

North Yorkshire County Council

Executive

3rd November 2020

To approve the submission of a unitary proposal for North Yorkshire to the Secretary of State for Housing, Communities and Local Government**1.0 Purpose of the report**

1.1 The purpose of the report is to seek approval for:

- (a) the submission of a proposal for a single unitary Council in North Yorkshire (“the Case for Change” attached at Appendix 1), following the invitation sent by the Secretary of State for Housing, Communities and Local Government. Any proposals submitted by the principal authorities within North Yorkshire and York will then be considered by Government through a process that involves public engagement and consideration of the merits of any proposals submitted; and
- (b) the delegation to the Chief Executive Officer, in consultation with the Leader, the power to make any amendments considered necessary in advance of submission to the Government to the Case for Change and to submit any additional information that is considered appropriate prior to the deadline of 9th December 2020.

2.0 Background

2.1 On the 28th July 2020, the Executive approved submitting a set of “Asks” for a proposed devolution deal for North Yorkshire and York which would allow the continued negotiation with Government for the most advantageous deal for the region. The proposal set of “Asks” sought Government to discuss giving devolution of significant powers to the region and around £2.4bn of investment including gainshare of £750m (£25m per annum for 30 years).

2.2 The previous Minister of State at the Ministry of Housing, Communities and Local Government had previously stated in July to the Leaders of the principal Councils that unitarisation was needed to ensure the best devolution deal for the region as part of a mayoral led combined authority. In a letter dated 29th June 2020 (attached at Appendix 3) he stated:

“The Secretary of State and I recognise there are different views among you regarding the need for structural reform of local government at this time. However, as we continue to consider these issues, in the context of developing our white paper, we are seeing unitary local government reorganisation and establishing a Mayoral Combined Authority as being integral to the reforms of our local institutions designed to facilitate economic recovery and deliver our levelling up agenda.”

2.3 He had also written separately to the County Council to state that a unitary Council for North Yorkshire with a population of 610,000 was within scope for a Unitary Authority and that he stated *“we believe areas such as North Yorkshire moving to unitary status with more sustainable and efficient councils can have significant benefits for local people and businesses, including improved and more affordable local services, stronger and more accountable local leadership, and by removing a*

layer of governance enabling town and parish councils and local communities to be genuinely empowered.”

- 2.4 A letter on behalf of the current Minister of State for Housing, Communities and Local Government inviting proposals for unitarisation to be submitted by the principal authorities in North Yorkshire and York was received on 9 October 2020. It states that if an authority wishes to make a proposal it must submit by 9th November 2020 at least an outline proposal, and if a full proposal has not been submitted by that date, the full proposal must be submitted as soon as practicable thereafter and by no later than 9th December 2020. A copy of the invitation can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/925741/Invitation_North_Yorkshire.pdf

- 2.5 The invitation sets out the criteria upon which a proposal will be assessed, namely:
1. *A proposal should seek to achieve for the area concerned the establishment of a single tier of local government, that is the establishment of one or more unitary authorities:*
 - a. *which are likely to improve local government and service delivery across the area of the proposal, giving greater value for money, generating savings, providing stronger strategic and local leadership, and which are more sustainable structures;*
 - b. *which command a good deal of local support as assessed in the round overall across the whole area of the proposal; and*
 - c. *where the area of each unitary authority is a credible geography consisting of one or more existing local government areas with an aggregate population which is either within the range 300,000 to 600,000, or such other figure that, having regard to the circumstances of the authority, including local identity and geography, could be considered substantial.*
 2. *The following matters should be taken into account in formulating a proposal:*
 - a. *A proposal should describe clearly the single tier local government structures it is putting forward, and explain how, if implemented, these are expected to achieve the outcomes described in paragraph 1 above.*
 - b. *The need for evidence and analysis to support a proposal and any explanation of the outcomes it is expected to achieve, including evidence of a good deal of local support.*
 - c. *The impact of any proposed unitary authorities on other local boundaries and geographies.*
 - d. *Any wider context for any proposed unitary authorities around promoting economic recovery and growth, including possible future devolution deals and Mayoral Combined Authorities.*

2.6 In addition to the desire to move devolution on at a pace, it is recognised that moving from a two tier to a single tier form of Local Government will bring significant savings to the public purse and bring improvements to service delivery. The two-tier model is recognised as not being optimal as it is:

(a) *too complicated* – the public are often confused about which organisation should provide services to whom.

(b) *less effective than it could be* – the division of capacity and capabilities across organisations can lead to inconsistent service performance and limiting the use of the collective resources to maximise outcomes for local people

(c) Inefficient and unsustainable – the duplication and fragmentation of existing arrangements prevents achieving economies of scale and critical mass, which is important due to the emerging additional financial pressures.

2.7 In light of this invitation, work has been undertaken by the Council on a “Case for Change” for North Yorkshire. As part of this work, PriceWaterhouseCoopers (PwC) have been commissioned to provide independent assurance into a Case for Change for a new single unitary council for North Yorkshire and to carry out an independent options appraisal of all relevant models to ensure that the most efficient and effective model is proposed.

3.0 The Case for Change

3.1 The Case for Change details the challenges facing the county of North Yorkshire and the limitations of the current structure of local government in addressing them. It places these challenges in the context of national and regional agendas and the existing and future financial pressures, exacerbated by Covid-19, which councils across the county are under.

3.2 It provides an appraisal of six potential options:

- Optimised two-tier collaboration
- Single unitary authority (excluding the City of York)
- Two unitary authorities (North/South, excluding the City of York)
- Two unitary authorities (West/East, excluding the City of York)
- Two unitary authorities (North/South, including the City of York)
- Two unitary authorities (West/East, including the City of York)

3.3 The case for change concludes that the single unitary option for the Geography of North Yorkshire would provide the greatest value for money and savings of between £30.2m and £66.9.m per annum (dependent on the degree of transformation undertaken by the new council). It will unlock greater economies of scale, and provide the greatest simplicity for partners and the public whilst ensuring that essential services are not disrupted. In addition, there is the potential for additional savings through collaborative working with the City of York Council. NYCC has proven that it can deliver strong services on our existing geography and the benefits of scale that it brings to our communities.

3.4 The single unitary option will allow, subject to timescales permitting, North Yorkshire and York to move quickly to an ambitious devolution deal as early as 2022 and is critical to post-Covid economic recovery.

- 3.5 The document goes on to detail the proposal for a single unitary authority for North Yorkshire which would replace the county, district and borough councils, and work alongside the existing City of York Council.
- 3.6 The proposal for a single unitary authority will result in a local government system that is **stronger and simpler, local and effective**, and **efficient and sustainable**.

Stronger and simpler

- A stronger and unified voice driving socio-economic recovery and growth, moving at pace, attracting inward investment and tackling shared challenges.
- Simpler and easier for our customers to access the support and services they need when they need it, enhanced by modern digital transformation unlocking the full potential of progressive and agile working.
- Strengthened and invigorated partnerships across the public, private and voluntary sectors committed to improving outcomes for everyone.

Local and effective

The new council will have a clear vision and take a local strengths based approach to levelling up North Yorkshire and its communities. It will build on the strengths of our communities and places, to maximise opportunities for inward investment, economic growth and innovative new solutions to our deep rooted socio-economic challenges;

- Social inequality
- Changing demographics and support needs
- Digital infrastructure and connectivity.
- Regeneration of town centres and places.
- Improving rural transport.
- Tackling Climate change.
- Employment and economic growth.
- Housing.

This proposal provides a once in a generation opportunity to drive the levelling up agenda, by supporting more self-reliant and resilient communities. The new council will be a key leader in a broader local ecosystem of communities and partnerships, charged with creating the conditions for people and places to flourish. This will be achieved by a more efficient and effective approach that is based upon four strong and interconnected pillars;

1. Local services and access – Locally based and integrated council, partner and community services.
2. Local accountability - 6 Area Committees, political accountability for the discharge of statutory functions and services at local level.
3. Local action – local people, partners and communities coming together in new Community Networks to identify and deliver against priorities.
4. Local empowerment – devolution of powers to community groups and town and parish councils to run assets and services where they want.

Efficient and sustainable

- Removing inefficiencies, duplication and fragmented ways of working so we deliver greater value for money for local people.

- Creating an organisation that is of an appropriate scale and with the critical mass to improve the financial sustainability of a rural and sparsely populated area.
- Seizing the opportunity to drive ambitious transformation ranging from digital innovation to new relationships with communities and alternative delivery models.

It proposes this as the only option which would meet the Government's aspirations and enable North Yorkshire to secure a fair recovery from the impact of Covid, focused on improved outcomes for all citizens, whilst maximising the effectiveness of strong services and minimising the cost of government. The case for change sets out the vision for what this could mean, the benefits it could deliver and how it would serve as a stepping stone to the establishment of a mayoral combined authority and help to secure additional powers and funding for the region.

- 3.7 A transition and transformation roadmap is included to ensure minimal disruption to service delivery and manage risk.
- 3.8 The Case for Change is attached at Appendix 1.
- 3.9 In order to meet the Government's timetable with regard to the business case it is recommended that the power to make any changes to the Case for Change is delegated to the Chief Executive Officer in consultation with the Leader. After the initial deadline of the 9th November, Government has asked for any further information to be submitted as soon as practicable after that date and no later than the 9th December. It is envisaged that the attached Case for Change will be submitted prior to the 9th November and it is recommended that the power to submit additional information regarding the consultation and support of the proposal (and any other necessary additions) is delegated to the Chief Executive Officer in consultation with the Leader. It is intended to submit an addendum which will expand upon and show more details on the level of support for the proposal.

4.0 Financial implications

- 4.1 As set out in paragraph 3.3 the Case for Change concludes that there are significant savings to be realised from the creation of a single county unitary council. It is estimated that reorganisation alone would generate £30.2m per annum savings. Using the new council as a springboard for transformation could then produce additional savings that range from £49.5m to £66.9m per annum. In total, the financial assessment is that net savings of up to £252m are possible over a 5 year period.
- 4.2 There are estimated costs for delivering the reorganisation and to provide the capacity to deliver the transformational opportunity. These costs range from £18m to £38m in total. The single county unitary proposal recovers the costs through savings between seven and thirteen months - the shortest period of all options assessed in the Case for Change.
- 4.3 In addition to the direct financial benefits for the single county unitary council, there is added value in the York and North Yorkshire Partnership which sets out a range of collaborative opportunities between the new unitary council and the City of York Council. This Partnership has been endorsed by the City of York Council and includes opportunities that could increase the scale of savings to significantly in excess of £70m per annum.

- 4.4 The Case for Change includes financial assessments of other options which have also been conducted by PWC for independent assessment. This includes the proposal of an east/west split of the county drawing in the City of York. This option also offers savings, but considerably less at 60% of that of the single unitary county proposal over a five-year period (£151m as opposed to £252m). It also involves higher costs given the higher levels of disruption, so it takes longer than the single county unitary proposal to recover the costs through savings at almost two years.
- 4.5 The principal advantages that the single county unitary proposal has are:-
1. economies of scale are maximised resulting in greater efficiency and purchasing power with very real cashable savings
 2. more duplication is reduced in core functions (eg senior management; back office; systems etc) in the most straightforward fashion as functions are brought together on day one of the new council
 3. consolidation of the new council provides the opportunity to drive further efficiencies in functions and tiers of management that extend beyond the more immediate core functions
 4. transformation opportunities are maximised with the opportunity to redesign ways of working at significant scale in the new council embracing technology as a key enabler
 5. disruption is minimised and costs are therefore lower. The risks around service failure are also minimised with the associated financial consequences.
- 4.6 The future financial prognosis for councils and the broader public sector looks bleak given the impact of covid-19 on the UK and global economies. There are also likely to be further increases in demand for many services such as adult social care, children's social care, welfare and other services as a result of the legacy of covid-19 and the resulting economic recession. These pressures, in aggregate, are likely to see a significant decline in the funding position for all councils and, after 9 years of austerity, opportunities to deliver major savings have become much harder to find, particularly where there is not net impact on frontline services. The scale of savings set out in the Case for Change surpasses any other possible savings programme that a two-tier county council would possibly be able to consider. Savings of the magnitude set out in this report therefore present the best opportunity to deliver future financial sustainability; to protect valuable services; and secure value for money for the public across North Yorkshire.

5.0 Environmental implications

- 5.1 The opportunities for addressing climate change under a new governance model are set out in more detail in the Case for Change.

6.0 Equality implications

- 6.1 A high level equality impact assessment has been carried out and is attached at Appendix 2. This will be kept under review in line with the Government's decision on the unitary model to be adopted and throughout the transition process to a new council. A new unitary council will be subject to the Public Sector Equality Duty and, once constituted, will need to undertake specific equality impact assessments on decisions to transform services.

6.2 While the assessment of equality impacts is currently, of necessity, high level, it has highlighted that the single unitary authority model is likely to have fewer adverse equality impacts on people with protected characteristics as services such as social care will be kept intact and not subject to the disruption that any other model would entail. There are also potential positive impacts for people with protected characteristics through the proposal to bring together services such as public health and leisure, or social care and housing adaptations.

7.0 Legal Implications

7.1 The process for the creation of a unitary authority is set out in Sections 1-7 of the Local Government and Public Involvement in Health Act 2007 and Section 15 Cities and Local Government Devolution Act 2016.

7.2 This process sets out that the Secretary of State can invite local authorities in an area to submit proposals for a single tier of local government (under Section 2 of the 2007 Act). The Secretary of State for Housing, Communities and Local Government submitted an invitation on the 9th October with the following 3 conditions:

- (a) If an authority wishes to make a proposal in response to this invitation it must submit by 9 November 2020 at least an outline proposal, and if a full proposal has not been submitted by that date, the full proposal must be submitted as soon as practicable thereafter and by no later than 9th December 2020.
- (b) In responding to this invitation an authority must have regard to the guidance from the Secretary of State set out in the Schedule to this invitation, and to any further guidance on responding to this invitation received from the Secretary of State.
- (c) An authority responding to this invitation may either make its own proposal or make a proposal jointly with any of the other authorities invited to respond.

7.3 In responding to an invitation, the Council must have regard to any guidance from the Secretary of State as to what a proposal should seek to achieve and matters that should be taken into account in formulating a proposal (as per Section 3(5) of the 2007 Act). The Government have issued guidance attached to the invitation.

7.4 The Case for Change document has had due regard to the guidance and the conditions of the invitation.

7.5 Once a submission is received by the Secretary of State, the procedures under the 2007 Act state that the Secretary of State may seek the advice of the Local Government Boundary Commission on any matter relating to the proposal. The procedures also require that the Secretary of State may not make an order implementing a proposal unless he/she has consulted every local authority and such other persons as he considers appropriate. The anticipated process of the next stages is detailed in Paragraph 9 of this report.

8.0 Data impact assessment

- 8.1 In submitting the Case for Change to Government no personal data would be disclosed. A full data impact assessment will be undertaken as part of governance arrangements requiring data to be transferred to any new unitary authority.

9.0 Current views of other principal Authorities in North Yorkshire and York

- 9.1 At the time of writing this report, representatives from the District and Borough Councils have already indicated that they will be considering an alternative business case based upon the formation of two new unitary councils.
- 9.2 At the time of writing this report, the City of York Council's Executive have stated that they are recommending to their full Council to agree a submission for them to remain a unitary on its existing footprint, which is consistent with our Case for Change. Their Executive report of 22nd October states that the option advocated by the District and Borough Councils would:
- (a) *increase the cost of council tax by £117 (8%) per year (based on PwC calculations) [for York residents]*
 - (b) *disrupt service delivery across York and the Districts, and*
 - (c) *end the 800-year connection between the city and the council, impacting on the very identity of the city.*
- 9.3 It is important to note that it is the Government that is ultimately the decision making body for determining the structure of any unitary proposals and it is not the Councils. Therefore it is proposed that the Executive agree to submit the attached proposal so that Government can consider this proposal, alongside any other proposals submitted so that Government can consider a broad range of views upon which to base their judgement on the most appropriate shape of Local Government in North Yorkshire for the future.

10.0 Government's Handling of Proposals for Unitary Structures

- 10.1 It is envisaged that the Government will consider the proposals in three stages:

(a) **Stage 1: Initial Assessment of proposals**

The Government will consider all of the proposals it receives to ensure that they conform to the terms of the invitation. The proposal will be assessed against the criteria set out in the invitation.

In carrying out that assessment, the Government may request further information from the Council and from such other persons or bodies as it considers appropriate.

The Government will then reach its judgement on the proposals having regard to the information submitted and any other information it has available to it and Government policy which it considers relevant to reaching the judgement.

Only proposals which in the Government's opinion meets its criteria will proceed to Stage 2 of the process.

(b) **Stage 2: Government Consultation**

It is our working assumption that by February 2021, the Government will announce which proposals will proceed to Stage 2.

At Stage 2, the Government will consult widely with partners/stakeholders and the public in North Yorkshire and York. Therefore, the public will have an opportunity to make representations directly to Government. This will include consultation with all local authorities, the wider public sector, business community, voluntary and community sector. It is envisaged that Government would carry out a 8-12 week consultation period starting in February.

It should be noted that during this time, the County Council is due to have its elections in May 2021. On the basis that the public will not know what the Government's decision will be on the future of local government in the area, it is therefore proposed to request Government to delay the County Council elections until May 2022. Under that revised timetable, the public will then be clear on what authority they will be voting the Councillors to serve on. If the vesting date is in April 2022, then the newly elected Councillors will serve on the new unitary Council for a four-year period as usual from May 2022. If the vesting date is in April 2023, then the Councillors will serve for a five-year period in which for the first year the newly elected Councillors will sit on the County Council and to make decisions to enable transition to the new authority. These Councillors would then continue for a four-year period on the new unitary council.

(c) **Stage 3: The Decision**

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

- (i) the outcome of a stakeholder consultation; and
- (ii) any further development of the business case.

The Government will then announce which proposal will proceed to implementation. It is then assumed that a Local Government Structural Changes Order would be considered by Parliament around August 2021. This Statutory Instrument will create the basis of the new unitary authority and provide a start date ("the Vesting date") for some time in the future. This could lead to the Vesting Date being either in April 2022 or April 2023 (if there are any additional delays to the timetable). It is considered that a vesting date of April 2022 is still a potential for the County Council's Case for Change proposal which consists of a continuing authority model. This model utilises the fact that the proposed new Unitary Authority is based on the geography of an existing authority which can employ the staff and deliver services; and therefore is comparatively less complex than an alternative model which would presumably require the cessation of all principal authorities in North Yorkshire and the creation of new authorities which would need additional time and resources to implement. .

11.0 Recommendations

- 11.1 That the Executive approves the strategic Case for Change for a single unitary council for North Yorkshire and recommends it to the County Council at its meeting on 4th November for its endorsement to be submitted for consideration by the Government.
- 11.2 That the Executive authorises the Chief Executive Officer, in consultation with the Leader, to make any amendments and actions considered necessary in advance of submission to the Government to the Case for Change by the 9th November and to submit any additional information that is considered appropriate prior to deadline of 9th December 2020.

Richard Flinton Chief Executive Officer

Report author – Steve Evans, Head of Strategy and Performance, Policy, Partnerships and Communities

26 October 2020

Background Papers

Letter dated 9th October 2020 inviting authorities to submit proposals

Executive report dated 28th July 2020.

Appendices

Appendix 1 – The Case for Change - A unitary council for North Yorkshire

Appendix 2 – Equality impact assessment

Appendix 3 – Letter from the then Minister of State at the Ministry of Housing, Communities and Local Government date 29th June 2020.

