees have few powers but may elect one of their number to be mayor, and may exercise powers to appoint local officers of dignity. Further information on these matters can be obtained from the ODPM.

Public protection

Section 14(5)(e) of the Local Government Act 1992 invites us to consider whether, in connection with any recommended structural or boundary change, there should be any change in police areas, including whether there should be an increase or reduction in the number of police areas. Section 17(3)(g) and (h) of the 1992 Act (implementation of recommendations) enables the Secretary of State to make

provision in respect of the constitution, election and membership of public bodies in any area affected by the structural change order, plus their abolition or establishment.

Under section 17(6), the Secretary of State is required to ensure that no unitary county or a district (unitary or two-tier) is divided between two or more police areas.

With the creation of Police Authorities under the Police and Magistrates Courts Act 1994, the police service is no longer a county function. However, the membership of each Police Authority is appointed by a committee that draws a high proportion of its membership from local government. In two-tier counties, the local authority element is from the county council. Accordingly, for options that included sub-county patterns of unitary authorities, we made draft recommendations in respect of the area and membership of the committee that appoints members of police authorities.

We received a number of comments on our draft recommendations regarding Police Authority areas to the effect that they ignored the operational requirements of the Police Service. It was felt that changes to area and, potentially, resources and staffing, were being driven by non-policing factors, to the detriment of the service.

We consider such comments to be entirely valid and have reviewed our approach to Police Authority areas. It is not part of our role to determine what may be the operational requirements of the Police Service, nor do we have the expertise to do so. Accordingly, we have decided to make no recommendations in respect of Police Authority areas or membership. We believe such matters are more appropriate for the Home Office to take a view on, in consultation with the relevant responsible bodies.

Where we proposed the creation of sub-county patterns of unitary authorities we also proposed in our draft recommendations the establishment of combined fire authorities, on the grounds that such matters were too important to be left to informal joint arrangements. However, the Fire and Rescue Services Bill provides the Secretary of State with discretionary powers to establish combined fire and rescue authorities on a regional basis. Given the stage reached by the Bill in its passage through Parliament, we do not consider it appropriate for us to make a recommendation in relation to fire authorities.

Strategic planning

Section 14(5)(d) of the 1992 Act invites us, in connection with any structural change, to make recommendations in relation to strategic planning. In particular, we are asked to consider whether new unitary authorities should be structure or Unitary Development Planning (UDP) authorities, and whether they should be waste and mineral planning authorities. We can recommend joint arrangements for the exercise of these functions.

As indicated in our draft recommendations report, the Planning and Compulsory Purchase Bill makes provision for the introduction of regional spatial strategies (RSS) in each Region and the abolition of the structure plan and UDP process. Such regional planning guidance as is prescribed by the Secretary of State will become the RSS. In addition, the Secretary of State will have the power to recognise a body as the regional planning body for a region.

Given the stage reached by parliament in its consideration of the Bill we do not consider it appropriate for us to make any recommendations in relation to strategic

planning. Nor do we propose making any recommendations for waste and mineral planning functions in relation to sub-county unitary authorities; we consider these matters can be addressed through co-operation between the authorities concerned.

Other services

We believe that the unitary authorities set out in our options would each have the capacity to carry out the other main local government functions directly, albeit some may choose to do so in partnership with other public or private sector bodies. However, we expect the authorities, particularly those included within the sub-county option, to work together closely to ensure that specialist expertise is not unnecessarily broken up and that existing levels of efficiency and effectiveness in the provision of relatively small-scale but important functions such as trading standards, archive provision and records management are maintained.



Appendix C

Code of practice on written consultation

The Cabinet Office's November 2000 *Code of Practice on Written Consultation*, www.cabinet-office.gov.uk/servicefirst/index/consultation.htm, requires all Government Departments and Agencies to adhere to certain criteria, set out below, on the conduct of public consultations. Public bodies, such as The Boundary Committee for England, are encouraged to follow the Code.

The Code applies to consultation documents published after 1 January 2001, which should reproduce the criteria, give explanations of any departures, and confirm that the criteria have otherwise been followed.

Table C1: The Boundary Committee for England's compliance with Code criteria

Criteria	Compliance/departure
Timing of consultation should be built into the planning process for a policy (including legislation) or service from the start, so that it has the best prospect of improving the proposals concerned, and so that sufficient time is left for it at each stage.	We comply with this requirement.
It should be clear who is being consulted, about what questions, in what timescale and for what purpose.	We comply with this requirement.
A consultation document should be as simple and concise as possible. It should include a summary, in two pages at most, of the main questions it seeks views on. It should make it as easy as possible for readers to respond, make contact or complain.	We comply with this requirement.
Documents should be made widely available, with the fullest use of electronic means (though not to the exclusion of others), and effectively drawn to the attention of all interested groups and individuals.	We comply with this requirement.
Sufficient time should be allowed for considered responses from all groups with an interest. Twelve weeks should be the standard minimum period for a consultation.	We comply with this requirement.
Responses should be carefully and open-mindedly analysed, and the results made widely available, with an account of the views expressed, and reasons for decisions finally taken.	We comply with this requirement.
Departments should monitor and evaluate consultations, designating a consultation coordinator who will ensure the lessons are disseminated.	We comply with this requirement.

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