



**Ambitious
for Norfolk**



Interim Submission

Local Government Reorganisation in Norfolk

Introduction

We welcome the Government's intention to explore local government reorganisation alongside the devolution of further powers and funding to Mayoral Combined Authorities.

We are keen to seize this opportunity for local government reorganisation to make a difference to the people of Norfolk, by:

- Reducing duplication, which will save money that can be reinvested in services.
- Ending confusion and improving accountability, by having one council per area.
- Joining up services, which helps to support effective work with partner organisations.

A local government system designed in the 1970s needs updating, to meet continually changing aspirations, expectations and needs, and changes to technology and service delivery.

Norfolk residents have a strong sense of belonging, to their county and to their neighbourhood – whether they live in the city of Norwich, large towns like Great Yarmouth and King's Lynn, market towns like Cromer, Thetford, and Wymondham or our rich variety of small towns, villages and hamlets, and coastal communities.

Our residents deserve a modernised, efficient and effective system of local government that can meet current and future challenges and support sustainable and inclusive growth, working closely with the proposed new Norfolk and Suffolk Mayoral Combined County Authority.

Norfolk is unique – it's history, it's culture and it's environment. This means that residents have a strong inherent sense of being a proud part of a great county.

Norfolk is a county that boasts the best of all worlds. It has an outstanding natural environment, with beautiful coastlines, rolling countryside, rivers, big skies and wide open spaces. At the same time, it harnesses entrepreneurial spirit and innovation and is leading the way in the agri-tech and clean energy sectors, as well as in cutting edge research.

Moving forward, we would wish to protect and respect the heritage and history of this county – keeping the proud mayoral and civic traditions alive. This includes those in Norwich, Great Yarmouth, King's Lynn, Thetford and Norfolk as a whole, including lord mayors, high sheriffs, sheriffs, freemen, coats of arms, and more.

The geography of Norfolk is distinctive, a mosaic of market towns anchored by two large towns and the city. Norfolk's population is an estimated 931,000.¹

¹ <https://www.norfolkinsight.org.uk/>

Norfolk benefits from a well-defined, co-terminus local system, within it's existing geography:

- a single functional economic area
- one county council
- one Office of Police & Crime Commissioner
- one Constabulary
- one Fire and Rescue Service
- one Coronial jurisdiction
- one Integrated Care System (plus Waveney).

This co-terminosity meets one of government's key policy objectives, as stated in the English Devolution White Paper.

These organisations benefit from a coordinated approach and whole-county strategic leadership to ensure vulnerable children and adults, schools, families, communities and businesses are fully supported through improved integration and join up, from strategy through to delivery, across whole places and into individual spaces and homes.

Our Design Principles

We have taken the following approach in considering our response to government:

Any model should:

- a. enable **the best possible service quality and outcomes for Norfolk's communities**
- b. deliver **the greatest level of efficiency** to enable the **maximum amount of resource available to reinvest in key services**
- c. deliver **value for money** for the taxpayer by being **efficient and effective**
- d. provide **clear and straightforward routes for communities** to access and interact with our services
- e. enable the **views of local people** to be heard
- f. deliver **clearer local accountability** for local people
- g. **reflect the very distinct 'human geography'** of an interconnected county
- h. enable opportunities for **service improvement** to be harnessed
- i. maximise opportunities to be coterminous with other public agencies (notably health) to help **drive wider efficiencies through whole system integration** as well as supporting the Government mission led agenda
- j. **minimise complexity, risk and disruption**, during the challenging implementation process
- k. seek to **respect the historic and cultural fabric of Norfolk**
- l. provide **clarity in democratic representation**
- m. **ensure hyper local representation** for example through the use of Town and Parish Councils, or local boards

We recognise that a new unitary model for the county would bring together county and district colleagues to work together in a new way. Any new model will require collective development work, involving all workforces, to create a vision, values and culture that enables everyone to feel part of the new organisation(s), ensuring colleagues can work together effectively to deliver excellent services for the people of Norfolk.

a) identify any barriers or challenges where further clarity or support would be helpful.