A unitary council for North Yorkshire

The case for change



Stronger
together



**North
Yorkshire
Council**

Contents

| | |
|---|------------|
| Executive Summary | 6 |
| The pressures and challenges facing North Yorkshire | 7 |
| The case for replacing the two-tier model | 9 |
| Our proposal | 9 |
| Appraising the options | 11 |
| Satisfying the Government's tests | 12 |
| Delivering financial benefits | 15 |
| Implementing our proposal | 16 |
| Introduction and context | 18 |
| The county of North Yorkshire | 20 |
| The challenges facing North Yorkshire | 21 |
| The current model of local government in North Yorkshire | 30 |
| The wider public sector landscape | 31 |
| Case for change | 34 |
| The limitations of the current structure of local government | 35 |
| Our proposal: A single unitary authority for North Yorkshire | 37 |
| The opportunities offered by local government reorganisation and transformation | 39 |
| A stepping stone towards increased devolved powers | 79 |
| Delivering against the Government's tests | 81 |
| Options appraisal and financial assessment | 90 |
| Outline of the different options | 91 |
| Options appraisal | 94 |
| Appraisal against the Government tests | 98 |
| Financial assessment of the different reorganisation options | 101 |
| Consideration and impact of council tax disaggregation | 111 |
| Implementing our proposal | 114 |
| How we will deliver our ambition | 115 |
| Our transition and transformation roadmap | 120 |
| Managing risk and realising benefits | 122 |
| Conclusion | 124 |
| Appendix 1 | 128 |
| North Yorkshire Data Analysis | 129 |
| Appendix 2 | 136 |
| York and North Yorkshire Strategic Partnership | 137 |

1

Executive Summary

We want to seize the significant opportunities presented by local government reorganisation, overcoming the limitations of the current two-tier model. We believe the best option for North Yorkshire is a single unitary authority, retaining the historical geography and strong cultural identity of the county, working in a strategic partnership with the City of York. This model will be stronger in its ability to tackle our most significant challenges now and in the future, as well as simpler for our customers, residents, businesses and partners. It will enhance local connections and accountability within our communities, while also developing more effective, integrated services. It will be more efficient and sustainable, delivering the best value for money and outcomes for local people. A single unitary also offers a stable foundation to drive economic recovery and growth at pace, as early as 2022, alongside further devolution to a mayoral combined authority with York, and radical transformation. This document sets out our case for change, our evaluation of different options, and the exciting vision and benefits that would be delivered by our proposal.

The pressures and challenges facing North Yorkshire

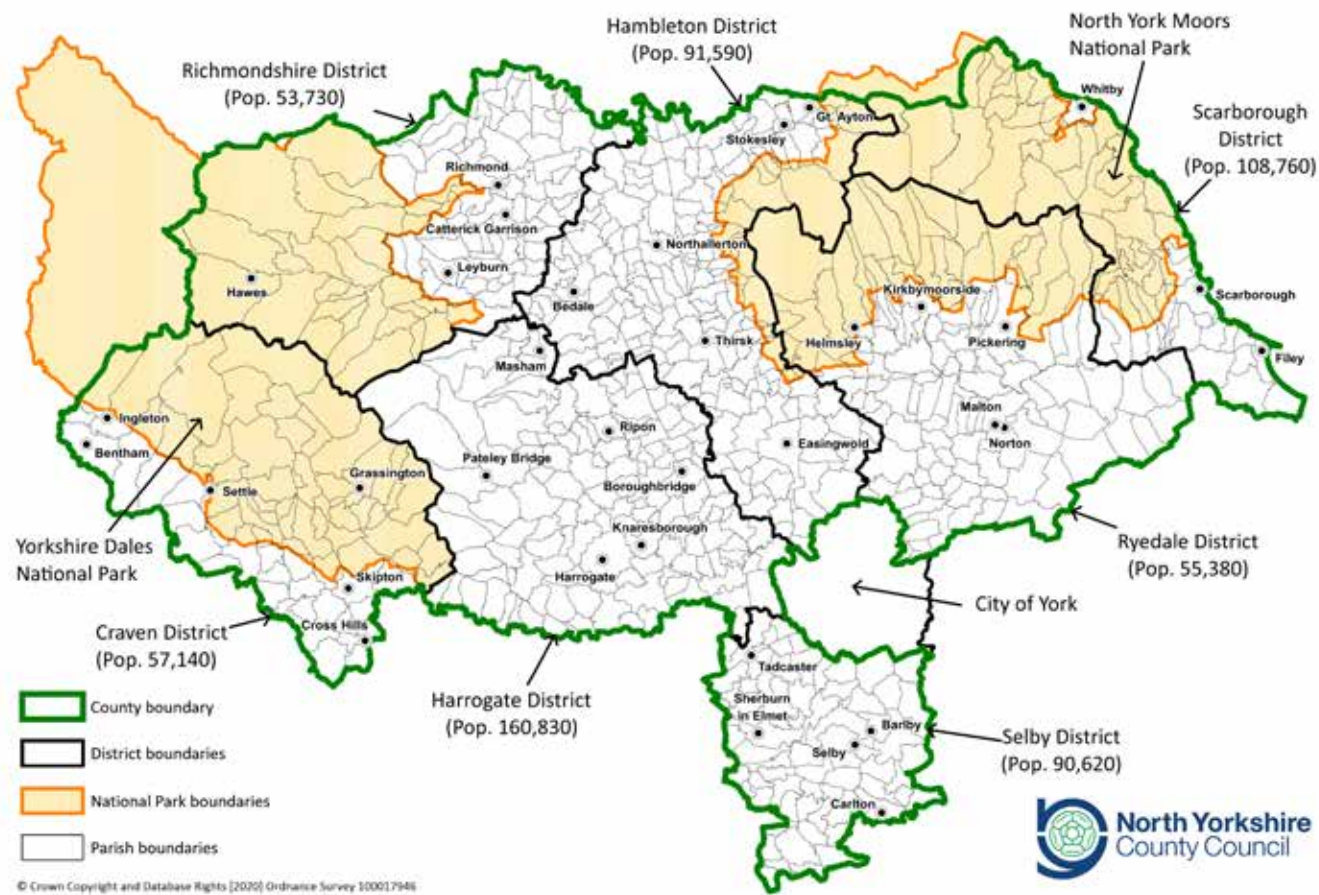
North Yorkshire is an attractive place to live, work and visit. Our county has an enviable identity, globally renowned for its culture, spectacular landscapes, high standards of education provision and a varied and vibrant local economy. We serve a diverse and dispersed population of an estimated 618,000 people across a geographical area of over 8,000 square kilometres. Large parts of the county sit within two beautiful National Parks, and amongst Areas of Outstanding Natural Beauty. Ninety eight percent of the county is either sparsely (13%) or super-sparsely (85%) populated with just over a third of the population living in these areas. This results in a population density of just 77 people per square kilometre, compared with England average of 432.

As a result of this unique setting, we are presented with a set of local pressures which are distinct from those of more densely populated and urban areas, such as the City of York:

- North Yorkshire's coastal areas and market towns with their rich heritage risk being left behind due to the steady decline of the high street and an increasing gap in skills and employment opportunities further compounded by the COVID-19 crisis.
- Sparsely and super-sparsely populated rural communities are on average more expensive to deliver services to than urban areas, meaning scale and critical mass is essential to sustainability. They may also experience physical and digital isolation, with difficulty in accessing services, jobs and transport links.
- We have an ageing population and inequalities in health and social outcomes, including a clear distinction between the social and economic features of the east and the west of the county. For example, pockets of high deprivation around the coast in the east of the county and poor rates of affordable housing in the west.



Figure 1: Map of North Yorkshire's county, district, national park and parish boundaries.



In addition, we also must play a key local role in addressing the national challenges we face: delivering the economic recovery and growth; addressing inequality and the 'levelling up' agenda; and the need for public service reform. We need to do all of this within tight financial circumstances. Before the COVID-19 crisis, the combined funding gap for the county and district and borough councils was c.£30m. However, the strain of the pandemic will increase the financial pressure placed on the authorities.

The case for replacing the two-tier model

The existing councils have worked closely together to tackle these issues in the past. However, the bureaucracy, duplication and constraints on strategic decision-making created by the two-tier system is holding us back from seizing the opportunities to improve outcomes and level up structural inequality.

The two-tier model is no longer fit for purpose, because it is:

- **Too complicated:** Members of the public, businesses and partners are confused about which organisation should provide services to whom, which undermines accessibility, transparency and accountability. The lack of a single voice for the area prevents North Yorkshire attracting inward investment and tackling its priorities effectively on the wider stage.
- **Less effective than it could be:** The division of capacity and capabilities across organisations leads to inconsistent service performance, as well as limiting the use of our collective resources to maximise outcomes for local people, such as social and economic recovery and growth. In some cases this has compromised the achievement of the best outcomes for the county.
- **Inefficient and unsustainable:** The duplication and fragmentation of existing arrangements prevents us achieving economies of scale and critical mass, essential for delivering sustainability and the best value for money in sparsely populated rural areas. The current arrangements are not viable given the emerging additional financial pressures.

We are committed to seizing the significant opportunities available to us through a single unitary authority, and we will deliver a transformative agenda for the benefit of our local people, infrastructure and economy.

Our proposal

We propose to establish a single unitary authority for North Yorkshire, replacing the existing two-tier system comprising eight councils, while continuing to work alongside the existing unitary serving the City of York through a strategic partnership.

Our ambition stretches beyond addressing the inadequacies of outdated two-tier government. By building on existing strong foundations and minimising disruption, we will accelerate towards further devolution and mayoral combined authority arrangements, delivering economic growth and a new compact between citizens, communities and government, which is fit for the 21st Century.

Our proposal for a single unitary authority will result in a local government system that is **stronger and simpler, local and effective, and efficient and sustainable.**

Stronger and simpler

- A stronger and unified voice driving social and economic recovery and growth, moving at pace, attracting inward investment and tackling shared challenges.
- Simpler and easier for our customers to access the support and services they need when they need it, enhanced by modern digital transformation unlocking the full potential of progressive and agile working.
- Strengthened and invigorated partnerships across the public, private and voluntary sectors committed to improving outcomes for everyone.

Local and effective

The new council will have a clear vision and take a local strengths-based approach to levelling up North Yorkshire and its communities. It will build on the strengths of our communities and places, to maximise opportunities for inward investment, economic growth and innovative new solutions to our deep rooted social and economic challenges;

- Social inequality.
- Changing demographics and support needs.
- Digital infrastructure and connectivity.
- Regeneration of town centres and places.
- Improving rural transport.
- Tackling climate change.
- Employment and economic growth.
- Housing.

Achieving this will require a flexible model bound by common principles, that can be applied to the specific needs of individual communities. Over time, public services will evolve alongside community action to meet the distinct needs of each community, including economic recovery and growth, wellbeing and equality. This ambition is at the heart of our proposal and the new council will deliver this through;

- The development of locally owned strategies and plans for each locality
- Focussing on tackling local challenges
- Being evidence-led

This proposal provides a once in a generation opportunity to drive the levelling up agenda, by supporting communities to be more self-reliant and resilient communities. The new council will be a key leader in a broader local ecosystem of communities and partnerships, charged with creating the conditions for people and places to flourish. This will be achieved by a more efficient and effective approach that is based upon four strong and interconnected pillars;

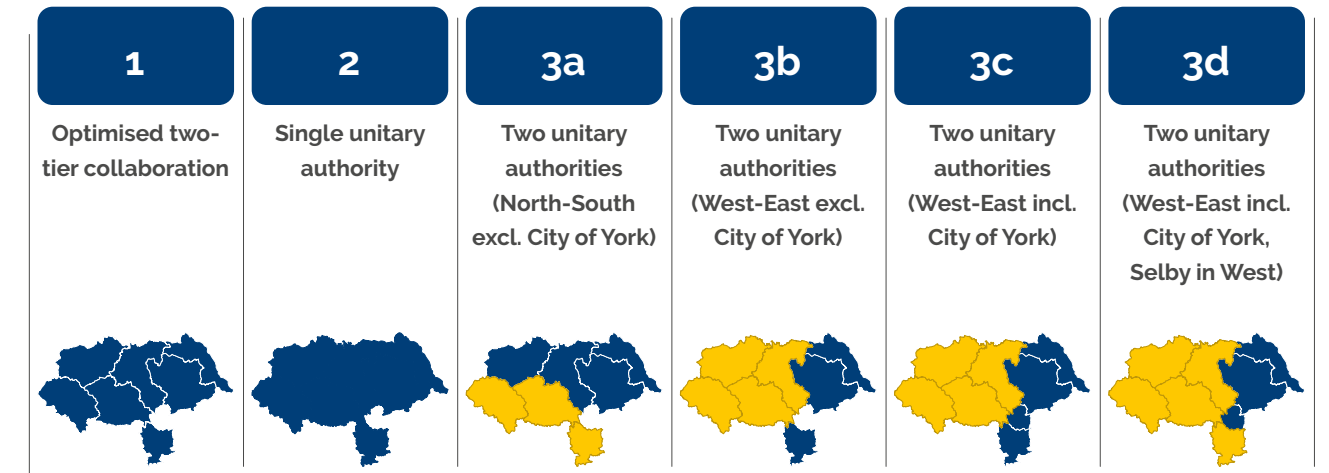
1. Local services and access – locally based and integrated council, partner and community services.
2. Local accountability - 6 Area Committees, political accountability for the discharge of statutory functions and services at local level.
3. Local action – local people, partners and communities coming together in new Community Networks to identify and deliver against priorities.
4. Local empowerment – devolution of powers to community groups and town and parish councils to run assets and services where they want.

Efficient and sustainable

- Removing inefficiencies, duplication and fragmented ways of working so we deliver greater value for money for local people.
- Creating an organisation that is of an appropriate scale and with the critical mass to improve the financial sustainability of a rural and sparsely populated area.
- Seizing the opportunity to drive ambitious transformation ranging from digital innovation to new relationships with communities and alternative delivery models.

Appraising the options

We have evaluated several potential options for local government reorganisation in North Yorkshire:



We believe a **single unitary model** (Option 2) offers the best option and should be established. Through this:-

- We can combine the scale and best characteristics of all our organisations to deliver public services efficiently, effectively and sustainably.
- We can provide safer, stronger and more joined up services across a single unitary rather than multiple authorities.
- A single unitary for North Yorkshire can work with the City of York to use our collective voice for the benefit of the wider region, while also focusing on the unique characteristics and challenges of our different communities.
- As a larger organisation, it offers the greatest resilience, critical mass and flexibility for future challenges, including responses to health emergencies, economic instability and environmental change.

A **two unitary model** (Option 3) to administer services in North Yorkshire (and potentially across the City of York) would not deliver the same level of benefits or improved outcomes, because:

- Splitting up services that are currently high performing within the County Council (such as the nationally recognised Children's and Adults' Services) would disrupt current ways of working, require division of in-house provision, migration of service users and renegotiation of provider contracts across significant areas of spend.
- The unitary City of York Council does not want to see any changes to its area or disruption to their services.
- The unnecessary disruption would also prevent us from accelerating towards a combined mayoral authority and delivering more radical transformation of local services at pace.
- It would retain several elements of duplication, fragmentation and inefficiency, which would continue to hinder accessibility, accountability and strong partnerships.

An optimised two-tier model (Option 1) should be discounted because it would not provide a step-change in accountability of leadership or the cost savings required to address the increasing financial challenges faced by the North Yorkshire councils.



Satisfying the Government's tests

Our proposal for a single unitary authority for North Yorkshire strongly satisfies the Government's tests for local government reorganisation.

Test 1: Improve local government in the area

We set out a bold, ambitious and achievable vision for the reorganisation of local government in North Yorkshire, including a framework for delivering locality working that is unprecedented in the county's history. It will make things simpler for partners and the public, streamline, strengthen and modernise delivery and build upon our track record of community action and delivering high-quality services.

A single unitary council for North Yorkshire will have the critical mass, scale and financial sustainability to deliver outstanding services, tackle the challenges facing the whole county and take advantage of our opportunities. Our proposal also sets out a clear programme of transformation that is evidence-based and delivers on the social and economic opportunities that directly contribute to the UK Government's policy of levelling up and improving living standards.

As well as delivering stronger, simpler and more effective services, a single unitary model would also achieve the greatest efficiencies and value for money for our local people. It will deliver substantial financial benefits, with estimates ranging from a minimum of £30.2m per annum up to £66.9m and further substantial financial dividend from a strategic partnership with City of York Council.

Test 2: Command a good deal of local support across the area

We have undertaken a comprehensive engagement programme to ask about views and priorities, to listen to people's opinions and answer any questions people may have. We have used the feedback to inform and refine our business case thus ensuring a good deal of local support. We are confident our proposal meets the needs of our residents, partners and businesses and provides the best option for everyone in North Yorkshire. It will establish a strong foundation for building a responsive single unitary council for the county.

- **Public** – Residents and service users, including young people, want a structure of local government that reduces cost and duplication of activity, improves efficiency, integrates high-quality services, increases community involvement and offers best value for money. The public strongly identify with North Yorkshire as a place and do not want to lose that.
- **Partners** – Leaders and colleagues from local partners, including Health, Police, Fire Service and education are strong advocates of the opportunities offered by a single unitary model, as well as its minimal disruption to existing high-quality services compared to other options. Our neighbouring authority, the City of York Council, is supportive of our proposal. Together, we will forge a path towards a mayoral combined authority, building on our strategic partnership while maintaining the existing boundaries between North Yorkshire and the City of York.

- **Town and Parish Councils** – Members of a working group of Town and Parish councillors and Clerks all welcomed our proposal of double devolution of assets and services, where town and parish councils wanted to take on additional responsibilities, and where it would be value for money for all involved.
- **Business** – Our proposal has received numerous letters of support from businesses and bodies representing business. All consider the reform of the two-tier model and the creation of a single unitary authority for North Yorkshire vital to the economic recovery and future prosperity of the county. The brand of North Yorkshire is strongly supported by businesses.
- **Trade Unions & Staff** – Over 6,000 of our staff live in North Yorkshire and are part of the communities they serve, which provides a unique insight as both provider and recipients of council services. The North Yorkshire Branch of Unison, which represents staff across North Yorkshire including NYCC but also Hambleton, Richmondshire and Selby District councils, strongly support our proposal.

Test 3: Cover a credible geography

Our proposal would result in the establishment of a unitary authority serving c.618,000 residents. This is considered by many to be the optimum size for a unitary authority for North Yorkshire. Our associated ambition to establish a mayoral combined authority also aligns with similar examples elsewhere in the country.

Neither the City of York Council nor North Yorkshire County Council regard the relative population size of the two areas as being a barrier to future success. Many combined authorities are made up of local authorities of different sizes. For example, West Midlands Combined Authority includes the separate administrative areas of Dudley (320k population) and Birmingham (1.1m population), and the West Yorkshire Combined Authority includes West Yorkshire with Calderdale (211k population) and Leeds (793k population).

Our proposal provides a model that would enable the different needs of our urban, market town and rural areas to be effectively and equitably addressed. A new unitary for North Yorkshire, working collaboratively with the City of York Council, will help the two areas to take advantage of their complementary nature, while also catering to their specific local circumstances.

It is important to recognise the population in the County of North Yorkshire is not evenly distributed and the sparsity of some parts mean that an alternative model of local government (e.g. the establishment of two new unitary authorities within the county) would be likely to be smaller than the population thresholds recently cited by Ministers. Our geography is large but necessary to deliver strong public services given the rurality and sparsity. Alternative options to include City of York Council within a proposed restructure would not reflect the historic and cultural identity of both places or their unique urban and rural nature.

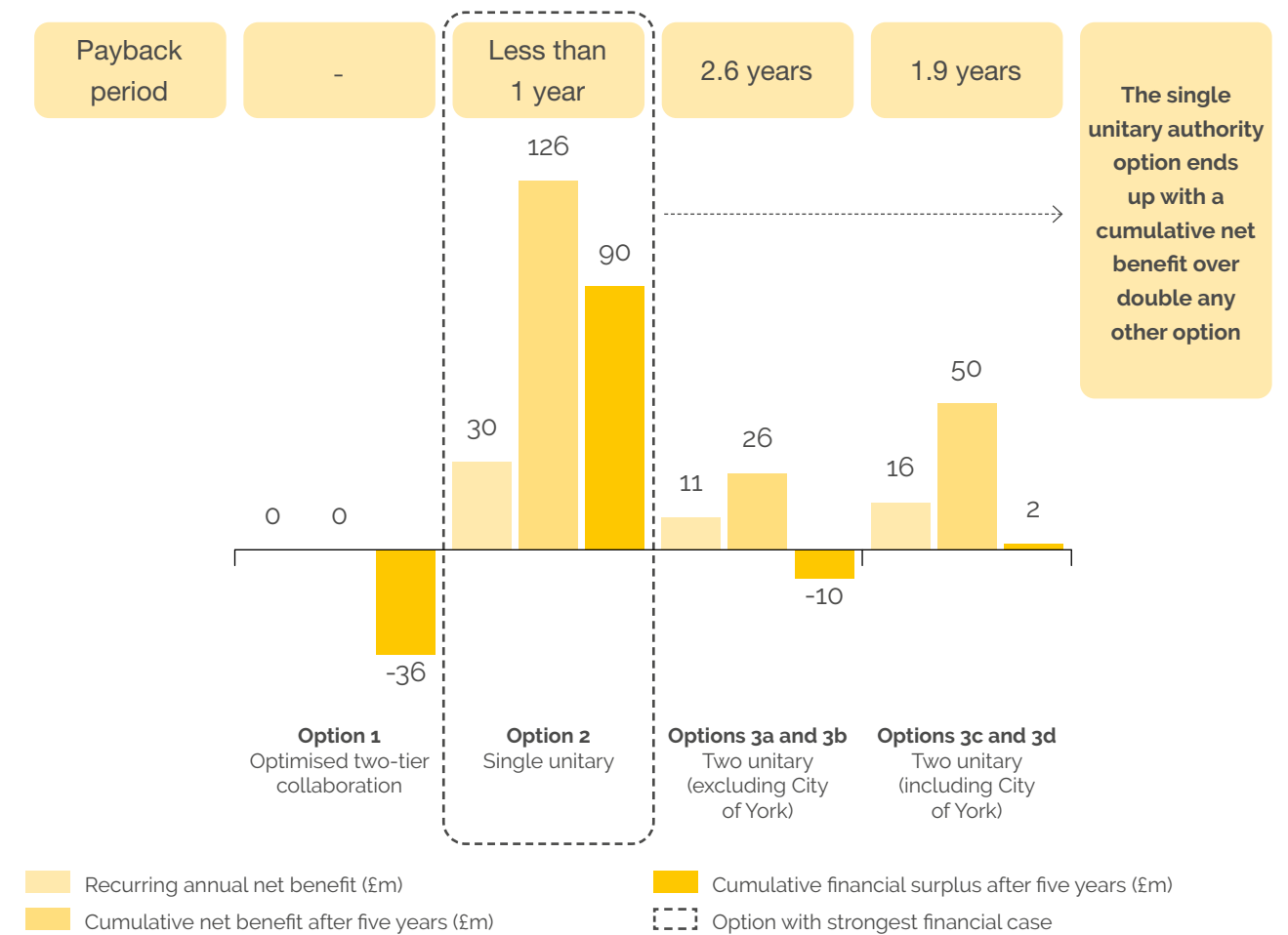


Delivering financial benefits

A single unitary model achieves the most significant financial benefits, the lowest one-off implementation costs and the shortest payback period of all the options examined across the reorganisation and transformation scenarios we have modelled.

It would deliver a net benefit of £30.2m per annum after implementation, solely as a result of local government reorganisation. This is by far the highest recurring annual net benefit of the options evaluated. By year five, the cumulative net benefit would be £126m.

Figure 2: Financial case results for all local government reform options based on a five-year period (reorganisation only) Source: NYCC, PwC analysis



However, we are committed to seizing this opportunity to reform and radically transform local public services through the creation of a single unitary authority for North Yorkshire. This would deliver a significantly greater level of benefits over and above that which could be achieved through reorganisation alone. It would build on our track record of successful transformation which will have delivered £200m of savings and strong performance such as our Ofsted rated "Outstanding" children's services.

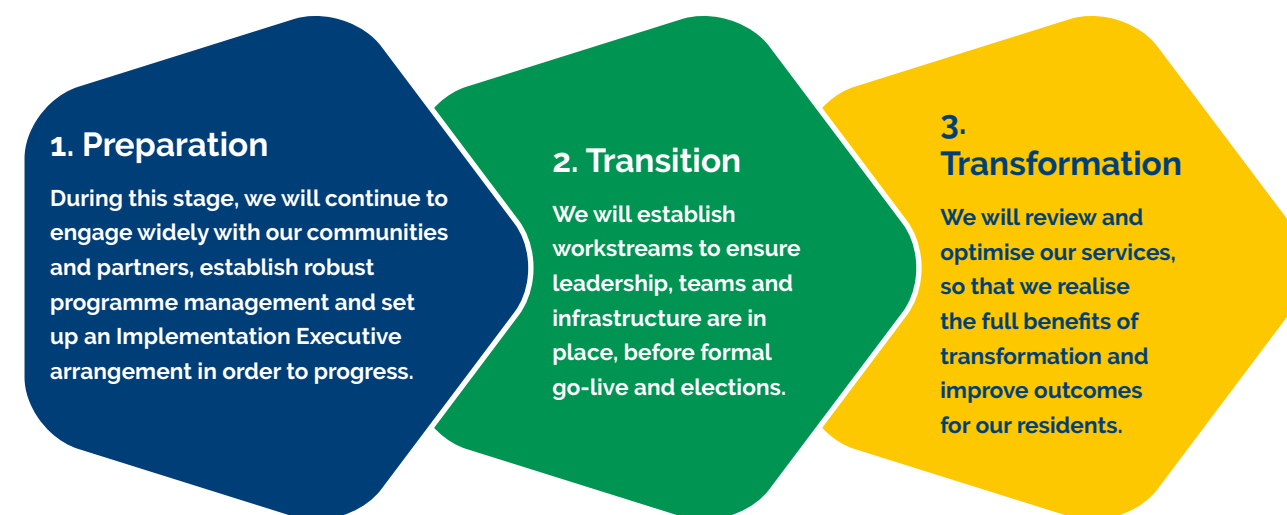
We would fundamentally rethink the delivery of our public services and how they would interact with residents and partners, rather than just merging organisations together and removing areas of overlap and duplication. Our ambition means that transformation alongside reorganisation would potentially deliver between £49.5m - £66.9m each year, for a one-off transformation cost of £18 - £38m.

Table 1: Benefits (annual recurring) and costs from transformation to a single unitary authority compared with reorganisation Source: NYCC, PwC analysis

| Scenario | Reorganisation | Reorganisation + transformation (base case) | Reorganisation + transformation (stretch case) |
|---|----------------|---|--|
| Recurring annual net benefit when fully realised (£m) | 30.2 | 49.5 | 66.9 |
| Total transition cost (£m) | 18.0 | 33.1 | 38.0 |

Implementing our proposal

Should approval be granted for our submission, we will deliver the new unitary authority for North Yorkshire through three distinct phases of activity:



Our proposed approach will provide the smoothest transition to the new arrangements, minimising disruption while ensuring the most efficient and effective processes and structures are put in place.

Critically, our proposal provides the conditions to move at pace, and seize the opportunity to supercharge social and economic recovery and growth in this important post COVID-19 period. It will deliver a new improved local government structure for North Yorkshire and create the platform for devolution through a Mayoral Combined Authority as early as 2022. However, this would require government approval by the summer of 2021.

In submitting this proposal, we include a request to postpone the County Council elections from May 2021 to May 2022 regardless of whether the new unitary authority commences on April 2022 or 2023. Ideally, Government will have announced the new governance structures prior to the publication of the Notice of Election, so that the electorate can be clear what organisation they are electing members to serve. This may not be possible if the election takes place in May 2021.

We will proactively manage change and minimise disruption by:

- Adopting a robust programme management approach to ensure comprehensive planning, delivery, oversight and benefits realisation.
- Adopting a 'continuing authority' model to maintain continuity for our citizens, staff and partners.
- Keeping together existing excellent services in North Yorkshire and City of York (such as Children's Services, Education and Adults' Services).
- Continuing to work closely with the City of York to ensure effective service delivery.
- Promoting ongoing communication and engagement with our workforce, communities and partners.

We recognise that broad and meaningful engagement is essential for establishing the identity, vision and values of the new council. This will also drive the development of the future culture and behaviours of what will be an entirely new organisation. The voices of our residents, communities, workforce and partners will inform all stages of our transition and transformation programmes.

This is our opportunity to transform North Yorkshire, to build on its unique identity and culture to supercharge our economy and enable our county to prosper now and over the long term. Establishing a single unitary authority in the county is the key to unlocking our potential and a critical first step to delivering a more successful future for everyone in North Yorkshire.

2

Introduction and context

North Yorkshire is an attractive place to live, work and visit. Our county has a globally recognisable identity and is culturally and economically vibrant with spectacular landscapes, high standards of education provision and a diverse and strong local economy. The North Yorkshire councils have a successful track record of working together, as well as with other public sector and third sector organisations. However, given the backdrop of pressures our county faces, we believe the time is right to introduce unitary local government to North Yorkshire.

A single unitary would enable us to capitalise on our economic, cultural and natural assets to drive social and economic recovery and address deep-rooted inequalities across the county, particularly disparity between the east and west. It would ensure we have the critical mass and scale to work more effectively and efficiently, at the same time as delivering better outcomes for our residents, communities and businesses.

This document sets out the case for change for a new model of local government in North Yorkshire – a model that will minimise disruption to the county, provide a platform to transform service delivery at pace, help us achieve greater value for money and be sustainable over the long term.

North Yorkshire has one of the strongest identities of any English county. We are proud of our history and the broader contribution we have made to the UK, including the economy, politics, the arts and sport. Our identity is recognisable all over the world for its remarkable culture and sense of community, its landscapes and its brands. Our proposal for a single unitary council will ensure the combined value of these cultural and economic assets is used to maximise benefits for the whole county – the sum of the whole will be far greater than the sum of the parts.

North Yorkshire County Council can rightfully celebrate many achievements:

- We were the first authority in the country to be rated as 'Outstanding' across all Children's Social Care categories.
- Our 'No Wrong Door' programme is nationally recognised for its innovation and effectiveness in radically improving the life chances of some of the county's most vulnerable young people.
- Our prevention services 'Living Well' and 'Stronger Communities', as well as our integrated health and social care partnership in Harrogate, are working with communities to support people to live independent lives and are improving health and social care outcomes.
- We are recognised as one of the most entrepreneurial councils in the country, having developed successful businesses focussing on schools, waste, broadband connectivity and housing.
- We are taking action to reduce our carbon emissions and have an ambition to become carbon neutral by 2030, and then in conjunction with a Mayoral Combined Authority to become England's first carbon negative economy by 2040.

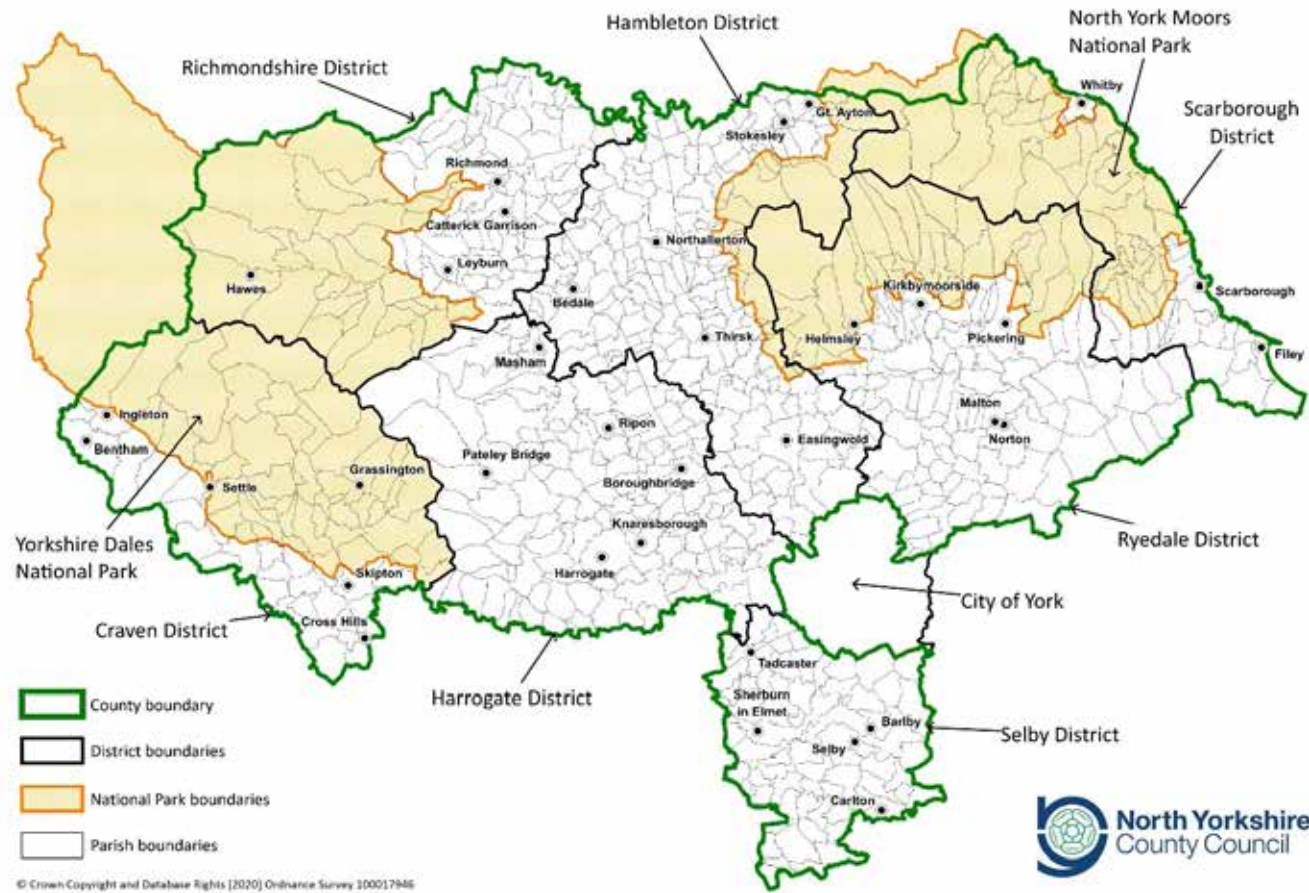
However, our county is also facing deep-rooted challenges and inequalities. We have an ageing population – too many of our young people leave the county following secondary and further education. Despite strong indicator scores at a countywide level, we have pockets of high deprivation and low social mobility in places across the county, particularly on the east coast. Limitations in our current digital and communications infrastructure can act as a barrier to economic growth and the resilience of our communities. The relatively high cost of housing in relation to wages prevents many people from accessing an affordable home, particularly in the west of the county. There are also challenges associated with rural public transport which means there is a strong reliance on petrol and diesel vehicles and a relatively high level of CO2 emissions per resident.

Our ability to deal with these challenges is being hampered by the fact that our current model of local government is unnecessarily complex and inefficient. Local government reorganisation would provide North Yorkshire with the opportunity to transform the delivery of public services under one council, driving devolution and economic growth, supporting social action, and acting in the interests of the whole county. It would drive improved outcomes for residents, communities and businesses across a recognised geography with its unique cultural identity, in a way that no other model could.

The county of North Yorkshire

Covering a geographical area of over 8,000 square kilometres across two national parks, North Yorkshire is home to circa 618,000 residents.

Figure 3: Map of North Yorkshire's county, district, national park and parish boundaries



Ninety eight per cent of the county is either sparsely or super-sparsely populated with just over a third of the population living in these areas. Of this, 85 percent of the county is classed as 'super-sparse' with a population density five times below the national average and a population density of just 77 people per square kilometre, compared with the England average of 432. A third of the county's population live in market towns, such as Malton, Skipton and Northallerton, or smaller villages. These towns have an economic importance disproportionate to their footprint. They are also distinct from the City of York's economy and are key to the county's ability to drive future economic growth.

The challenges facing North Yorkshire

Responding to local challenges

Although many of the local challenges in North Yorkshire are consistent with those faced in other parts of the country, our rural and super sparsely populated geography exacerbates many of these issues.

1. Demographic challenges

Ageing population

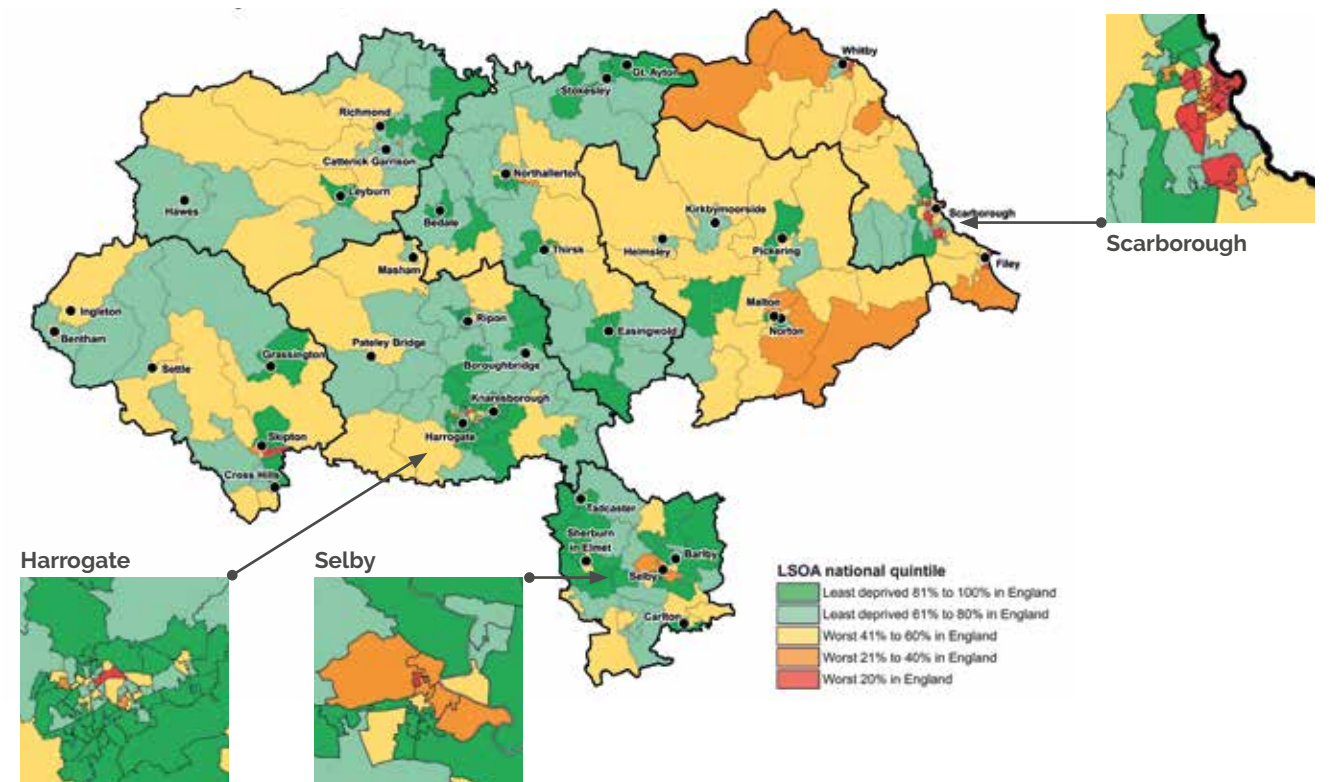
North Yorkshire has an ageing population with almost a quarter (153,000) of the population aged 65 and over. With projected trend and inward migration of older people to the area, we expect this figure to increase to almost a third by 2035. This will continue to place substantial pressures on social and health care services across the county, especially in remote rural areas. For example, in the Harrogate area this pressure is resulting in a shortage of residential care home places for the over-65s.

Our buying power in local care markets is significantly disadvantaged by the much higher proportion of people paying for their own care, which accounts for 71% of placements across the county compared with a national average of 55%. Providing financially sustainable care services for our ageing population requires a council with the critical mass, scale, agility and integrated partnerships to respond effectively to local needs in this complex environment, particularly in a post-COVID-19 social care market.

Social inequality

Across most indicators, the health and wellbeing of North Yorkshire's residents is generally good. At a countywide level, the Index of Multiple Deprivation shows North Yorkshire to be one of the least deprived local authority areas in England. There are however pockets of deprivation and inequalities that affect specific groups of our population. Some areas of the county fall into the most deprived quintile in the country, particularly to the east with parts of Scarborough town falling within the most deprived 1% nationally.

Figure 4: Map of North Yorkshire showing the Index of Multiple Deprivation (IMD) with greater deprivation generally in the east.



Similarly, the 2017 Social Mobility Index identifies significant variance across different areas of the county, demonstrating a clear divide in outcomes between the east and more affluent west parts of North Yorkshire. The table below demonstrates lower social mobility generally in the east.

Areas ranked 1-65 (best 20%) are national hot-spots – shown in red.

Areas ranked 259-324 (worst 20%) are national cold-spots – shown in blue.