Criteria: A structural change as large as Local Government Reorganisation needs to have clear guiderails to allow all partners to plan and develop their proposals. Looking at the national picture, there are several proposals that put forward models well below the 500,000-population threshold, or that require significant changes to administrative boundaries. We would seek to adhere to the principles set out in Minister McMahon's invitation, including around the minimum population figure and the use of existing district boundaries as building blocks. We believe these are sensible criteria and will help to reduce the risk and cost in the delivery and implementation phase. We seek reassurance that any variation from these will be minor so as not to layer unnecessary complexity, risk and cost onto an already stretched sector.

Policy Reform: Government across its' missions are introducing welcome policy reform. We would want such reforms, alongside Local Government Reorganisation, to be maximised to their full advantage. Such examples are the new Children's Wellbeing and Schools Bill, which will place new duties on Children's Services authorities, and the Adult Social Care Review. Both will rely on whole system change, with statutory partners, meaning co-terminosity will be an essential ingredient.

We would seek a model that would allow the most efficient, timely and least disruptive absorption of such policy reform, including those of police, probation, fire and health services – and those of Strategic Authorities - to align and avoid unintended consequences.

Process: We are conscious that Government will need to consider a number of proposals from different areas across the country and we want to support this being a robust and efficient process. Whilst the guiding criteria are clearly set out in the letter of 5 February, it would be helpful to better understand the assessment process that Government intends to follow so that we can structure our proposal to support this.

Norfolk County Council would particularly like Government to consider whether the Treasury Green Book assessment methodology will be used in analysing bids. This is a well-established (tried and tested) approach that provides a firm basis for evaluation.

Protection of civic and ceremonial arrangements: NCC is clear that under any model the existing civic and ceremonial arrangements should be protected, for example the long-established historic mayoralities in the city and boroughs. We would ask that MHCLG provides reassurance that such protections will be put in place as part of the statutory instrument.

b) identify the likely options for the size and boundaries of new councils that will offer the best structures for delivery of high-quality and sustainable public services across the area, along with indicative efficiency saving opportunities.

The recent English Devolution White Paper, as well as the conditions in which local government has had to operate for the past few years, has accelerated the debate about local government reorganisation in England. In recent years that has been a trend of favouring proposals for unitary authorities serving populations of between c. 400,000 and 800,000 people, the most recent examples of which are Somerset and North Yorkshire.

It appears that relatively little attention has been paid to the role of scale, and specifically, a detailed understanding of the costs, risks and challenges of disaggregation during the local government reorganisation process, and the impact it has on good governance, sustainable service delivery, capacity to support government ambitions for reform and more accountable leadership at a local and strategic level.

Norfolk County Council (NCC) is clear that it will be evidence based and insight-led; our solution needs to be right for Norfolk. The development and appraisal of options builds on the above design principles as well as the criteria outlined in the Minister McMahon's written statement, published on 5 February 2025, on how proposals for unitary models should look.

Our ongoing analysis to underpin the most appropriate proposal for Norfolk is informed by a number of local drivers for change:

Place

- A joined-up development team approach – to help deliver much needed homes, infrastructure and development.
- Critical mass and scale, to enable successful negotiation with government and developers to address key local challenges.
- Close working with the Mayor to unlock potential housing sites, and make more effective use of the council's own land stock.

Health and wellbeing

- Consistency between the way in which health and social care services are shaped, delivered and managed.
- Managing Norfolk's care market in a sustainable way.
- Continued system transformation across health and care services.
- Managing demand for health and social care services in a consistent way.

Economy

- Supporting the delivery of Norfolk's Local Growth Plan, already endorsed by all local authorities, working with the new Mayoral Strategic Authority.
- Developing opportunities to further the progress made in partnership working.
- Joining up of leisure, cultural and tourism activities.
- A single point of access for businesses around environmental health, trading standards and business development.

Indicative Analysis

Initial indicative analysis on the benefits, and implementation costs of different models of unitaries, provides an approximate high-level view of the net annual benefit of reorganising from a two-tier system to a one, two or three unitary council model, which ranges from c£30m to c£10m for one or two unitaries, and a net annual cost for three unitaries.

National work that has been undertaken, shows that disaggregation costs rise as the number of councils increases, and could reduce considerably the levels of benefits to be achieved over a five year period.

	One unitary	Two unitaries	Three unitaries
Annual benefit	£29m	£23m	£19m
Annual disaggregation cost	£0m	-£14m	-£22m
Recurring net annual benefit	£29m	£9m	-£3m
One-off transition costs	-£19m	-£26m	-£32m
Net total benefit after 5 years	c£120m	c£20m	-c£50m
Payback period	Less than 1 year	3 years	No payback

All these areas and estimates are subject to more detailed analysis and we will seek to validate assumptions through the full business case process.

Our initial assessment shows: -

- The amount of revenue savings possible to achieve, for investment in local priorities, is linked to the number of authorities, with the smallest number of authorities providing the highest level of saving.
- A model with more than two councils in the Norfolk geography, would have challenges in terms of savings, tax base, or the ability to sustain financial shocks. A unitary Council based around the 'City boundaries' of Norwich would be at the expense of the other communities in Norfolk.
- The level of cost and risk associated with transition to any new arrangements increases with the number of authorities, with a single unitary authority

providing significantly less disruption, cost and risk, with the opportunity to utilise the county council as a 'continuing authority'.

- In addition to the benefits diminishing with each additional unitary council created, each disaggregation will add additional cost, notably in a duplication in staffing teams and management structures, and particularly, in statutory roles and other hard-to-recruit for roles. Services such as education, social care, libraries, museums, and highways services benefit from being able to leverage in highly skilled and specialist staff across a wide geography.
- Effectively representing local communities and ensuring that they are able to influence and have their voice heard will be a challenge for all options, and there will be a need to build stronger and more robust community leadership and representation models in all options, and with services delivered in neighbourhoods and places that make sense to all of Norfolk's communities.
- Strong and effective relationships with key partners is crucial to delivery of outcomes across sectors and systems, therefore the operational boundaries of these partners cannot be ignored.
- NCC has looked at several models of splitting the county into two authorities. Further work will need to be undertaken to look at how this would be feasible and not introduce any risk into the system. NCC would want to understand the risks, including around:
 - Impact on protecting children and adults from significant harm
 - Demand placed on partners for major services (i.e. health and education)
 - Tax take and financial sustainability
 - How coterminous they are with other bodies.

We will be exploring these points in further detail as part of developing a detailed proposal. This work will have a number of key strands, including: -

- A robust, evidence and insight led assessment of data and intelligence.
- Engagement with key service delivery partners across the public and VCSE sectors to assess options, including risks and opportunities.
- Engagement with local partners, including town and parish councils, to harness thinking and opportunities to strengthen democratic representation and neighbourhood approaches.
- Engagement with stakeholders, including residents, our workforce and businesses, to ensure a wide range of views and needs are taken into account and used to inform the development of proposals.

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

NCC has worked with a number of unitary authorities to understand what the cost of transition could be. As referenced above, early analysis on the potential cost and benefit of local government reorganisation, has provided some approximate high-level transition and implementation costs associated with the options outlined above.

As a system, a single or two unitary structure would deliver savings in the following areas:

- A reduction in management overheads and the removal of duplicated functions.
- Where there is duplication in systems (notably IT systems and processes) we would look for savings within five years.
- Where there are duplications in third party spend, contractual arrangements, savings could be made (as contracts expire and are reprocured) securing economies of scale from large contracts on universal service delivery models, such as waste, street-scene, but also facilities management, systems rationalisation etc.

These three core areas would help to fund the transformation journey. As a broad principle, NCC would seek to work with colleagues from across the Public Sector to deliver the change, rather than rely solely on external consultants.

Examples of efficiencies and service transformations would include:

- Prevention and early help – joined-up improved local offer through closer links between public health, leisure service, open spaces, community support, local partnerships, youth and early years services.
- Tackling the Government's priorities around homelessness, worklessness, and housing.
- Deeper integration between social care and health at a neighbourhood level.
- Streamlined services for environmental health, trading standards, licensing, planning, waste, housing and business engagement.
- Integration of key data, insights and analytics, including predictive analytics to inform and shape county-wide strategic planning and drive local delivery.

d) include early views as to the councillor numbers that will ensure both effective democratic representation for all parts of the area, and also effective governance and decision-making arrangements which will balance the unique needs of your cities, towns, rural and coastal areas, in line with the Local Government Boundary Commission for England guidance.