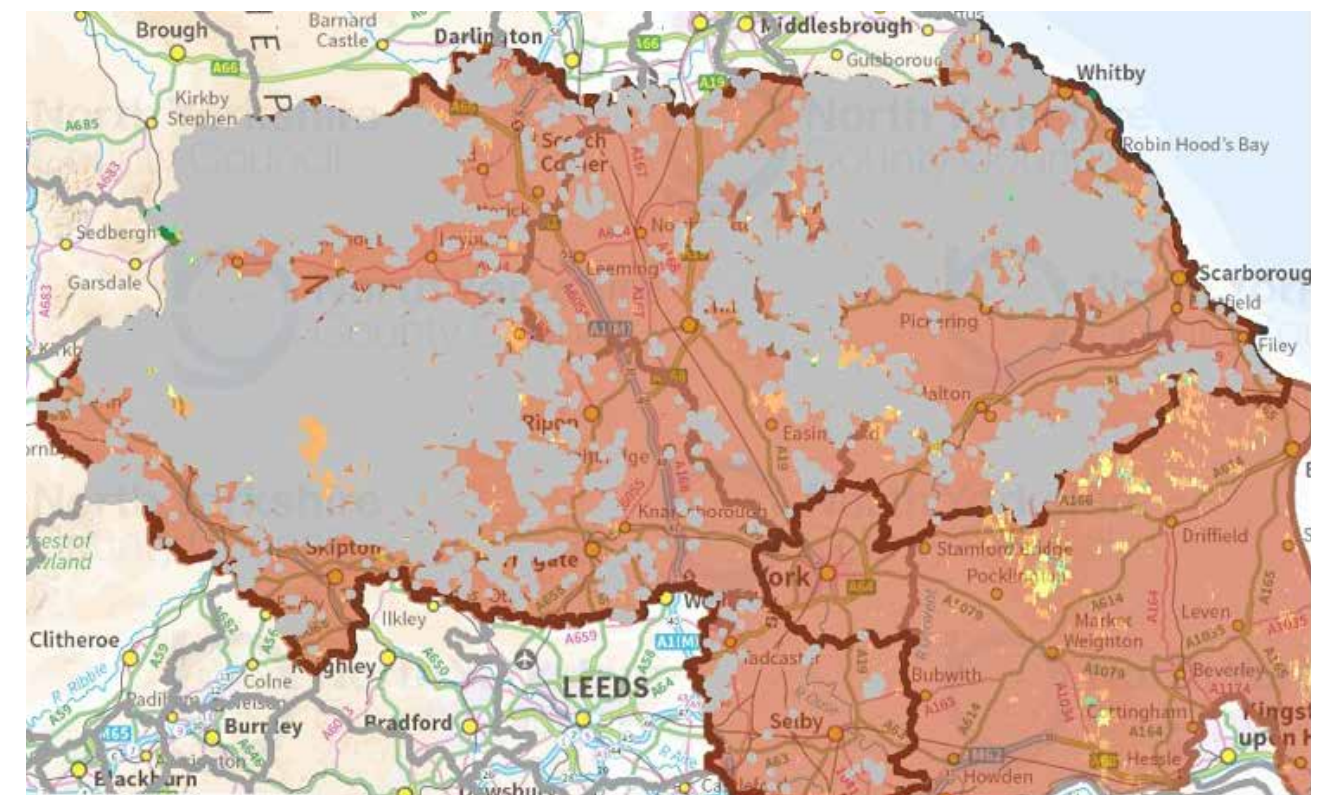
| National Social Mobility Index 2017 | | | | | | | | |
|---|---------|-------------|-------|------|--------|-----------|------------|---------------|
| National rankings (out of 324) for overall social mobility and the four main areas of the Index | | | | | | | | |
| | EAST | | | | WEST | | | |
| | Ryedale | Scarborough | Selby | York | Craven | Hambleton | Harrrogate | Richmondshire |
| Overall social mobility rank | 240 | 295 | 196 | 163 | 32 | 99 | 135 | 179 |
| Early years social mobility rank | 289 | 211 | 122 | 134 | 142 | 74 | 244 | 61 |
| School social mobility rank | 57 | 315 | 250 | 208 | 31 | 91 | 109 | 161 |
| Youth social mobility rank | 160 | 87 | 262 | 164 | 37 | 103 | 84 | 120 |
| Adulthood social mobility rank | 297 | 299 | 71 | 140 | 118 | 268 | 134 | 312 |
| Overall social mobility rank | 240 | 295 | 196 | 163 | 32 | 99 | 135 | 179 |

2. Rural challenges

Digital infrastructure and connectivity

The Local Industrial Strategy places technology as a fundamental driver of change in the economy. However, despite the proactive work led by North Yorkshire County Council and our company NYnet, currently 35% of the county's landmass has no mobile coverage, a further 20% is not covered by all four mobile network operators and 7% of premises in North Yorkshire have no broadband coverage. Unless these issues are addressed by strong and co-ordinated local leadership, they will act as a major barrier to economic growth and undermine the resilience of some of our communities. Poor infrastructure will result in further outward migration, loss of skills, reduced levels of investment, unsustainable demographics and the loss of essential rural services.

Figure 5: Map of North Yorkshire's 4G indoor coverage, grey depicts no indoor coverage



Regenerating town centres and places

There are two significant conurbations in North Yorkshire – Scarborough and Harrogate. We also have a large military garrison (Catterick), and a series of coastal, moorland and lowland market towns, all surrounded by sparsely populated rural areas. Our towns have unique and distinctive characters, with local people having a strong sense of place and a collective identity.

The York and North Yorkshire (YNY) devolution proposal and the Local Industrial Strategy identifies our towns as significant assets. They serve as important centres for housing, public services and thriving businesses, all of which contribute to our productivity and sustainable growth. Due to the rural nature of much of North Yorkshire, our market towns are vital to the future prospects of our economy and we will need to see further investment in our towns and infrastructure to support our ambitions for growth.

The YNY devolution proposal also recognises that the county's high streets and town centres have been under pressure to compete for several years. The threat to our high streets and town centres has intensified in the context of COVID-19, which has accelerated declining market trends and created new challenges. Emerging from the current pandemic presents an opportunity to revitalise and reposition the county's towns by focussing on 'building back better', based on high-value, low carbon living and economic growth.

As part of the Local Enterprise Partnership's (LEP) 'Future Towns' work, a key piece of work around '21st Century Towns' has been commissioned to explore the opportunities and challenges facing towns in the area up to 2040. The report identifies common themes across North Yorkshire's market towns and highlights that in order to improve productivity, our towns must address issues around technology, businesses and labour markets, but also look at place-making, social cohesion, education and health. The level of regeneration we want to see in the county cannot be achieved through physical investment alone. A single unitary authority would offer us the opportunity to adopt a more coherent approach at a strategic level, at the same time as providing the organisational capacity and strength required to ensure the market towns of North Yorkshire thrive as economic hubs for the future, while also protecting their unique characters.

Rural transport

The YNY devolution proposal identifies the local transport network as being essential to the health of the economy and the prosperity of local communities. However, we do face several challenges in this respect, including a reliance on petrol and diesel vehicles, poor connectivity in our rural areas, congestion in our towns, poor interurban connectivity (especially east-west), pressure on the road network due to flooding and landslip and poor access to the rail network. Public transport plays a critical role in the vibrancy of our area, but it is becoming increasingly difficult for our public transport operators to remain viable.

Issues such as east-west connectivity and rural isolation and their impact on the wider economy and population only become apparent when considered strategically across a countywide footprint. A united approach across North Yorkshire is required to effectively address these issues, levelling up mobility and access within our local areas.

Climate change

The YNY Local Industrial Strategy sets out our ambition to become carbon neutral by 2034 and then to become England's first carbon negative economy by 2040. North Yorkshire emitted 255 million tonnes of CO₂ in 2017 and has higher emissions per person than average for England (but a lower emission per square kilometre). This is partly due to the rurality of the county and our corresponding reliance on private vehicles.

We are facing more and more challenges caused by extreme weather events. The county has suffered from several flooding events in recent years, with our infrastructure being impacted significantly and often at key locations where there are very limited alternative routes.

A single unitary authority offers an opportunity to take a more co-ordinated approach to tackle emissions, execute civil contingency planning and responses to future climate change events and maximise the value of our natural capital assets to improve the health of our county's environment.

3. Economic challenges

Employment and economic growth

While the rate of employment growth in North Yorkshire has been similar to the UK as a whole, much of it has been in lower productivity sectors, particularly the visitor economy. This has created an over-reliance on low-paid, seasonal or part-time employment, with the result that the average weekly earnings by place of work in North Yorkshire at £536 are below the average for Great Britain at £587. Ryedale, Scarborough and Hambleton have median wages significantly below national and county averages at between £479 and £501 while Harrogate and Selby at c. £580 per week highlight the variations in average weekly earnings by workplace across the County.

Young people in more remote parts of the county face problems accessing training and learning opportunities. As a consequence, some people will only consider courses at their nearest college due to the requirement to travel, instead of selecting a suitable course or career path and then finding the best college at which to study. As they complete their education, our young people frequently encounter a lack of employment opportunities commensurate with their educational attainment. This coupled with the high cost of housing, leads to the loss of well-educated, younger adults to higher paying employment opportunities elsewhere. This has resulted in a relatively small proportion of adults in their twenties in the population, when compared to the average at a national level.

Housing

Our house building rates have improved substantially in recent years. In the three years to March 2019, more than 8,600 new dwellings were completed (far exceeding the minimum requirement of 4,200). However, delivery of affordable and low carbon housing has consistently failed to hit targets. Relatively high levels of home ownership in the county mask the issues of affordability experienced by many residents, particularly in the west of the county. Across the county, a person earning average local wages would need to pay almost 10 times their income to buy a property, in Harrogate over 13 times annual earnings would be needed. This is exacerbated by a higher than average inward migration of older people and second homeowners in parts of the county. Together, this has further contributed to the outward migration of younger, post higher education people, while those in lower paid or seasonal employment either cannot find, or cannot afford, suitable housing.

Issues of low wage rates in certain sectors, high housing costs and the outward migration of younger better skilled people are experienced across North Yorkshire. A single unitary authority would help us coordinate our efforts in relation to the provision of education and training, as well as investment in infrastructure, housing and the economy. We would be better able to protect, grow and promote greater opportunities for local people, contributing to our overall economic and social well-being.

Delivering against the national agenda

In addition to dealing with the challenges and taking advantage of the opportunities at a local level, we recognise the role we need to play in addressing some of the country's more pressing issues: delivering the economic recovery; addressing inequality and the 'levelling up' agenda; and the need for public service reform.

1. Economic recovery

COVID-19 has had a devastating impact on the UK economy. The speed with which the recession has hit and the depth of the decline in GDP is unprecedented. At a national level, the Government has taken steps to mitigate the damage done, but many of the solutions to the decline and the initiatives that will support an effective recovery can only be delivered at a local level.

We are committed to doing all that we can to help the Government achieve its objectives in this regard. A single unitary authority would provide us with the levers to accelerate growth across the North Yorkshire economy, enabling us to make a greater contribution to the economic fortunes of the region as a whole, as well as UK plc. It would be able to attract more inward investment, be better able to manage growth in a way that would ensure it is fair and inclusive and focus on the schemes and opportunities that will deliver the greatest return for local people and the Treasury. Similarly, it would be well placed to take advantage of opportunities to enhance infrastructure delivery - supporting the Government's ambitions to fast-track major schemes.

The new council would aspire to play a major role in delivering across our region, building on successful examples elsewhere in the North. Later in this document, we describe how a single unitary authority would build on the strategic partnership we and City of York Council are already developing and provide a platform for the further development of a more strategic approach.

2. Inequality and 'levelling up'

Disparities in income and opportunities across the UK's regions are widely recognised. While we have made significant progress in addressing inequality in North Yorkshire, the emphasis placed on this issue by the Government signals that there is more to do.

In addition, there is widespread acknowledgement that regional inequality is not the only form of spatial disparity that has an impact on the fortunes of local people. Right across the UK, there are significant variations in the life chances of people, with those living within specific parts of the country experiencing poorer outcomes. The increase in focus on so-called 'left behind' places provides a clear indication of the importance of this policy. As we have set out elsewhere in this section of our proposal this type of inequality and social mobility challenge is clearly visible in North Yorkshire. We are determined to do what we can to address this, particularly levelling up the east and west of the county.

A single unitary authority for North Yorkshire will deliver a radical new model of local government with a sense of public purpose, subsidiarity and inclusion at its heart. New approaches to community engagement and localised working will build on the power of local communities to drive innovation and transformation in things that matter to them.

The new council will put the infrastructure in place to build social capital and support communities to be more self-reliant and resilient, getting up stream of issues before they occur. The new council will therefore, be better able to help the Government make progress in relation to the 'levelling up' agenda, both in terms of its regional dimension, but also by enabling us to address inequality within our geography. It would allow North Yorkshire to better plan and shape places on a more localised and strategic basis, by providing more effective, joined-up services and support to communities and individuals, particularly those with greatest need.

What has also become increasingly clear, particularly during the lockdown period, is the degree to which inequality and perceptions of fairness matter to different groups within our society. Again, the Government's commitment to resolving the issues this presents is something we are determined to address. A single unitary authority will provide us with the platform to rejuvenate our approach to challenging the discrimination and marginalisation experienced by certain sections of our community. We want North Yorkshire to be a progressive and inclusive place, so this will be a key priority for us.



3. Public service reform

Another key priority for the Government is the desire to see further improvement and reform of our public services. There has been significant progress on this front in recent years, with the Government's commitment to devolving more powers and responsibilities to the regions delivering clear progress in several areas. Equally, we have seen more innovative models of public service provision developing across the country. The emergence of integrated care systems, growth companies, local enterprise partnerships and combined authorities are all examples of the shift to new organisational forms and constructs.

Part of the drive towards these reforms has been the opportunities that exist, as well as the need to secure greater efficiency across the public sector. In many examples, the changes that have been implemented have allowed a level of streamlining to take place, at the same time as reducing unnecessary bureaucracy. However, the changes have also enabled the organisations impacted to be more effective, providing a more joined-up and consistent experience for customers, residents, communities and businesses, for example integration of Health and Social care in Harrogate which is described later in this document. This has laid the foundation for better outcomes to be achieved and a better future for people and places.

A single unitary authority in North Yorkshire is an obvious next step to take to help us deliver against the Government's broader public service reform ambitions. In the next section of this chapter we describe the current public sector landscape in the county. In the following chapter we set out some of the limitations of the current arrangements, but also describe how we see a single unitary authority as part of a longer term journey towards broader public service reform and ultimately to the establishment of a combined authority, formalising the strategic partnership we already have in place with the City of York. We want to be at the forefront of the Government's efforts to simplify and improve public service provision in the UK – a single unitary authority in North Yorkshire represents a critical step in helping to achieve this.

Financial pressures affecting North Yorkshire

The North Yorkshire councils have demonstrated a strong track record of delivering quality outcomes for the county's residents. However, as has been the case across the UK, the financial resilience of local government in North Yorkshire continues to be an issue. Collectively, we are facing a critical challenge if we are to address our projected funding gaps and continue to deliver high-quality public services.

Prior to the COVID-19 pandemic, the County Council's annual net revenue expenditure stood at £370m, against which £42.5m of savings needed to be achieved by 2024-25. We have already identified savings of £20.5m against this funding gap. However, we are facing an estimated cumulative funding gap of £22m by 2024/25.

Table 2: North Yorkshire County Council's anticipated financial funding gap (2020/21 to 2024/25)

| Estimated County Council Funding Gap (2020/21 to 2024/25) | | | | | | |
|--|------------|-------------|-------------|-------------|-------------|-------------|
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | Total |
| Total savings to be made (£m) | 8.9 | 17.7 | 7.3 | 5.6 | 3.0 | 42.5 |
| Annual savings identified / in progress (£m) | 5.0 | 8.2 | 4.7 | 2.6 | 0.0 | 20.5 |
| Annual funding gap (savings yet to be identified, £m) | 3.9 | 9.5 | 2.6 | 3.0 | 3.0 | 22.0 |
| Cumulative funding gap (£m) | 3.9 | 13.4 | 16.0 | 19.0 | 22.0 | |

The seven district and borough councils across the North Yorkshire geography have also experienced financial challenges. This has been exacerbated by COVID-19, which has had a particularly detrimental impact on district and borough revenue streams.

Table 3: Anticipated financial funding gap for the district and borough councils (2020/21 to 2024/25)

| Estimated Funding Gap For District and Borough Councils (2020/21 to 2024/25) | | | | | |
|--|------------|------------|------------|------------|------------|
| Cumulative deficit (£m) | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
| Craven | 0.6 | 0.6 | 1.3 | 1.3 | 1.3 |
| Hambleton | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Richmondshire | 0.3 | 0.5 | 0.7 | 0.7 | 0.7 |
| Scarborough | 0.0 | 1.7 | 3.6 | 3.6 | 3.6 |
| Harrogate | -0.3 | 1.2 | 1.4 | 1.2 | 1.2 |
| Ryedale | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Selby | 0.5 | 0.8 | 0.8 | 0.8 | 0.8 |
| Cumulative gap | 1.0 | 4.9 | 7.7 | 7.5 | 7.5 |

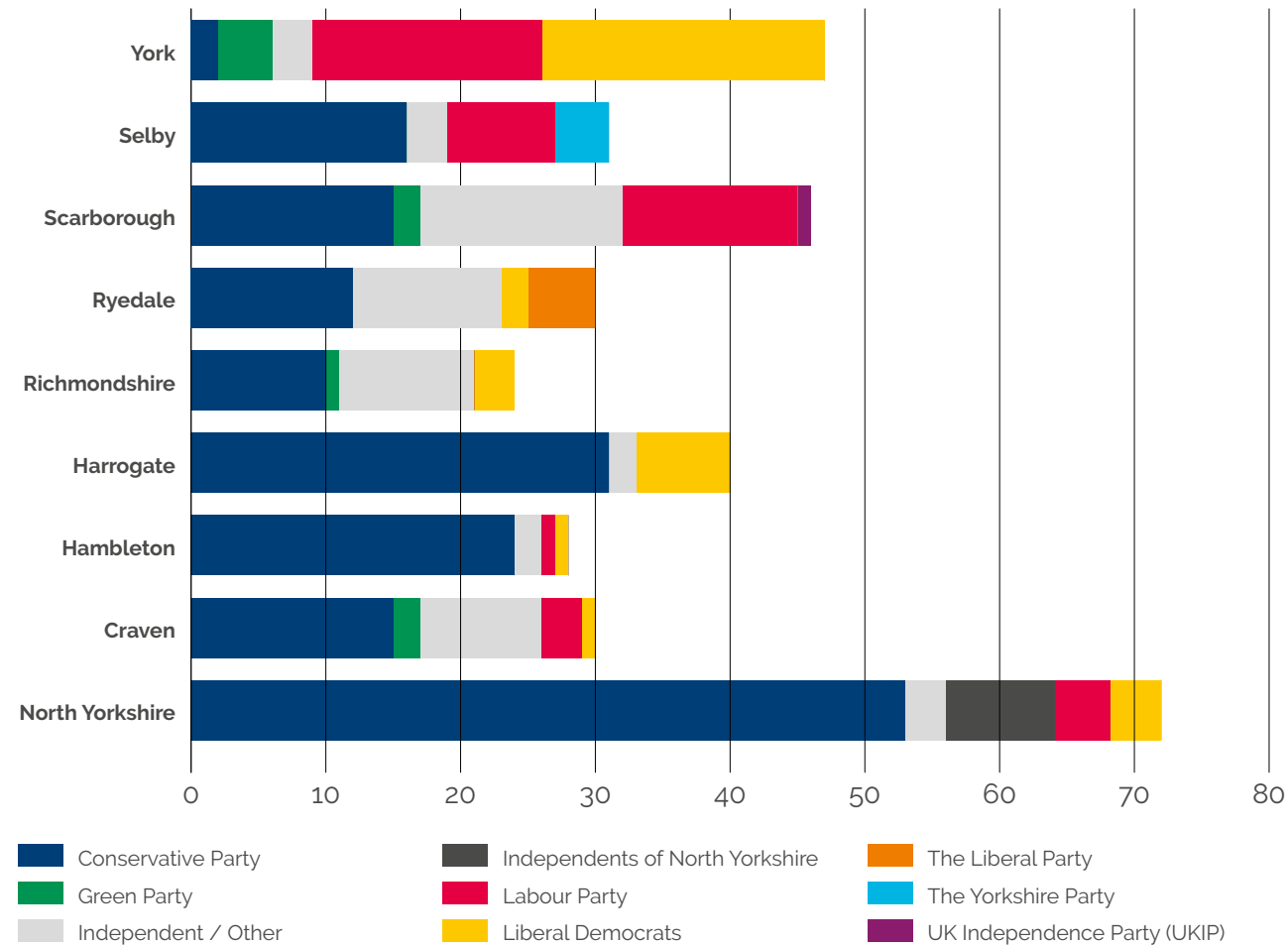
The analysis above does not account for the impact of the COVID-19 pandemic and any related changes in level of government funding or business rates. There is a high degree of uncertainty around the longer-term consequences of responding to the COVID-19 crisis. However, it is likely the financial strain on public services will increase in the short and medium term. For context, the County Council faces an estimated bill of £42m in 2020-21, purely as a result of responding to the COVID-19 crisis.