Any new unitary authority will require a model for local engagement that builds on past and current successes, and is underpinned by a set of common principles, that can be applied flexibly to the specific needs of individual communities. In considering options for effective governance and decision-making, we are looking at:

- Subsidiarity, with delivery at the most appropriate geography to meet the needs of residents and communities
- How to enable decisions to be taken at the lowest possible level
- Governance that is transparent, simple, supports collaboration
- Using existing partnerships and commissioned services wherever possible to ensure the most appropriate, effective and efficient delivery
- Building in local knowledge and experience to any model recognising that “one size doesn’t fit all”
- Focusing on where the public sector as a whole adds most value and builds local capacity so that individuals and communities can be self-supporting

Democratic responsibility for service delivery:

The Norfolk (Electoral Changes) Order 2021 was made on 1 November 2021 and the new divisional boundaries were due to be implemented for elections on 1 May 2025. The postponement of the elections has delayed this implementation, but the new boundaries provide recognised effective electoral equality across the 84 divisions. In practice, this means the current divisional boundaries provide a sound basis for whichever model is decided upon by the Secretary of State and would enable the quick delivery of LGR.

It will be important for the Local Government Boundary Commission (LGBCE) to undertake a review of ward and councillor numbers, which would ensure thorough consultation and engagement at every level. The LGBCE would seek submissions on numbers from relevant stakeholders as part of that consultation; at this point we would suggest the number of councillors could be between 100 and 140, but further work is needed on this as part of the business case process.

A key principle of any structure should be political oversight, accountability and direction of any resources that are spent in an area. This is particularly critical for services such as social care, where there are serious implications of not having the correct oversight (and evidenced in several serious case reviews). In a two or three unitary model it is essential that all Councillors in any new council(s) have direct responsibility, oversight and control for key and high spending services (including highways and waste), being able to enact the policies and resources they need for their local area. This clear accountability mitigates against a centrally provided

service for social care, education, highways or waste delivered over two or three unitary authorities.

Norfolk's currently benefits from a well-performing Children's Service. A Trust model would introduce a further level of risk around safeguarding and would break the democratic oversight needed by members. Set up as a way to improve the performance of failing authorities, since 2020 only one children's trust has been established (Bradford) while other authorities have brought previous trusts back in-house (Doncaster, Worcestershire). Children's Trusts "can be costly to implement and take time to establish"², and lack democratic oversight. Options around a trust to provide services for adults' and children's services are not seen as a safe, sensible or deliverable option.

Local Engagement:

In order to ensure effective governance and local decision making, we envisage that there would be an increased role for parish and town councils in delivering a model of neighbourhood empowerment. We also recognise that any model will need to provide effective neighbourhood empowerment for the unparished urban areas of Norwich, Great Yarmouth and King's Lynn, while simultaneously taking steps to preserve the historic and ceremonial traditions of Norfolk's principal city and towns.

Norfolk County Council already has a number of successful local community partnerships delivering improvements and interventions at a neighbourhood level across the county, driven by local community need, such as our Highways Parish Partnership Scheme, our Local Member Fund, our Road Safety Community Fund, our Highway Rangers locality approach, and others.

Thematic, strategic and system wide partnerships drawing together community and local, public and voluntary sector leaders to work together on critical challenges affecting wider areas will be key, for example building on arrangements already in place, including:-

- Norfolk Strategic Flooding Alliance
- Empowering Communities Partnership with the VCSE sector
- Community Safety Partnership
- Childrens and Young People Strategic Alliance
- Norfolk Children's Safeguarding Partnership
- Norfolk Adults Safeguarding Partnership
- Youth Justice Management Board

A new organisation would need to build upon this experience of delivering at a large scale, whilst also providing hyper-localised services.

We expect this approach to enable greater empowerment at a local level, as well as strengthened local accountability and transparency of decision making.

²https://assets.publishing.service.gov.uk/media/66e83818e4b40ed591881b88/Commissioner_s_report_on_children_s_services_in_Tameside_Metropolitan_Borough_Council.pdf

e) include early views on how new structures will support devolution ambitions.

NCC agrees with MHCLG that for a unitary authority to provide high quality modern public services, it must be of a sufficient size. Given the population in Norfolk, this will drive either a single or two unitary structure.

We will appraise options for new structures through the lens of which one provides the most optimal conditions to move at pace, and seize the opportunity to supercharge social and economic growth in this important period – with a focus not only on growing the local economy, but creating an economy that works for everyone, aiming to reduce income inequality and improve wages, particularly for the lowest-paid workers; and taking a whole system approach to create healthier communities, recognizing the link between economic prosperity and the overall wellbeing of the population.

Within this, size, scale and capacity to deliver against government’s challenging missions is critical.

There is also the crucial opportunity to align arrangements with structures put in place as part of devolution to enable all those in the area to work collectively on service improvement and improving outcomes for Norfolk families.

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

At the moment, no formal external engagement has been undertaken around Local Government reorganisation given the short time period provided and where we are with our analysis of options. However, there has been extensive internal dialogue within our own workforce and with district colleagues, as well as work with key strategic partners, to help inform our design principles.

An engagement programme is being developed to guide the development and submission of final options. We want to ensure any engagement is meaningful, purposeful and transparent.

Public consultation was undertaken as part of the county deal devolution bid in 2023, where residents and businesses expressed the following levels of support on the following themes:

- 64 per cent support for devolving financial control to Norfolk
- 60 per cent agreed it would create a stronger voice for local business
- 65 per cent wanted to see control of adult education moved to the county council
- 55 per cent wanted housing and employment sites opened up
- 57 per cent agreed with the principles of devolution

Norfolk County Council is promoting the Government's own consultation on the current devolution proposal.

g) set out indicative costs of preparing proposals and standing up an implementation team as well as any arrangements proposed to coordinate potential capacity funding across the area.

As part of the budget setting process for 2025/26, the County Council made provision for capacity funding for organisational change. We estimate that approximately £200k - £300k will be required to support the development of proposals, which can be funded from this provision.

NCC has pulled together a central project team from across the council, including representatives of all services to provide subject matter expertise. In line with government advice, the county council has sought to keep external spend to a minimum and instead work in partnership with membership organisations such as the County Councils Network.

The council is utilising its internal Insight and Analytics team to gather and review data, to be further validated with a commissioned external partner. Furthermore, the county council is collaborating with the district, borough and city councils to share data, through a jointly accessed data portal.

As part of the data gathering exercises, teams are considering implementation plans (for a variety of different structures). Central to this design is the continuity of services, particularly for vulnerable residents.

Any new structure will be a new organisation and will need to leverage in skills from county and district colleagues. Whatever model government chooses to implement in due course, councils will collaborate to pool expertise, skills and resources to plan for and ensure a smooth transition and implementation.

h) set out any voluntary arrangements that have been agreed to keep all councils involved in discussions as this work moves forward and to help balance the decisions needed now to maintain service delivery and ensure value for money for council taxpayers, with those key decisions that will affect the future success of any new councils in the area.

Norfolk Councils already have a well-established system of partnership arrangements which include:

- Monthly formal meetings of the councils' chief executives, supported by the county council. A number of ad hoc fortnightly meetings are also scheduled for this current period.
- Bi-monthly formal meetings of all councils' leaders and chief executives supported by the county council

- Bi-monthly formal meetings of the Public Sector Leaders' Board, which includes key partners like the Norfolk Office of the Police and Crime Commissioner, Norfolk Constabulary, the Chair and Chief Executive of the Integrated Care Board, the chair of the Norfolk Business Board and representatives of the voluntary sector.
- Monthly briefings with Norfolk's MPs, on a number of issues affecting the county, these will also extend to devolution and local government reorganisation
- Quarterly meetings of the Norfolk Business Board, which supports the delivery of Norfolk's Local Growth Plan and includes representatives from local councils. This meeting in particular enables a strong join up between the devolution and local government reorganisation objectives and agendas.

We also recognise that town and parish councils/meetings form the 3rd tier of local government delivery, and we will engage with these community led councils at an early stage.

DRAFT

Findings of initial analysis of options

Option 1 - a single unitary authority

	One unitary
Annual benefit	£29m
Annual disaggregation cost	£0m
Recurring net annual benefit	£29m
One-off transition costs	-£19m
Net total benefit after 5 years	c£120m
Payback period	Less than 1 year

Given the experience, capacity and existing scale, there are clear benefits in a single unitary model, with the county council acting as a “continuing authority”.

A continuing authority at this scale is perhaps the simplest vehicle for transition to the new unitary model. It removes any disaggregation risk and provides a legal vehicle for employment for the largest number of people.