While the extent of the financial challenge affecting each local authority varies, it is clear the current structure of local government in North Yorkshire is unlikely to be able to withstand these pressures – radical transformation is needed if we are to be sustainable over the long term.

The current model of local government in North Yorkshire

There are eight local authorities in North Yorkshire - the County Council and the seven district and borough councils of Richmondshire, Craven, Harrogate, Selby, Ryedale, Scarborough and Hambleton.

Figure 6: Political representation of Councillors for the eight North Yorkshire councils and the City of York



At present the eight North Yorkshire councils have 301 councillors between them, with over 50 of these councillors sitting on both a district or borough and the County Council. Each council has a political leader, chief executive, senior management team and separate headquarters adding to the cost.

The City of York is already served by a unitary authority and has an additional 47 councillors. York's compact urban centre has a very different feel to the largely rural county of North Yorkshire. The proposal set out in this document takes account of this, by suggesting a sub-regional model which recognises these two distinct geographies and would therefore ensure the best possible representation for the people of York and North Yorkshire.

The wider public sector landscape

In addition to the eight local authorities, North Yorkshire is also served by six members of parliament, a particularly active voluntary and community sector and the full range of other public sector agencies. For example, health services are commissioned and provided by four clinical commissioning groups, four NHS acute and community trusts, three NHS community and mental health trusts and 17 primary care networks, all of which support two integrated care systems.

Though our partnership landscape is relatively complex, the County Council has a good track record of working together across the public, private and third sectors. We describe later in this document how key partners are supportive of a single unitary model for the county that will further simplify partnership working.



Case Study - The Harrogate and Rural Alliance (HARA) Integrated Community Adult Health & Social Care

HARA consists of five partners who work together to deliver an integrated community adult health and social care service in the Harrogate district. The alliance is formed around community health and social care services being linked to local Primary Care practices, with community nurses, therapists and social care practitioners working together to respond to people's needs.

Harrogate district is one of the first places in England to bring together community services for adults in this way, from the hospital doors through people's front doors into their homes. Together, Alliance partners spend over £100m in our local community, working with hundreds of different service providers in the wider public sector, the voluntary sector and independent care provision. At the heart of the Alliance are nearly 300 community health and social care colleagues, who are responsible for approximately £50 million of prevention, care and support services.

The new service launched in September 2019, following on from an integrated community care Vanguard pilot which ran between 2015 and 2018.

Drawing on the learning from the pilot, the partners have worked together to put in place the foundations to support the new joined-up approach to service delivery. This has included developing and testing new shared ways of working, enabling access for colleagues across Alliance partners' buildings and facilities and improving IT systems to enable information sharing.

During the first year of operation, the Alliance have made some significant changes to practice which include:

- Daily huddles - providing an opportunity for integrated teams to review capacity, plan days, and make care more person-centred through the coordination of activities.
- Weekly HARA multi-disciplinary team meetings - Doctors, HARA team members and others involved in care provision can present complex cases based on set criteria to discuss and agree a plan and get the most appropriate professionals involved.

The new Council would be well placed to build on existing progressive partnerships and service integration at pace across the county.

While the county can demonstrate a strong track record of partnership working, it is clear that more could be achieved. Our partner organisations are currently required to liaise with multiple local authorities in North Yorkshire, with the result that taking coordinated action requires significant resource to support communication, arrange and administer meetings and manage relationships.

Our proposal for a single unitary council would allow us to build on our existing relationships and achievements, but also to simplify our approach to partnership working. We have strong support from public sector partners who recognise the opportunity that a single council for North Yorkshire presents to simplify and transform partnership working. – improving our ability to deliver greater value from these partnerships and maximise our collective impact. This is especially true in the context of the radical new locality model described in the next section.

Against this backdrop of the local, national and financial pressures impacting North Yorkshire, and considering the relatively complicated nature of the way that services are currently planned and administered in the county, there is a demonstrable and pressing case for change.

3

Case for change

Local government reorganisation in North Yorkshire provides an opportunity to address the inefficiency, bureaucracy and confusion associated with the two-tier model. Beyond this, it will also provide a platform to transform radically the delivery of localised public services and social action in the county. It will serve as a stepping-stone to the implementation of North Yorkshire's strategic partnership with the City of York – establishing a mayoral combined authority and securing a devolution deal for the region which will ignite economic recovery and growth. Our proposed solution is to replace the county, district and borough councils with a single unitary authority for North Yorkshire. We consider this to be the strongest option which satisfies the Government's tests for local government reorganisation as well as securing a better future for our residents, communities and businesses.

The limitations of the current structure of local government

Under the current structure of local government in North Yorkshire, we are reaching the limit of what we can achieve for the people we serve. While we have worked well together, there is too much overlap and not enough alignment for us to be truly effective in dealing with our challenges and taking advantage of our opportunities. We are at a critical moment in our history – now is the time to deliver a model of local government that will be simpler, better, more cost-effective and more suited to helping us meet our future requirements.

The current structure of local government is no longer fit for purpose. It is:

- Too complicated.
- Less effective than it could be.
- Inefficient and unsustainable.

Too complicated

The two-tier model is complicated and confusing. The division of service responsibilities between counties and districts creates overlaps which mean that residents, business, service users and partners are often unclear how to access services and who is responsible for their delivery. The model leads to:

- **Complex partnership working:** Strategic priorities frequently require several partners to work closely together. This is challenging for the Police, Health and organisations from other sectors, which currently must liaise with eight separate councils.
- **An inability to plan and coordinate activity effectively:** Competing aspirations between different councils can mean it is difficult to prioritise and allocate resources to areas of most need for example, planning, housing and transport infrastructure. In relation to the Government's economic recovery and 'levelling up' agendas, this internal competition within the county is holding North Yorkshire back from engaging at the top level nationally and from making as full a contribution as it could to the regeneration of the UK economy.



Less effective than it could be

The two-tier model causes fragmentation and variation in service quality and performance, as well as diluting our ability to be influential on the regional and national stage.

- **Variations in performance:** Across the eight local authorities that currently exist in North Yorkshire, there are significant variations in service performance districts can have limited capacity to ensure best practices are adopted. Resilience is a key challenge for some of our smaller councils, for example, the County Council provides support services to some district councils. Collectively, we have not been as successful as we could have been in adopting innovative solutions to our more complex problems.
- **A lack of a clear strategic voice:** Currently, we are not presenting a clear and coherent vision for the county and often competition between places and priorities has a detrimental impact. This is weakening our ability to influence Government, secure inward investment and respond effectively to support economic recovery and growth, housing and the development of infrastructure in order to meet the needs of our coastal, rural and urban communities.
- **Ineffective engagement with local residents:** Local government works best when local people are involved in decision-making. Currently residents and service users do not have a single authority to interact with for all local government issues affecting them. This reduces the public's willingness and ability to engage on complex issues that affect their localities, and this impacts the ability to ensure council and public services are designed to meet their needs.

Inefficient and unsustainable

The two-tier model is inefficient and is characterised by duplication of activity and responsibilities across each local authority. Despite strong financial management and various initiatives to streamline and improve the delivery of services, the two-tier authorities are also under extreme pressure from both a demand and supply perspective, threatening the long-term viability of this model.

- **Excess bureaucracy, management teams and support functions:** As previously mentioned, the current model is overseen by 301 councillors. This has complicated local democracy by causing decision-making to be time consuming and resource intensive. Confusion over the responsibilities of each authority also serves to undermine accountability. Eight chief executives, eight senior management teams and multiple back office and support functions creates unnecessary duplication.
- **Lack of critical mass and scale:** North Yorkshire is hampered by service fragmentation and doing too much individually. Smaller authorities do not have the necessary scale to deliver commission or procure services and supplies cost-effectively. They suffer from limited service resilience due to the lack of scale. Service delivery in sparsely populated rural areas requires a balance of market and supply chain development and 'buying power' to ensure markets such as residential and domiciliary care are viable.

- **Fragmented strategic planning and budget setting:** The current model of local government has resulted in conflicting or competing investment opportunities, reducing our ability to deliver the greatest value from the county's collective funds. The authorities are also reaching the limits of what can be achieved alone by pursuing cost-saving opportunities separately rather than systemic transformation of the local government operating model.
- **COVID-19:** The pandemic has placed further strain on the finances of all councils. It is becoming increasingly clear that some local authorities in North Yorkshire will not be able to continue to sustainably deliver key services unless significant change is secured.

Our proposal: A single unitary authority for North Yorkshire

Our proposal is to establish a single unitary authority for North Yorkshire, replacing the existing two-tier system comprising eight councils, while continuing to work alongside the existing unitary serving the City of York through a strategic partnership.

Our vision for North Yorkshire is to establish a model of local government which: provides a new form of civic leadership; is modern, ambitious and innovative; empowers our communities to release the remarkable social, cultural and economic potential of our county; improves the environment; supercharges our economy; capitalises on the national opportunity to 'level up'; and delivers better outcomes for all.

A single unitary council for North Yorkshire would be at the forefront of modern local government and would provide:

- Clearer democratic leadership, simplicity and ease of access.
- Better value for money, consistency, critical mass and economies of scale.
- A revolutionised model of engagement with communities and a new model of locality working.
- An enhanced model of local partnership working.
- A better platform for investment and growth with a single joined up vision

We want to establish a strong and sustainable unitary authority for the county, which sets a clear vision and maximises the potential of the natural, economic and cultural assets. These have often been in competition rather than complementing each other under the two tier system. Our proposal will address these structural issues and sets out a framework for even greater collaboration with the City of York. This will be a significant step towards the establishment of a mayoral combined authority and an opportunity to secure greater devolved powers and funding from Government.

This ambition has been formalised under our strategic partnership which builds upon and extends current shared services and strategic collaboration in critical areas such as health and community safety. In pursuing this agenda, we propose to retain separate authorities in North Yorkshire and the City of York, enabling the councils to focus on the specific and differing priorities across the two areas, while taking advantage of the way their geographies interact.

Our proposal would deliver immediate and longer term benefits

To address the limitations of the current structure of local government and respond to the local, national and financial challenges outlined in section 2, our proposal for a single unitary council for North Yorkshire will improve democratic and local government services in the following ways. It will be:

- Stronger and simpler.
- Local and effective.
- Efficient and sustainable.

Under each of these headings establishing a single unitary authority for North Yorkshire would support the delivery of **immediate opportunities associated with reorganisation**, as well as the **even greater benefits associated with transformation**.

The opportunities offered by local government reorganisation and transformation

Stronger and simpler through reorganisation

North Yorkshire will be strengthened simply by reorganising into a single unitary authority in the following ways:

A stronger and unified voice driving economic recovery and growth

A new single unitary council will have a strong voice to enable the county to:

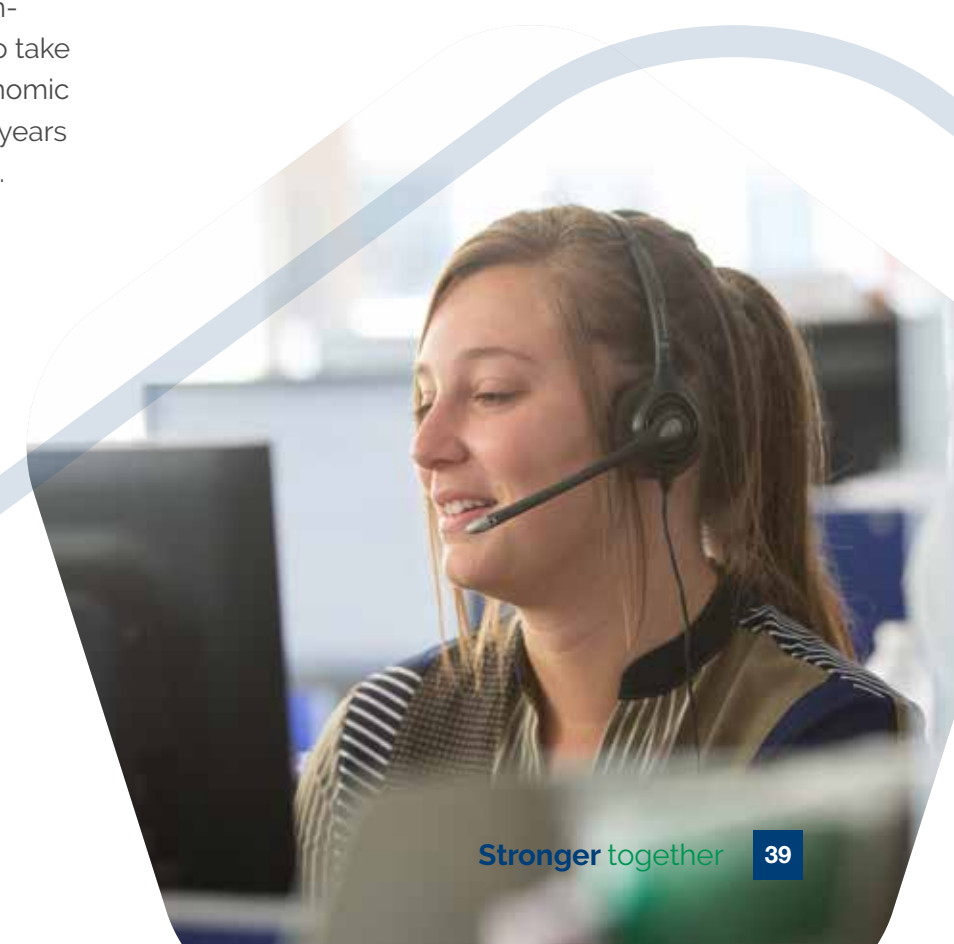
- Move at pace to drive economic recovery and sustainable growth with a Mayoral Combined Authority.
- Have the best chance of attracting vital inward investment.
- Tackle the shared social, environmental and economic challenges we face.

We describe later in this document an evidence based programme to address North Yorkshire's historical economic challenges and drive post COVID-19 recovery. We also describe our locality operating model, which would devolve greater decision-making and empower communities to take more decisions about social and economic issues that affect them, such as early years education, skills, transport and health.

Representing our local places, at a greater scale, with a united voice will have significant gearing effect and will be transformative in the county's economic recovery. North Yorkshire has much diversity, but it is bound by significant commonality of issues. Our proposal ensures that the sum of the whole of North Yorkshire's considerable economic assets is greater than the sum of its parts.

As a single unitary authority, we will be able to contribute a strong rural voice on an equal footing with other major northern local authority areas in terms of population size. This will enable us to be more effective when working with national and sub-national organisations, such as Transport for the North, delivering better results for our citizens and businesses.

A stronger and unified voice representing the whole of North Yorkshire would complement existing arrangements in the City of York, enabling both authorities to work in a partnership that reflects their natural identities and economies, and provide a platform for further synergies.



Simpler and easier for customers

The new Council will also provide a great opportunity to bring together access to services into a common and consistent framework and provide choice of access channels. It would introduce "one front door", one phone number and one website, replacing the current model of fragmented and duplicated customer touch points across the eight authorities. This simplification of services under a single new council, and greater choice of how to access services, will remove the ambiguity currently experienced by residents and businesses trying to access support and services. For example, the County Council's Customer Service Centre received five thousand calls in 2019/20 for district council services emphasising the lack of clarity for many.

Our aim is to become a Council that is digital by design, meaning that we will encourage our residents and local businesses to go on-line and self-serve where they are able. We do this as it is the most efficient and most accessible way of accessing council services.

However, we recognise that not everyone will want, or have the ability, to access services through digital channels. We will further develop our 'assisted digital' model where we provide local face to face access points to help digitally excluded communities to access services and learn new digital skills. Therefore, the new council will have local area offices in each of the former district areas based in key community buildings such as libraries or co-located with other public service partners. What is important is access to services in the new Council meets the needs of different communities and reflects the ways they want to engage with the new council. More information on these is described later in this document.

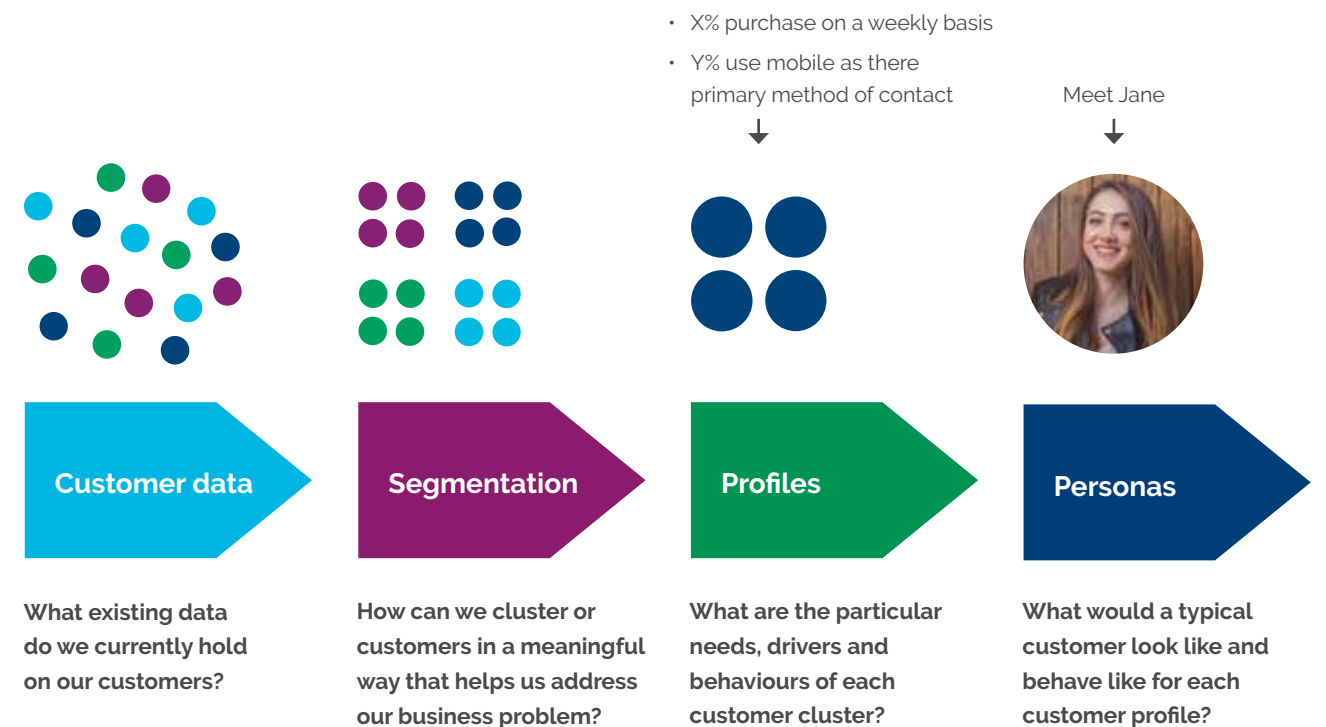
Many of the services of the new council will continue to be delivered in communities and a priority will be training our staff to take a 'whole person view' of resident needs and be able to support residents to access a range of services to ensure that they get the support they need.

Our proposed single council approach would also play-through our back office; reducing the complexity of the way we work and making the new council more efficient while also supporting consistent, excellent customer experience.

The new council will be well placed to further improve customer experience, by harnessing collective data and insight across a breadth of local government services. A common digital platform will allow the new council to better understand and respond to customer needs, for example through tailored online services, or better commissioning and targeting of preventative services. These are further described later in this chapter. The proposed model will be based upon Government Digital Services best practice for improved customer insight. A high level model is set out below.



Customer & Community Insight Model



A simpler customer experience will therefore offer the following improvements:

- **A stronger citizen voice** - Feedback, comments and complaints will be captured in a consistent way meaning this will have a louder voice in service improvement
- **A single citizen view** - By bringing data from across systems to enable more efficient interactions
- **Better insight and intelligence** - The better use of data and artificial intelligence provides a great potential for transforming how demand is managed and how better decisions are made whilst protecting the integrity of customers' data

Case Study – Improving Digital Customer Experience

A new council would be able to build on our experience of delivering successful transformation projects to improve the customer journey, whilst delivering efficient and consistent approaches across the whole council. For example, our 124,000 English National Concessionary Travel Scheme bus passes can now be applied for online allowing vulnerable and isolated residents to access free off peak buses. Our process for the provision of Disabled 'Blue Badge' parking permits earned us industry recognition and finalist status in national awards for transforming and innovating public services.

The new council would provide efficient and simplified access to digital services, supported by assisted digital access points for those who don't have the ability to use them directly.

Stronger and simpler partnerships

A single unitary council for North Yorkshire will create simpler and stronger relationships with its partner organisations. This will help to streamline decision-making and improve the deployment of resources in emergencies. A single unitary authority, as opposed to a multiple unitary authority model, will mitigate the risks associated with disrupting well-established and vital countywide partnerships.