A single unitary authority would provide the highest annual revenue savings for investment in local priorities. These significant financial benefits can be achieved through efficiencies in staffing, streamlining of services, back office functions, systems and processes, and contractual arrangements, and provide a single body (coterminous with health, fire, and police services). Whilst these savings are significant, we recognise that a number of other factors need to be taken into account in our more detailed assessment, that we will undertake during spring/summer, including the ability to drive efficiencies to deliver better outcomes through services. This model in turn may enable savings in coterminous partners who could equally simplify their structures.

Significant service efficiencies can directly improve outcomes. This includes building on arrangements already in place in Norfolk, which can enable greater consistency and strengthen some areas of statutory responsibility, for example:-

- A single education service across the county, focusing on special educational needs (SEND), delivering and developing the education system as a whole
- A single social care system across the county

Other key areas that will provide important opportunities for efficiencies as well as improved outcomes include:-

- A single planning service, to underpin strategic spatial planning, helping to turbocharge housing and regeneration across the county, in support of the devolution agenda
- A combined waste collection, recycling and disposal system
- A single highways and street scene service
- A single digital strategy for the whole of Norfolk
- More joined-up decision making on homelessness and related housing issues through integration of council services, providing better outcomes for vulnerable groups and avoiding a post-code lottery type approach.

There would be the opportunity to streamline back-office functions, allowing a greater focus on service delivery and better value for the taxpayer. Whether across finance, payroll, HR, IT, property, or procurement, a single 'service' would deliver savings.

Norfolk County Council already provides payroll services for over 150 organisations which include schools and academies, as well as the Direct Payments Support Service payrolls to over 1500 people in receipt of personal budgets.

Advisory services can also be provided at a county wide scale, for example Norfolk County Council's health, safety and wellbeing services offer health and safety advice to a number of external public sector organisations including two Norfolk district councils, schools (including academies), Eastern Inshore Fisheries and Conservation Authority (EIFCA) and the Norfolk Association of Local Councils.

Within the existing county-wide structure, we already demonstrate that we can successfully deliver tailored services within local communities that meet the needs of local residents, whilst at the same time benefiting from the efficiencies and influence of a large body, and any suggestion of a county-wide structure being remote to residents is unfounded. For example:-

- our nationally recognised library service provides a set of core services across the county in 47 fixed locations and over 1,000 neighbourhood locations serviced regularly by mobile libraries, as well as tailored activities and interventions developed with local partners within neighbourhoods.
- our highway services deliver small local infrastructure projects that address neighbourhood road safety interventions and street scene improvements, agreed and led by local residents.
- our dedicated social care workforce is providing services tailored to individual needs, direct into people's homes.

Option 2 - two unitary authorities

	Two unitaries
Annual benefit	£23m
Annual disaggregation cost	-£14m
Recurring net annual benefit	£9m
One-off transition costs	-£26m
Net total benefit after 5 years	c£20m
Payback period	3 years

Two unitary authorities for Norfolk, defined within existing district boundaries, could deliver some of the benefits set out above - although potentially only at around 40% of the net benefit of a single unitary - and could be perceived as more 'localised' authorities. In addition, it would be difficult to make a practical argument for two unitary authorities being closer to communities than a single unitary authority, but there is an argument that it is not of sufficient size to enable it to be strategic, risking being the worst of all worlds.

Whilst contracts and commercial arrangements would not have an economy of scale, they could potentially better reflect the needs of their local area.

Two authorities could have a larger number of councillors than a single unitary, but balanced against this would be a higher cost.

The scale of reorganisation may be easier to manage within two smaller organisations. However, the disaggregation of adults' and children's social care, education and safeguarding services and functions would carry significant cost, risk and complexity.

There are a number of statutory posts that will need to be duplicated across a model with two authorities, for example the Director of Adult Services, Director of Children's Services and Head of Trading Standards. These posts require highly skilled individuals and are particularly hard to recruit, therefore doubling the number required in an area would be challenging.

As set out in the main report, a Trust model would introduce a further level of risk around safeguarding and would break the democratic oversight needed by members. With regards to people services such as adults' and children's social care, there are Care Trusts which provide integrated health and social care (i.e. Torbay), but not standalone adult social services – not least due to the duties placed on local authorities by the Care Act 2014. Norfolk's care economy is very distinct and often fragile, and shifts to untested models could present a significant risk. As noted in the main report, the few examples of Children's trusts are not similar to the situation in Norfolk, which is rated as "good" by Ofsted.