Case Study – Community Safety

There will be opportunities to further develop and expand innovative multi-agency solutions for rural and vulnerable communities. For example, a pilot for place-based Public Safety Officers providing early intervention support to prevent vulnerability and reduce harm which is currently running in Craven district, could be rolled out across the county.

The new council will simplify partnership working and move initiatives forward at pace, delivering better outcomes for local people earlier.

A single unitary authority will most closely mirror the existing operational areas of health, police and fire services, key voluntary partners and the LEP. It will also help partners minimise the cost, time and resources currently invested in partnership working. Partners will also benefit from the introduction of locality structures that will make it easier for members of the public to engage with all organisations and receive a joined-up response. This will help to avoid the potential for issues to 'fall through the cracks' as they are passed between agencies.

Considering the immeasurable value of our local natural assets, we understand the need to continue to work closely with the National Parks, including in their role as planning authorities, which will be protected. We recognise that membership arrangements would change, but this will be balanced appropriately so that the role of the National Parks is safeguarded within future arrangements. A clearer and simpler partnership will also enable us to better support and sustain the communities contained within the parks.

Case Study – Yorkshire Dales: Attracting Younger People

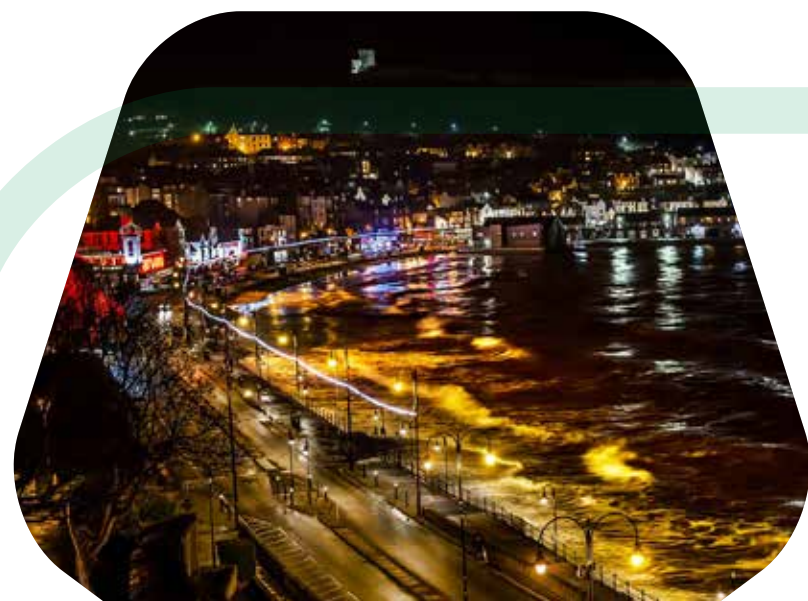
The County Council have been working with the Yorkshire Dales National Park and District and Borough Councils from Richmondshire, Craven, Eden and South Lakes on an initiative to make rural communities in the area more sustainable. All the councils have financially contributed to a social and economic study which has led to a number of initiatives, for example to improve, broadband, availability of affordable housing and sustainability of services to the area.

The new council will support the sustainability of communities, working locally on local issues through simplified partnerships able to work at pace.

Stronger and able to transform at pace due to stable foundations

Moving to a single unitary, as opposed to a multiple unitary authority model, will prevent the break up of the historic county boundaries and avoid disrupting the delivery of important countywide and City of York services, such as adults and children's social care. It is essential that vulnerable people are protected during the establishment of the new council and that the excellent performance of these services is not lost. Previous examples of unitary transitions under which county council services were disaggregated into two smaller authorities highlight the potential negative impacts on service users, as well as the significant financial implications.

Disaggregating the County Council and City of York services would also risk delaying a devolution deal and holding back economic recovery and growth. Retaining the City of York Council on its current footprint would enable it to continue to focus on the specific issues in the city. Establishing a single unitary council for North Yorkshire will enable a similar approach to be taken in our geography, at the same time as continuing to work closely with York where this would be mutually beneficial. As a result, we will be better able to work together to progress significant transformation of local services and economic growth initiatives at pace.



Stronger and simpler through transformation

In addition to reorganisation, a new council for North Yorkshire would also be able to transform its services, becoming more integrated, resilient and innovative as a result.

Transforming service delivery through joined-up services

A single unitary authority will be able to operate at scale and aggregate existing best practice demonstrated across the current eight authorities, as well as join up interrelated services to deliver improved outcomes and experiences to our customers. Examples of frontline services that could be transformed through greater integration include:

| | |
|---|---|
| Social Care, housing and prevention | A single new council will align social care for adults and children, with services such as adaptive equipment, reablement and mental health. It will also more closely join public health to environmental health, housing and leisure with an emphasis on prevention. The new council will join up and speed up system wide working , improving value for money and ensuring people get the right help at the right time. |
| Economic Development | A single new council with one economic development function will have the economy of scale to employ specialist posts with the skills to maximise economic growth opportunities to a single shared vision across the county within the sub region. |
| Waste collection, disposal and recycling | A single new council will provide a strategic lead across the county for waste tasked with developing and delivering a single waste strategy which would ensure common, modern environmentally friendly and cost-effective approaches to waste collection, route optimisation, recycling and disposal, in line with Government's ambitions. This would also promote a consistent message to residents about waste and recycling and remove the current 'postcode lottery' regarding waste. |
| Highways and transport | A single new council will combine currently disparate street scene services together. This will create an integrated and transformed model for delivering highways maintenance, street cleaning, grounds maintenance and grass cutting services which will provide better value for money. |
| Housing and planning | A single new council will remove current variation in planning policies, that go beyond recognition of local needs. It will improve North Yorkshire's strategic capacity to plan growth, unlock potential development sites and develop housing more effectively. |
| Community safety | A new single new council will improve existing partnership working with external partners and present an opportunity to implement common approaches with partners on issues such as licensing, safeguarding, homelessness, civil enforcement and anti-social behaviour. |
| Consumer protection | A single new council would bring together trading standards and environmental health services and would provide a consistent countywide approach to protecting consumers and residents. |
| Sport, physical activity and wellbeing | A single new council will rationalise the management of facility-based sport and physical activity, which is currently managed differently in each district. Working closely with the North Yorkshire and York Active Partnership, the development of a cohesive and consistent sport and physical activity strategy would lead to an improvement in the delivery of condition specific and lifestyle physical activity services. This would in turn ensure closer links to prevention, economic development, employment and reduced social care. |
| Arts & Culture | A single new council will provide a clear vision and plan for delivering initiatives and targeted investments to regenerate and re-energise our cultural, creative and tourism sectors, essential in the wake of COVID-19. |

In addition to transforming frontline services, there is benefit from aggregating support functions. For example, bringing together disparate data sets would further develop and consolidate the North Yorkshire Office for Data Analytics. Leveraging this expanded use of data and analytics would provide a better understanding of risk and vulnerability to transform local commissioning, resource planning and the identification of strategic opportunities for earlier interventions.

Case Study – Single View Of The Child

A single unitary would have access to one set of data for the county and would be able to build upon and expand our work to provide a 'single view of a child' which brings together data from multi-agency sources to display relevant, accurate information about a child in one place. This allows more effective and timely decision making to protect children from harm from the point of a safeguarding referral being received. This approach could be scaled up to provide a single view of the citizen allowing earlier intervention and targeted preventative actions, as described earlier in this document.

The new council will build richer pictures of customer needs by combining and integrating data to better target preventative services and manage demand.

A single unitary authority will also have increased buying power and a stronger market position to achieve better value for money, driving increased social value to communities.

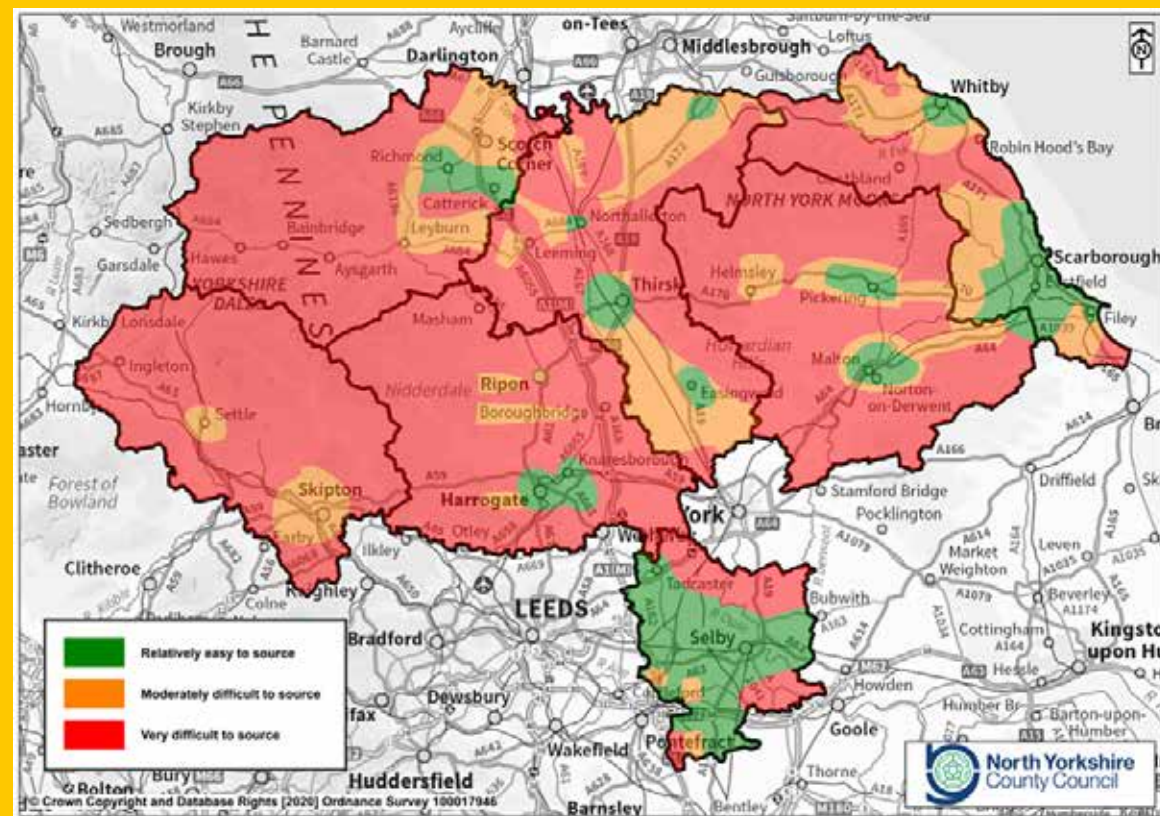
Stronger, more resilient services

A single unitary authority would maintain the benefits of critical mass and scale, required to deliver front line services, and specialist technical expertise. It will be well placed to attract and develop a highly skilled workforce supported by good career structures. Our trade unions are strong advocates of a single new council for North Yorkshire because it will have the scale to achieve this and our very positive staff survey results demonstrate that we have a strong track record to build from. This ensures service resilience across North Yorkshire at a time of rising demand for services, particularly in Adults' and Children's Services.

Case Study – Adult Social Care Market Resilience

Our adult social care pathway has a strong and successful focus on prevention with the aim of supporting people to live well and remain independent within their communities. Achieving this is reliant on a range of commissioned services. However, traditional care markets do not operate in super sparsely populated areas often leading to "care deserts". This requires a critical mass and scale to address, alongside innovative market development techniques targeted at overcoming the challenge of rurality, affordability and poor labour market conditions. We have worked innovatively with care providers to build and maintain a functioning market, by;

- Encouraging them to expand their area of operation to cover more remote areas from within, and from outside, the county boundaries by offering attractive and sustainable packages of business.
- Exploring opportunities to co-commission with or work alongside health commissioners, especially in areas of low population density.
- Pursuing opportunities to develop sustainable care markets in rural areas.
- Developing and testing new models in rural settings, such as micro-enterprises and the Re-imaging Homecare model.
- Expanding and enhancing the use of technology-enabled care.



The new council will maintain the scale and critical mass to sustain functional care markets.

Instead of disrupting existing high performing services through disaggregation into multiple unitary authorities, a single unitary model offers a solid foundation for implementing sustainability and transformational delivery models across the public sector. For example a single unitary council will retain the critical mass to enable it to function efficiently and effectively in super sparsely populated rural areas where often viable care markets do not exist.

A single unitary authority working closely with our NHS partners would facilitate even closer integration of health and care services across the local system. Further opportunities range from creating stronger links between leisure services, public health and local communities, to ensuring there is a more joined-up approach between countywide planning and housing services. Clearer and simpler strategic leadership across the full range of local services will better enable us to improve and manage the health and care of our local populations. The customer insight described earlier in this document, along with planning and commissioning of services shows innovative ways to work with all public, private and third sector providers.

Case Study – Ofsted “Outstanding” Children’s Services

We were the first Council in the country to be graded as outstanding in all areas of children’s services by Ofsted and are seen by the sector as one of the leaders in innovative practice. As a ‘Partner in Practice’ with the Department for Education, we have supported sector-led improvement with many local authorities on all areas of social work practice and performance frameworks. We have recently received further funding to work with other councils to introduce our No Wrong Door model, whereby every young person in the programme is given one key worker, supported by a single team of trusted and skilled workers, to access the right services at the right time and in the right place to meet their needs.

The new council will benefit from maintaining existing strong services with minimal disruption.

The ability to invest at scale to innovate and modernise ways of working

Establishing a single unitary authority will enable best practice to be aggregated and embed a culture that drives innovation across the entire county. This includes bringing together existing best practice and capacity demonstrated across the current eight authorities as well as introducing best practice approaches from local authorities elsewhere.

As a large employer, the new council will put its workforce at the heart of driving modernisation and change through modern engagement techniques that will drive innovation and best practice.

It will also have the capacity and capability to recruit specialist skills such as engineers and economic development and to develop the workforce capabilities around hard to fill positions in areas like social care. This will be achieved through quality training and learning provision linked to career pathways. It will also provide wide-ranging apprentice and graduate programmes to support young people in the county to access good quality jobs and develop careers, which will support the sustainability of rural communities. Trade Union support for our proposal is described later in this section.

Operating at scale is also essential to reduce the overheads, for example those associated with managing multiple sets of IT infrastructure.

A single council will provide savings to be reinvested in modernising and further digitising services, for example a “digital employee” programme providing the technology tools and workforce skills to reduce office accommodation costs whilst improving productivity and customer experience. Where previous business cases to implement new technology and transform the delivery of council services may not have been commercially viable for individual authorities, establishing a single unitary authority presents the opportunity to distribute the capital costs and associated benefits from transformation over a larger organisational footprint.

Case Study – Efficiency Through IT Aggregation

Joint working with Selby District Council has reduced relative capital and revenue spend on ICT for both organisations. It has also improved ICT support through a single access channel and more efficient resolution of issues through the provision of shared;

- IT Service Support
- Infrastructure Support
- Business aligned technology design and strategy
- Telephony Managed Service
- Digital Services – Website, Intranet and Customer Relationship Management solutions

Benefits of this aggregation have been identified as;

- Reduction in overall capital spend and revenue support costs
- Large skills, knowledge and experience pool for technology and transformational activity
- One route of support, ensuring efficient and effective resolution of issues and new requests
- Increased resilience for both technical hardware and resources to support the organisation
- Assurance that services are delivered to accredited standards BSI ISO 27001
- Ability to support changing customer needs and national legislation / policy

The new Council will have the economy of scale to invest in modern technology, skills and infrastructure to deliver improved value for money and to drive digital transformation.

Case Study – Modern Council

Our transformation programme, Modern Council, developed our agile working model enabling staff to work remotely. This meant that we were able to adapt very quickly to home working throughout the COVID-19 pandemic ensuring no loss of service for customers. Meetings were carried out remotely, where possible, using video calling and customer feedback was very positive.

The new council will provide the technology infrastructure to support efficient and effective modern ways of working.

Local and effective through reorganisation

Addressing North Yorkshire's demographic, rural and economic challenges

Having a stronger county-wide voice and joined-up growth ambitions will be invaluable in delivering economic recovery, especially as work begins to stabilise the economy post pandemic. For the future, being able to continue to attract high value employers and develop a skilled and empowered workforce is essential to both creating opportunities for residents and to continuing to contribute to the national economy and recovery period.

Our proposal recognises the direct relationship between good physical and social infrastructure and the sustainability, health and the economic fortunes of rural communities and the people that live in them. As described earlier in this document, North Yorkshire's current challenges act as a social and economic drag on our places, economy and people, re-enforcing inequality and holding the county back from fulfilling its true potential.

Too often the current system creates damaging competition between places, rather than considering how its collective strengths, assets and communities can complement each other to drive better social and economic outcomes. The current fragmented two-tier system does not have the shared vision or agility required to tackle complex issues. A single new council for North Yorkshire with a clear and shared vision will be able to more effectively work with its communities and partners to address complex structural issues and level up the county. We set out our delivery framework, focused on engaging and empowering local communities later in this section.

A unitary local authority for the county will unlock the door to finally establishing a combined authority for the sub-region. Therefore, our proposal is designed to complement the proposed York and North Yorkshire Mayoral Devolution deal whilst meeting the County's distinct needs. It will also provide the opportunity for devolution as early as 2022.

The following section sets out how North Yorkshire will be ready to play its part in delivering a bigger contribution to the regional and UK economy by meeting the social and physical structural challenges holding the county back;

- Social inequality
- Changing demographics and support needs
- Digital infrastructure and connectivity.
- Regeneration of town centres and places.
- Improving Rural transport.
- Tackling Climate change.
- Employment and economic growth.
- Housing.

Social inequality

Levelling up is a national priority and a single new council in conjunction with devolution of funding and powers would present the opportunity to tackle disparities between local areas. The county is comparatively prosperous, and yet there are also areas in the most deprived in the country. Establishing a single unitary authority would significantly enhance the ability to positively influence these factors, particularly addressing the pockets of deep deprivation in the east of the county and housing affordability in the west.

The new council will establish the conditions under which all partners – large or small, statutory or community – can each make a unique contribution to improving individual and community well-being, reducing inequality and driving inclusive growth. By operating at increased scale the new council would deliver a focused agenda to promote economic growth, health and wellbeing within areas with the greatest historical levels of deprivation, whilst also building upon our existing strengths.

The establishment of a single unitary authority would represent a logical continuation of our work to align economic policy with streamlined local government and health. This will more readily break down boundaries and simplify joined-up working – such as better connecting services for mental health, social care, housing, adult education and employment. In levelling up our county, a single unitary will make targeted services even more impactful for our disadvantaged people. By joining up our delivery approach, we will reach residents more quickly and with greater efficiency, providing them with the best possible outcomes in life so that our people and place can level up as one.

Fig 7 York & North Yorkshire Mayoral Devolution Deal Summary

| York and North Yorkshire Deal Overview | | | |
|---|--------------------------------|---------------------------------------|---|
| Gainshare £750 (£25m per annum for 30years) | | | |
| Devolved Local Growth Fund and Shared Prosperity Fund | | | |
| Quality Places | Thriving Businesses and People | Green Future | Safer Communities |
| Transport | Skills | Energy | Police, Crime and Fire Commissioner merged with Mayor |
| Digital | Devolved AEB | Low Carbon Housing Retrofit Programme | |
| Town and City Centres | Bio-Yorkshire | Natural Capital | |
| Housing | | | |
| Supporting our ambition to be a carbon negative, high value, circular economy | | | |



Changing demographics and support needs

Fundamental to our vision for the new Council is our ambition for strong, resilient and resourceful communities where people and organisations work together to improve the lives of our residents and solve the problems that are important to them.

Implementing our proposal would improve life chances and tackle isolation, vulnerability, inequality and deprivation across the life course of each citizen by:

- **Developing population health and community wellbeing** through more effective strategic working across the system.
- **Tackling inequality and deprivation** by bringing strategy and delivery together to address issues impacting upon the wider determinants of health.
- **Improving life chances (early years, school readiness and attainment gap) and preventing, delaying and reducing needs for the most vulnerable in our society** through improved system-wide strategies, as well as commissioning activity designed to support prevention and early intervention.

Case Study – Public Services & Communities, School Readiness “Grow & Learn” Initiative

We know how important it is for a child to be 'school ready', and have therefore developed a pilot programme, with local health providers, piloting a strategic approach to improving young children's speech, language and communication through local neighbourhood and community based partnerships. The focus of interventions is on developing sounds and early speech with a consistency of approach in the home, settings and the community.

The new council will build social capital that enables communities to be more self-reliant and resilient in addressing local issues and inequalities.



Digital infrastructure and connectivity

There has been good progress in rolling out superfast broadband across North Yorkshire, as led by the County Council and its wholly owned company NYnet. This project has already provided high-quality broadband to more than 180,000 households and continues working towards achieving complete coverage. Likewise, with mobile phone reception and 4G coverage, North Yorkshire County Council continues to work closely with Mobile Network Operators to improve mobile signal quality. This work supports the creation of the Shared Rural Network which is expected to raise geographic coverage of 4G in North Yorkshire from around 60% to over 90%.

The new council will continue the rollout of high-quality digital infrastructure and connectivity to support the aspirations of the Local Industrial Strategy and the proposals for Devolution in York and North Yorkshire. This will better facilitate economic competitiveness, allowing more people to work and live in rural locations as well as improving quality of life, particularly for vulnerable people and communities. Working closely with NYnet, the council will pioneer a devolved approach to digital investment. A single unitary will minimise disruption to the NYnet relationship and accelerate the roll out of new digital infrastructure and the merging of broadband and mobile data technologies in a way that would complement York's 'gigacity' aspirations.

Case Study – “Go Local” Tackling Isolation and Supporting Independence

The new council would also be able to rollout complementary technologies in the homes of vulnerable people to tackle isolation and health-care needs, building on work such as our 'Go Local' meal delivery scheme. Go Local allows residents to order meals and essential food items using voice recognition through Amazon Alexa. The purpose is to help older and disabled people to live independently in their homes for longer, support local businesses and build community capital. In addition the new council will continue to work closely with the York and North Yorkshire LEP to implement town centre Wi-Fi and Internet of Things solutions across North Yorkshire.

The new council will utilise modern technology to support social connectivity and support people to maintain healthy independent lives within their communities.

Regenerating town centres and places

Healthy, thriving, attractive places where people can afford to live are fundamental to the success of any rural area. Establishing a single unitary authority for North Yorkshire presents a major opportunity to transform our town centres and create more successful places.

Although COVID-19 has exacerbated some of the challenges facing our towns, it has also highlighted their resilience and importance as local service centres. In the aftermath of the COVID-19 crisis we will have an opportunity to 'build back better' through the '21st Century Towns' programme. A transforming single unitary authority will look more holistically at the challenge and be more ambitious, dynamic and consistent in implementing the programme than is currently possible with the fragmented nature of two-tier government. Crucially the new council would have increased expertise to recognise how towns of the future need to operate, working with local communities and businesses to deliver these conditions. A new single tier council in North Yorkshire would have the opportunity to utilise cultural assets across the county to support town centre regeneration. This will better support the transition from retail driven locations to centres of community use and cultural engagement.

This model supports better strategic planning and enables towns to work more effectively together, while still differentiating themselves through local heritage. An alternative model, such as two unitaries, would fragment strategy, risk inconsistency and competition between towns and places, and diminish their investment potential.

Case Study – Buy Local, Supporting local Businesses

The crucial value of our local producers, suppliers and trades was underlined during COVID-19 when we developed an online marketplace 'Buy Local' which attracted over 750 traders bringing together customers and businesses across our localities.

The new council will work with communities to deliver innovative strategies that support local businesses to recover from COVID-19 and thrive at the heart of sustainable communities.

Improving rural transport

Strong transport connectivity is critical to the North Yorkshire economy, enabling residents and businesses to travel with predictable and efficient journey times and offering efficient access to retail, leisure, cultural activities and locations. East to west connectivity across North Yorkshire is particularly important in relation to distribution and the visitor economy.

In general, the central part of the county has good road and rail links north and south, but the east to west links are slower, involving predominantly single carriageway roads and a constrained rail network. Coastal communities, with only half a hinterland, are especially disadvantaged by these communication limitations.

Map Demonstrating Key Transport Infrastructure in North Yorkshire



A single new unitary council will be better positioned to address current issues with rural transport, and to connect places so that residents and visitors can better get around. It would also drive further transformation such as:

- Supporting the widespread development of community transport schemes.
- Delivery of key transport schemes and infrastructure through quicker devolution and strong lobbying.
- The creation of a single integrated transport plan for North Yorkshire working closely with York, the LEP and a new combined authority.
- Being a strong partner with Transport for the North with a single voice and clear view on key transport priorities and investments.
- The integration of transport investment with the broader economic regeneration transport planning.
- Developing and improving capacity and access to a range of specialist skills (e.g. bridge engineers) to manage risks, take advantage of innovations and provide more efficient and more effective service delivery.
- The ability to take a more coherent approach to parking income, park-and-ride and other transport policies.
- The ability to maintain spend on road and winter maintenance, critical to keeping the county moving and people safe.
- The delivery of the transition to zero carbon transport and the integration of necessary infrastructure to support that.

Case Study - Harrogate - first town in UK to introduce new age of smart parking

In a joint venture, North Yorkshire County Council, Harrogate Borough Council and AppyParking (Now AppyWay) launched a Smart Parking Pilot scheme for on and off street parking in the town of Harrogate in January 2019. Using the smartphone App, people are directed to nearest available spot, using real-time on-street or car park sensors. The parking session begins with a single click, the session automatically ends when the vehicle drives away and the driver only pays for the minutes of their stay.

Benefits include improved parking and traffic management, optimisation of operations and enforcement activity, reduced congestion and pollution, support for the visitor economy (stay as long as you want), an enhanced user experience, reduced cash collection costs and new opportunities for data-driven parking policy decisions.

The new council will use modern technology and innovation to improve transport infrastructure across the county.

Tackling climate change

Our economic ambitions are underpinned by our plans to become England's first carbon negative region by 2040. As a result of North Yorkshire's geography and scale, a single council will be best placed to develop a strategic approach to maximising the value of natural capital assets and reduce net carbon emissions. For example, in relation to carbon sequestration, agriculture, land management, flood prevention and initiatives such as the Northern Forest.

A new single unitary council will have the scale to capitalise upon our unique industrial capabilities and nationally significant business base in low carbon energy, such as Drax power station. This means North Yorkshire has the potential to host future large-scale carbon capture, usage and storage plants and develop high capacity renewables.

The new council will be supportive of the Devolution ambition to;

- Deliver low carbon housing retrofit programmes across North Yorkshire's highly dispersed, off gas grid homes.
- Deliver local renewable energy generation initiatives
- Develop commercial models to stimulate market e.g low-cost finance programme with technology providers
- Finance smaller, 'low value' projects to reach carbon-neutral targets within the region.
- Focuss on Carbon Capture Utilisation and scaling up rapidly emerging technology and infrastructure to transport, store and use the captured carbon
- Deliver low carbon sustainable travel initiatives e.g Ultra-Low Emission Vehicle public transport and Electric Vehicle charging facilities.

Case Study – Waste Management and Energy Production

Allerton Waste Recovery Park is a joint project between North Yorkshire County Council, City of York Council and a waste management company. The facility diverts waste from landfill and uses it to generate energy, producing enough electricity to power 40,000 homes.

The new council will provide innovative solutions to tackling environmental issues.



Employment and economic growth

North Yorkshire has key sectorial strengths across the county in manufacturing, food production and the visitor economy, alongside opportunities to develop emerging sectors including financial and digital services and creative industries. However, at an average of £22,274 per head of population GVA across the whole county lags the UK average of £27,108. Within this there are huge variances for example between Craven at £25,690 and Scarborough at £19,094 (ONS 2016)

The COVID-19 pandemic has created numerous challenges for businesses and economic growth. Taking into consideration the technology and environmental trends driving businesses and local economies to work differently, there has never been a more important time for strong public sector leadership. There is a need to create a spatial strategy for the whole place that enables regeneration, housing and infrastructure to be delivered alongside a reset and recovery strategy that is fair for all. A transformed North Yorkshire council would have the profile and expertise to work with business and to respond to these issues.

A single unitary authority would be able to foster strong and simplified relations with key partners to drive inclusive growth that works for everyone. It would be a strong advocate to Government, the new combined authority (once established) and investment bodies such as Transport for the North and the Arts Council.

The County Council already has strong partnerships with business bodies such as the Chamber of Trade and Business, the Federation of Small Businesses, the Institute of Directors and the various business improvement districts and organisations around the county. A new council for North Yorkshire would be able to build on these and the YNY devolution deal to develop an understanding of business need and maintain strong engagement to help seize opportunities as they arise around the county, for example,

- **Rural Powerhouse** – will bring together market towns alongside world class agriculture and landscapes. We will grasp the opportunity to make best use of our natural assets to generate new income streams and revitalise our 21st century market towns. This will redefine and rebalance the relationship between urban and rural economies and bring significant benefit to rural businesses and communities.
- **Opportunity Coast** - Industry led investment in Scarborough including, a new university campus, investments in further education, community led development and housing and road networks, combine to create opportunity for all on our stunning North Yorkshire coast. By investing in places and enabling business inspired growth we will continue to ignite powerful social change that will address longstanding coastal deprivation.

- **Growth Connectors** – the growth potential of our economy lies in a number of places that have a significant role to play in the economic future of the North. Harrogate, Selby, Skipton and Northallerton are proposed as Growth Connectors in the York, North Yorkshire devolution proposal. They have extensive infrastructure capacity, opportunities for employment and settlement growth and good connections beyond North Yorkshire. Their position and connectivity within the Northern Powerhouse brings out the strength of North Yorkshire in joining up scaled growth across the North.
- **Developing Skills** - Whilst the new council will invest in places and infrastructure to unlock good jobs locally, it will ensure that our people have the right skills to take up new economic opportunities and benefit from the growth agenda.

The new council would have the capacity and the appetite to build productive economic partnerships with its neighbours in Teesside and the wider Yorkshire and the Humber areas. Economic and infrastructure opportunities frequently span local authority boundaries and the new council will need to build relationships across the region to maximise these opportunities. The new council would be able to understand the economic and business issues to address in North Yorkshire and be outward looking for opportunities and solutions to those challenges.



Housing

In addition to the requirement for thriving towns and places outlined above, housing affordability and availability is critical to the long-term success of North Yorkshire. Successful businesses need a skilled workforce that can afford to live in the area, while individuals need local jobs and affordable housing.

Equally important, is providing housing stock that sustains rural communities, and maintaining people's independence.

Transformation through a single unitary authority in the county will better address several existing strategic issues. For example, alignment of housing policy with the demographic challenges within the county, transport and infrastructure plans and initiatives to address the structural market issues relating to affordable housing, particularly in the west. It will provide several significant benefits in relation to housing delivery:

- Simplified spatial planning for housing needs, recognising the key role of National Parks as strategic planning authorities – to ensure the right mix of affordable carbon-neutral accommodation.

- Consistent planning processes and policies through a single Local Plan, in conjunction with National Parks and aligned neighbourhood priorities.
- Better strategic engagement with investors and developers to deliver housing at scale and volume across North Yorkshire.
- The potential to aggregate smaller sites to attract greater investment, reducing viability challenges and improving investor/developer attractiveness.
- The greater integration of planning for care, education, transport and housing producing better community outcomes, including the sustainability of rural communities.
- More natural capital and bio-diversity net gain planning in a way that supports both house building and the environment in a strategic and long term way.

Other models of local government will not deliver these benefits and would be likely to increase complexity and reduce leverage with investors and developers. This would lead to a greater risk of not achieving housing objectives across North Yorkshire in the future.

Case Study – Maintaining Independence - Extra Care Housing

North Yorkshire County Council has a total of 23 schemes across the county in most of the market towns as well as some smaller places. Extra care provides over 1,200 units of accommodation with support to keep people healthy and able to live at home in supportive local communities, reducing demand for more intensive support. We have five more schemes in development, and plans for a further five are well advanced. Scale and expertise has been crucial in rolling out this major programme to so many local communities

The new council will deliver innovative housing solutions so that people can live, work and thrive within in their own communities.

Local and effective through transformation

A new council for North Yorkshire would build on the County Council's successful local delivery models in social care and with communities to bring forward a revolution in locality working. This is essential to tackling the structural, physical and social challenges described. earlier and will focus on the strengths and assets of local communities.

Case Study – Locality Working in Children's and Adults' Social Care

Our highly regarded social care services operate through locality models, with dedicated teams based in and working with communities they serve. This ensures service delivery is always connected to local social infrastructure, which is a key element of our approach to prevention and independence for service users. A senior portfolio owner maintains strategic oversight across the county which ensures consistency of strong practice, allied with an understanding of local needs.

Our Ofsted rated "Outstanding" Children's Services aren't based in a remote administrative office, but deliver through local teams. For example in the west of the county teams are based in Harrogate, Ripon and Skipton. This recognises the distinct needs of localities and their rural and urban nature and is critical to delivering strengths-based interventions for children and families within their communities.

Similarly, our highly regarded Adult Social Care service is organised into localities. This structure is comprised of teams, with office bases in each of the current district council areas. This ensures adult social care is an active partner in local communities and that our strengths-based care model is based on a detailed knowledge of the local area and community assets to keep people living healthy independent lives. The flexibility and resilience of our approach is evidenced in our COVID-19 response, which included a reconfiguration of these structures into five command centre areas based around the five acute hospitals serving the county.

The new council will benefit from existing strong services with locality working at their heart.

The driving principle of this proposal is to deliver, shape, engage, and empower people locally and to be accessible in all parts of the county. North Yorkshire's proud and independent communities will demand this, and rightly so. They are our strength and we embrace the power of these communities as agents of social, environmental and economic change and innovation.

The time is right for this approach, technology is supporting more people to work at home and the desire to help the environment and reduce both travel and carbon emissions will continue to boost local shops and businesses and to drive the importance of being and staying local.

The experience of the recent crisis, the willingness of local people to step forward and collaborate, the flexibility shown by public services and the social commitment of businesses, shows what is possible. Add the extraordinary new dynamics of data and digital innovation, and a wholly new paradigm is possible in which community power is harnessed as an agent of change. North Yorkshire needs a new council driven by localism and new thinking and with the strength of purpose and ambition to deliver it.

Case Study – Community Covid Response

In March 2020 at the beginning of the COVID-19 pandemic an urgent, effective local community response to support the most vulnerable in the county was needed. The preferred model for North Yorkshire was to work in partnership with the growing community response. Using existing trusted relationships with voluntary organisations, the Council's Stronger Communities team were able to act quickly to mobilise a countywide network of 24 Community Support Organisations in just 4 working days. This meant that people were supported to help others, tackle social isolation and ensure that their neighbours could access food and essential services. Community Support Organisations were contacted over 50,000 times during the early stages of the crisis between April and August 2020, deploying over 1,200 volunteers supporting an average of 3,250 people per week.

The new council will support communities and invest in social capital so that communities are able to be self-reliant and resilient.

Achieving this will require a flexible model bound by common principles, that can be applied to the specific needs of individual communities. Over time, public services will evolve alongside community action to meet the distinct needs of each community. This ambition is at the heart of our proposal and the new council will deliver this through:

The development of locally owned strategies and plans for each locality – strategies and plans define a clear agenda for action in each locality and encourage local action. The role of local members further evolves to become community leaders and commissioning decisions are devolved to more local levels.

Focussing on tackling local challenges – the ambition in our locality approach is to provide solutions to key social and economic challenges in each locality. Such an approach will focus on the strengths and assets of local communities and will seek to take preventative actions where appropriate.

Being evidence-led – we aim to build richer pictures of local communities by combining and integrating data about those communities to better target demand and understand need. Building on the experience of responding to COVID-19, we think there is great potential to use local data much more effectively and this will be a key priority for the Council.

This proposal provides a once in a generation opportunity to drive the levelling up agenda, by supporting more self-reliant and resilient communities. The new council will be a key leader in a broader local ecosystem of communities and partnerships, charged with creating the conditions for people and places to flourish. This will be achieved by a more efficient and effective approach that will be based upon four strong and interconnected pillars:

1. **Local services and access** – Locally based and integrated council, partner and community services.
2. **Local accountability** – 6 Area Committees, political accountability for the discharge of statutory functions and services at local level.
3. **Local action** – local people, partners and communities coming together in new Community Networks to identify and deliver against priorities.
4. **Local empowerment** – devolution of powers to community groups and town and parish councils to run assets and services where they want to.

Local services and access

In addition to the digital offer described earlier in this document, the new council would provide real choice and clarity on where to go for council and partner services in local areas. A new council for North Yorkshire would ensure that frontline staff and partners are based where they need to be, in a community and able to be supported by key specialists. As in the County Council now, technology will enable staff and partners to be connected to colleagues whilst being based locally. A new council on the county footprint would be in a strong position to quickly build upon the high-quality technology platform of the County Council and move to this model of delivery at pace.

There would be opportunities to rationalise former district and county offices and still to have appropriate office bases for staff across the county in each former district area to be located near to communities. There would be main offices in each district area, with meeting facilities for the public, businesses, community, and voluntary sector to discuss issues, such as planning, business and community development and grants, with specialist council staff. Each main office would also have a dedicated face-to-face customer access point delivered by the council, with the capability to meet complex customer demand from services like social care and housing. These customer access points would also host partner services.

Main offices would be connected to communities by a network of over 30 community access points, in key towns and villages, providing access to council and partner services. Wherever possible these facilities would be managed by local communities. This will deliver improvements in connections and networks between public services and communities and aid the development of social capital. As described earlier in this proposal, the new council would see the local community library as crucial elements of its access model, especially in the context of providing assisted digital facilities and information centres for local residents alongside community run services.

Case Study – Working with communities

Our Living Well service, supported by the voluntary and community sector, has excellent knowledge of local community support networks and works closely with individuals and their carers who are isolated, vulnerable, or on the borderline of needing health and social care services. Living Well co-ordinators help people to find their own solutions to their health and wellbeing goals, for example;

Brian lives in Harrogate on his own; he has had some health issues this year as he suffered two heart attacks and two strokes in the space of two weeks in June. Before this he was incredibly fit, healthy and independent.

Brian was supported by Living Well to access Life Riders in Harrogate who worked with him to source an exercise bike to help his rehabilitation. Further to this, Brian is hoping to start a 12-week fitness programme locally with Strong and Steady.

Brian has also been accessing Vision Support in Harrogate and emotional support from Supporting Older People.

He is feeling motivated and very thankful for the support he has received to help his recovery and maintain his independence.

The new council will build on successful community based initiatives that support local people's needs and develop strong community networks.

Case Study – A view from the future – business

Lisa lives just outside Ripon and has started a small catering business from her kitchen table. Things have gone really well and she started looking for a bigger premises to grow her business. Lisa saw a potential property that could be developed near her home, so she made an appointment to see her local business development team at the Council. Lisa met the planning officer in the Harrogate office. The planning officer was a real Ripon expert who helped with advice on the plans and the process for developing the unit. Lisa was also able

to get advice on complying with food hygiene requirements and how to label her ingredients – a real once stop shop service.

Whilst talking to the council, Lisa also picked up some information about the Area Committee, because she had been speaking to her local councillor about a problem near to her home with anti-social behaviour. Lisa was able to attend the Area Committee and was able to ensure the council understood and were acting on her concern.

The new council will provide specialist local support and be accountable to local people.

Case Study – The Grassington Hub

Grassington Hub & Community Library is a volunteer led community organisation providing access to public and community services. Grassington is situated in the heart of Upper Wharfedale's stunning scenery with a population of only 1,000, with another 1,200 living in next-door Threshfield.

The Hub has a full time Manager and over 100 pre-pandemic volunteers which rose by 70 during the Crisis. The Hub manages a community website for residents, local businesses, and visitors to the area and is developing further online activities.

The Hub also offers services such as;

- A thriving Community Library
- A monthly Community cinema
- Day trips, shopping trips using the community mini-bus
- A very well supported monthly Lunch Club
- Driving people to medical appointments through the Helping Hands service
- During the last 6 months the hub has supported a small group of men to develop a Men's Shed resource.

This dynamic relationship between Grassington Hub and the community has been a feature of their pandemic response. The manager and trustees are all local people, committed to their community and with a good range of networks and contacts. The Hub is a trusted local organisation, to which many residents turned for support, advice and information. Volunteers have shopped, delivered food parcels, prescriptions and shopping, made and delivered craft packs, walked dogs and become befrienders; many of these activities were new to the hub.

Grassington Hub had circa 1600 requests for support in the 5 months April - Sept. The hub continues to provide telephone befriending calls to 29 people, and is ready to step practical support back up again should it be required.

The new council will support the development of similar community action models across the county, meeting local needs, improving access to services and supporting the growth of social capital.