To avoid a duplication of costs, there are a number of areas where services may be better delivered at a county wide basis (such as coroners, Norfolk museums services, county archives and Norfolk pension fund). A ‘shared service’ approach for these areas, may help drive some efficiencies within the system - although consideration around democratic oversight, control and the need to avoid complexity would be key.

However, there remains a difficulty as to where any split would be made geographically, and how this would ensure coherent, viable and financially sustainable authorities, with parity of a sustainable tax base to address local challenges. Any split would also need to ensure that the ‘natural geographies’ of how our residents and businesses actually travel around the county and use services (particularly health and social care) are addressed.

Option 3 – more than 2 councils (below 350,000 population unitary authorities)

	Three unitaries
Annual benefit	£19m
Annual disaggregation cost	-£22m
Recurring net annual benefit	-£3m
One-off transition costs	-£32m
Net total benefit after 5 years	-c£50m
Payback period	No payback

Norfolk County Council is clear that a proposal of more than two unitary authorities across Norfolk, each with a population in the region of under 350,000 residents spread unevenly across the county, with different levels of growth opportunity, different levels of prosperity or deprivation and variable tax bases, would raise a number of significant challenges - requiring the costly and complex replication of a number of key and critical services. The initial analysis shows that three or more unitary councils would not save money and would actually cost more than the current structure.

NCC would note the issues many smaller unitary authorities have experienced, which has led them to become bigger, and we would support the Government’s drive towards a smaller number of larger, more sustainable authorities. Financial sustainability will be key and small unitary authorities will have higher overhead costs.

Within a Norfolk geography, it is difficult to see a sustainable tax base for all three sub-optimal unitary authorities, nor does it capture how our residents and businesses operate in the county.

Considering the design principles, a sub-optimal three unitary structure could cause significant disruption and fragmentation of key people services, require the splitting of existing district boundaries, complex negotiations on existing contractual arrangements (i.e. waste collection, leisure services) and would lead to a significant duplication of management functions. All of this would increase costs, reduce ability to achieve efficiencies and create the greatest risks in terms of disaggregation and implementation.

There have been examples in the past of shared service arrangements among multiple authorities to deliver various services across the areas. However, they have faced challenges, and many have ended, due to a number of significant challenges such as financial sustainability, accountability for delivery, differences in political direction among authorities and more.

The risks and issues associated with the ability to effectively deliver the required statutory posts is more pronounced in a three, as opposed to two, unitary model, with three of each type of hard to recruit post required.

The concerns about Trust models continue, as set out in the main report and explored in more detail under two unitary authorities above, and in a three unitary model a Trust would add further risk and complexity, with three distinct authorities required to work together.

Partners already describe how the current arrangements make it difficult to engage in a coordinated way and want to see a clearer strategic voice. Too much time and energy is spent working across complex structures, building multiple relationships with multiple organisations with different goals and priorities, making it more difficult to work together. This resource could be better targeted to delivering shared outcomes. Populations below 350,000 do not fully address this existing issue and add complexity into already stretched partnership systems.

Across all options

NCC would wish to protect and respect the heritage and history of this county – keeping the proud mayoral and civic traditions alive. This includes those in Norwich, Great Yarmouth, King's Lynn, Thetford and Norfolk as a whole, including lord mayors, high sheriffs, sheriffs, freemen, coats of arms, and more.

Central to any proposal of any unitary council will be taking the opportunity to build a stronger and more robust relationship with civil society partners, harnessing the full potential to deliver better outcomes for residents. Norfolk has a strong network of over 500 town and parish councils across the county and they will be key to this. They have a unique role in ensuring community views, at a neighbourhood level, can be heard and enabling resilient communities and local infrastructure. Parish councils provide real leverage at a neighbourhood level with significant levels of public funds.

Also key will be working more effectively with the broad and complex VCSE sector in the county, as they provide pivotal roles as part of the wider system to support the

most vulnerable as well as important community leadership roles. Bringing together the sector, with other stakeholders, will support driving people-centred services that meet local needs.

DRAFT