Strong local accountability

A single council for North Yorkshire, away from the duplication of the two-tier system, will have stronger local accountability. Residents will be represented by a single unitary councillor, able to represent their constituency on all services. Taking into account Local Government Boundary Commission for England guidance, there are requirements to have sufficient number of elected members to adequately provide strategic leadership, accountability and community leadership. Each councillor would therefore represent approximately 6,850 residents, and this would result in about 15 councillors on each of the council's Area Committees described below.

We would hope that we could work with the Boundary Commission to put in place the appropriate ward constituency areas prior to an election. If this were unable to happen then we would discuss with Government the appropriate number of councillors that were feasible to have in an interim period before an appropriate Boundary Commission review could take place. We understand that this will be based on the current county ward divisions and may mean the election of two current county representatives per ward, equating to 144 councillors.

We want to bring local councillors together in 6 strong area committees based on the boundaries of our 6 North Yorkshire MPs. We believe that it is helpful to have this coterminosity. We would invite the MPs to attend, on occasions, during the course of a year. This would help to develop beneficial engagement with MPs and to align key local priorities from the constituency area. It would help the MP to understand challenges faced by the council in that particular locality, for example social issues, economic recovery and growth.

These area committees would be decision making bodies with strong delegations to them in the area of planning, licensing, public rights of way, highways and potentially other areas. Area committees will have sufficient resources to ensure that they have local data and information on locality needs, so that councillors and others in area committees can help to engage and drive action to meet local priorities developed by Community Networks described later in this document. The area committees will themselves be forums for local people to raise issues, to challenge the council or to challenge local councillors.

Local councillors will be given individual locality budgets. They will be responsible for taking the decisions around these budgets, which it is envisaged, will be used to deal with local issues and to seize local opportunities.

Empowered local councillors, clearly accountable to the public for all local authority services, will meet in area committees. That will provide accountability for the council, will energise local democracy and provide an effective mechanism for strong local accountability.

Case Study – Locality Budgets

The Council's Locality Budgets have enabled councillors to support the response to the COVID-19 pandemic by providing seed funding and continuation funding for community-led initiatives such as food banks and Personal Protective Equipment and deep cleaning of schools.

In the recovery from the first wave of infection, the funding enabled village, town and church halls to be made COVID-19 safe and returned to community use. Councillors have also used their budgets to support communities in returning to a more normal life by supporting sporting activities for all ages and social activities.

Prior to the pandemic, the funding was effective when supporting targeted capital investment in community facilities, often in very rural areas of the county. Funding enabled communities to provide enhanced and expanded assets and services, such as village halls, sports clubs and youth activities.

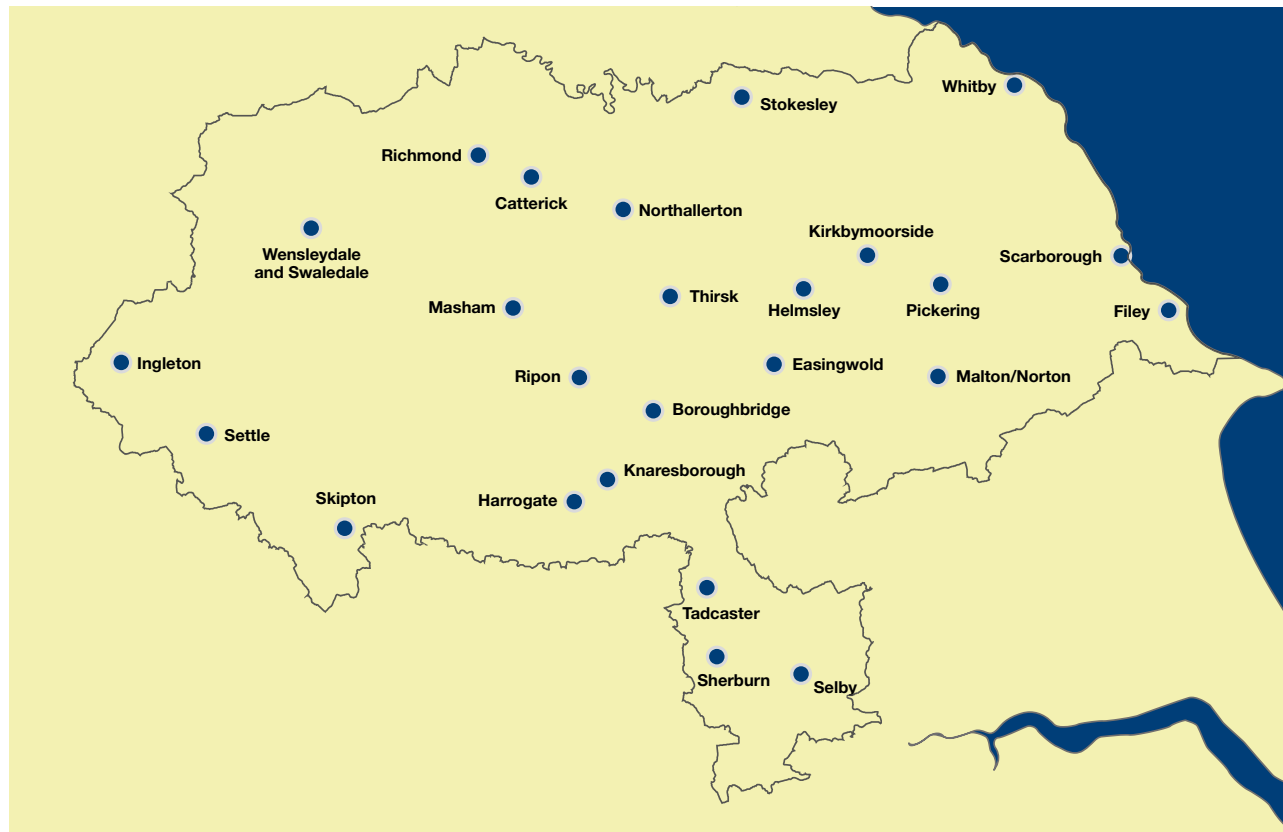
The new council will provide councillors with locality budgets to support sustainable communities and grow social capital.

Local action – Community Networks

Community Networks will act as local agents for social change and places of collaboration between public sector agencies and the communities they serve. Our approach will be centred around market towns, surrounding villages and natural communities in North Yorkshire.

Around twenty-five Community Networks will be formed comprised of community and business groups, town and parish councils and representatives from other local groups and public services including local councillors. This will lead to greater collaboration and will provide the support that helps communities to become more self-reliant and resilient. They will be the engine rooms of local action and ideas and will get things done in local areas.

Map of Community Network Centres – Networks will be based on North Yorkshire market towns and surrounding areas



Every network will be supported by a Local Area Coordinator. Their role will be to help to encourage and empower localities by supporting local people to take action and tackle local issues and priorities.

Each Community Network would also be assigned one of the most senior managers from within the new Council. This will ensure strategic connections are made back into the Council and with partners and ensure senior managers are grounded in local delivery.

Local Area Co-ordinators will use the rich data described earlier to support Community Networks to work with public service providers to develop their own action plans and to set their own priorities for delivery and social action. Crucially, this will enable public partners to contribute to better joined up service delivery and more place-based commissioning. The range of opportunities for local areas to make progress on is vast. It could include, for example, a cultural programme for the town, engagement activities for young people, activities to bring people together locally and to reduce isolation or improvements to the look and feel of the high streets.

Case Study – Go Local, Rural & Community Transport

Go Local is an overarching brand for community transport in North Yorkshire. Jointly designed by community transport organisations and North Yorkshire County Council, the aim of Go Local is to help raise awareness of community transport, to change perceptions and increase the usage of the service throughout North Yorkshire.

We have established 22 contracts with seven community transport providers and community organisations across the county to help more remote rural areas to remain connected. Transport offerings include community buses, dial-a-rides, car and lift share schemes and a moped loan scheme.

Example community transport projects include the Little White Bus and community car schemes. The Little White Bus has ten minibuses and one Land Rover and carries 60,000 passengers, both locals and tourists, over 500,000 miles every year.

The new council will support social action and community transport as a building block of an innovative approach to tackling connectivity



Community Networks will also have a real focus on improving local outcomes by getting upstream of problems in areas such as skills, labour markets and health and wellbeing. For example, this could include community led approaches to:

- Healthcare - a far greater degree of community responsibility for the prevention, treatment, and aftercare of illness and the management of long-term condition, linking in with the NHS Integrated Care systems (ICS)
- Social Care - a shift in the burden of responsibility upstream, towards a new family-centred, community-led model, in which care is properly integrated with the life of a neighbourhood.
- Early years – too many young people enter the school system without the basic skills required for learning. Communities could take a greater responsibility for supporting families to ensure children have good speech, language and communication skills.

- Skills & Adult Education – maximising the contribution of people with valuable experience, but without formal teaching qualifications, alongside employers, to design and deliver more flexible systems for providing the skills required to support a buoyant economy.
- Social Housing - Community Land Trusts and other innovative forms of community-led housing will be recognised as a key component of delivering affordable housing and sustainable rural communities.
- Environment, Energy & Broadband Connectivity – Community groups are already taking responsibility for environmental initiatives, renewable energy generation, broadband connectivity, and transport in North Yorkshire. The new council will support and promote these community-led schemes as a central plank of local service delivery.

Area Committees described earlier in this document will have a role in championing Community Network action plans and holding the council and its partners to account for the delivery of local priorities.

Case Study – A view from the future – the public

Rob lives in Pickering and is passionate about culture and the arts. Since retiring he has been keen to get more involved in this local area and has heard about the new unitary council and the network of people developing the Pickering plan for the town and surrounding villages.

Rob wants to help develop a better programme of culture and arts activity across the whole of the year. After attending the first Community Network meeting Rob was pleased to find out that there is some money available to assist with local initiatives. The local community and council staff were really engaging and keen to support his idea because it would help to bring people to

the local town and support businesses. Rob was impressed by the spirit of 'let's get on and deliver' and attended a couple more meetings to develop his ideas and then to consult with the public. Rob felt his initiative was making a positive difference to his local community and also has led to other opportunities to meet people and volunteer.

Rob was also positive about the new council and the accessibility to services. He was for the first time entitled to a bus pass and knew that he could apply online or even go to the main office in Malton, but was most impressed that he could just walk into the local library in Pickering to have his questions answered and help provided.

The new council will support local community based initiatives and provide choice for people to access services.

Case Studies – Living Well, Supporting Independence

During the COVID-19 crisis the Living Well service was contacted asking if they knew of a way to support a vulnerable and shielding person to fund a broadband connection. The access was seen as particularly important given the reduced access to face to face support and in order to maintain their independence and reduce the impact of isolation. The Council was able to get in touch with a local charity, who were able to arrange and fund broadband access and provide further support through a befriending service.

The new council will provide innovative solutions for integrating statutory and local community services to deliver good outcomes for people.

Local empowerment through communities, towns and parishes

There are 731 towns and parishes in North Yorkshire. Many have councils, but smaller ones have parish meetings. They are an essential part of local democracy and play a vital role on behalf of the communities they represent. Run by dedicated volunteers who give enormous amounts of their time for their communities, they form a bedrock of community voice and action and hold principal councils to account representing the views of residents.

Parish and town councils and parish meetings come in all shapes and sizes and operate in different ways – some with high levels of expertise, others with development needs.

A new council for North Yorkshire will work with them all, recognise their value, and help with development when needed and crucially will empower them to do more if they want to do so.

The new council will build a relationship based on respect. All town and parish councils and parish meetings have a right to be heard and their issues responded to. Technology can play a part in helping with this such as the County Council's parish portal, but personal relationships with nominated officers and clear lines of communications to key services would be a key feature for the new council. For many town and parish councils they will see providing views, raising issues and getting things sorted as their main role, others will want to do more.

The new council would seek to develop parish or town councils where they don't currently exist and people want them, for example Harrogate and Scarborough.

Case Study – On Line Parish Portal

Our Highways Parish Portal also provides a good model to build on for the new authority. The portal was developed with parish clerks, as one of our major customer groups, to improve their customer journey when reporting and tracking repairs to our highways infrastructure.

The new council will invest in modern technology to connect local people and groups to services.

The new council will progress discussions with any town and parish council that wants to do more, for example, to deliver or commission services, providing they are able to demonstrate value for money and the ability to deliver. If these conditions are met then the new council will be open to possibilities and open to funding the arrangements. It is envisaged that a small percentage of councils would be interested at first. The council would work with a first wave of forerunner town and parish councils to develop the concept. Others would follow on as the approach gained the confidence of more town and parish councils. Frameworks to facilitate this approach and provide ongoing advice and support will be developed.

Falmouth Town Council

Since 2013 Falmouth Town Council has been seen as an exemplar for "Double Devolution" in England, including recognition by the (then) Department of Communities and Local Government for their Town Team and local economic plan.

Importantly, devolution has enabled the Town Council to lead and engage with a number of community partnerships. This has allowed it to leverage service delivery arrangements that have enhanced the town and would otherwise have been beyond the its ability to resource.

Over the last decade, Falmouth Town Council has gradually grown a portfolio of devolved services, shaped around the specific needs of their community. Progress in Falmouth has been underpinned by a shared commitment with Cornwall Council to only devolve services which provide shared value for money, not services that are economically unviable. There is however, an opportunity to spend more on services in Falmouth, if local people are prepared to pay more through the local precept or services charges.

Significant devolution cannot be delivered overnight, but with Falmouth being voted the best place to live in the South West, it has much to be proud of. The evolution of the Town Council's service portfolio now sees it overseeing a budget of £2.6m, with 42 staff providing services for a population c 25,000. Services include

- Cultural Services
- Town Team
- Event Management
- Public Buildings Custodian
- Environmental Management
- Housing & Place Shaping
- Community One-Stop Hub

The new council will support devolution of services and assets to communities, town and parish councils where they want them.

In developing this business case the County Council has worked with a working group of over 20 representatives from various town and parish councils. They have developed this thinking and shown a real appetite for change. The work of this group has helped to develop the prospectus shown below:

Devolution Prospectus – Potential Menu for Town & Parish Council and Community Groups

| Assets | Services |
|---|---|
| <ul style="list-style-type: none"> • Cemeteries and church yards • Crematoria • Community centres • Allotments • Public toilets • Local parks • Open spaces - including both greenspaces as well as "hard" open spaces • Sports grounds • Swimming pools • Play areas • Off and on-street car parking provision and management • Memorials • Roadside verges and other small open spaces • Leisure and arts centres | <ul style="list-style-type: none"> • Minor Highways functions such as minor road and footpath repairs, lining, signage • Grass cutting and open space maintenance (gullies, verges, drainage, closed churchyards) • Fly tipping • Street cleaning • Abandoned vehicles • Recycling management • Health & Wellbeing - Isolation/Volunteering/ Befriending • Community libraries • Community transport • Community safety / neighbourhood watch • Footpath lighting • Community grants • Local tourism • Local town economic development • Local climate change initiatives (for example local green transport schemes while ensuring unitary has strategic overview) • Homelessness and social housing liaison and provision • Monitoring and enforcement of environmental health matters • Control of markets • Street naming • Licensing - event notices, street trading etc |

This is a guide to the types of assets and services that could be devolved, offering potential options, rather than an exhaustive list, from which to select to provide for local circumstances. The number of options and level of innovation would be expected to develop over time as the model grows. There will be no pressure for any town or parish council to take on any service or asset that they do not wish to do so. It will be for town and parish councils to decide what they feel is appropriate for them to do and to constructively engage with the new council around the opportunity.

Local Local Local

This section has described how the new council will provide greater local accountability alongside the policy, partnership and the delivery frameworks to support greater social action and more self-reliant and resourceful communities. We believe this is a real revolution in localism. A new council with no baggage of previous ways of working can commit to the principles set out in this section and go with the grain of communities to creatively shape solutions and opportunities across the county.

Efficient and sustainable through reorganisation

Establishing a single unitary for North Yorkshire maximises the potential efficiency savings through reorganisation as a result of greater economies of scale and addressing duplicated effort.

More efficient and fewer duplicated ways of working

Immediate efficiency opportunities from reorganising the current eight authorities into a single unitary authority include:

- **Streamline effort and resources** – Establishing a single unitary authority would present immediate opportunities to streamline back-office, democratic and management costs and free up associated property and assets.
- **Elected members** – Our proposal will reduce the number of local councillors by approximately 200, subject to a Boundary Commission review. This will reduce the cost of local democracy while also providing a clearer, stronger and more accountable political voice for our county.

- **Senior management** – Consolidating eight local authorities into a single organisation will enable significant immediate and ongoing savings to be made from the rationalisation of senior management posts.
- **Rationalisation of IT systems** – Bringing services together from different authorities presents the opportunity to rationalise the current IT estate and therefore reduce the costs associated with licences, support contracts and other ongoing expenditure.
- **Estate rationalisation** – A single unitary council will be able to consolidate the public sector estate and achieve significant capital receipts.

Further detail is provided in the financial analysis section of this proposal document.

Sustainability, critical mass and delivery at scale

Scale is essential when it comes to delivering services in a rural area. In an urban area with a higher population density, such as the City of York, it is possible to operate a sustainable model of local government over a smaller footprint. However, dividing the large and sparsely populated geographical area in North Yorkshire into smaller unitaries would mean each organisation would lack the critical mass to deliver sustainably.

Case Study – Care Home Support Through COVID-19

Experience gained through our adult social care response to COVID-19 has emphasised the need for scale and the ability to deliver across the whole county. We led a multi-agency approach to supporting Care Homes through the crisis supported by partners in the health and care sector, the Care Quality Commission and the military. Together we developed consistent messages, advice, access to testing and direct support to providers that was ahead of national policy.

The new council will have the critical mass to deliver sustainable services and respond effectively to emergencies.

It is likely public sector budgets will be under pressure for the foreseeable future. A single unitary for North Yorkshire would be able to look across the full breadth of council services and prioritise investment focussing on demand management, prevention, assistive technology, digital transformation and commercial opportunities, to deliver maximum financial sustainability in the longer term. It will be able to invest to support economic growth in the county and pursue opportunities for procurement and commissioning efficiencies.



Efficient and sustainable through transformation

Using local government reorganisation as an opportunity to transform at the same time will deliver even greater efficiencies for North Yorkshire.

Transformation of duplicated and inefficient delivery models and processes

In the options appraisal and financial assessment sections of this document, we set out the additional savings that could be achieved through transformation, as well as the savings offered simply by reorganising the current councils.

Transformation can be achieved through either a new business model (i.e. prioritisation of services and outcomes) or a new operating model (i.e. how services and outcomes are delivered). Examples of such transformation include partner collaboration, redesign and digitisation of customer services, prevention and use of assistive technology, simplification of internal processes or greater use of data and analytics.

The ability of the new authority to structure to deliver transformation will depend on a number of factors – its ambition and appetite for risk, the quality of its leadership, the manner in which implementation is prepared for and delivered and the availability of the necessary capacity and capability.

As the authority submitting this proposal to Government, we are determined to do all we can to make sure any new council for North Yorkshire pursues the most ambitious transformation programme possible – in order to deliver a genuinely innovative example of a modern local authority.

A stepping stone towards increased devolved powers

Over and above the reorganisation and transformation opportunities outlined above, we have a greater ambition to secure a devolution deal for the York and North Yorkshire economy and the creation of a mayoral combined authority. The establishment of a single unitary council for North Yorkshire, working closely alongside the City of York on its existing footprint, is the quickest and surest route to achieve this. This means we will be able to accelerate plans to attract the necessary investment to stimulate economic growth, transform our relationship with local communities and improve outcomes for our citizens. We are ambitious with our partners the City of York to move forward on devolution as soon as possible. We would want to establish a combined authority in April 2022 with Mayoral elections in May 2023.

The York and North Yorkshire strategic partnership

Alongside this business case, City of York Council are also submitting a proposal to maintain the existing Unitary Council for the City of York. It does not support its inclusion within any proposed model by the District Councils of North Yorkshire. Both North Yorkshire County Council and City of York Council are fully supportive of a devolution deal for the York and North Yorkshire economy and the creation of a Mayoral Combined Authority. **There is joint agreement between both councils that this is best achieved by establishing a new unitary council for North Yorkshire with the City of York Council retaining its existing footprint, alongside a commitment to broaden the scope of collaboration to leverage the strengths of both councils.**

There is already a good history of collaboration between both councils and they see devolution and the associated reform of local government as an opportunity to build upon this collaboration. Both recognise that the city of York plays a key role in the economic make-up of the North Yorkshire hinterland but also that there are clear differences between York and the county of North Yorkshire.

As part of their submissions for local government reform, both councils propose the creation of a **York and North Yorkshire strategic partnership** that will complement the joint work of the Mayoral Combined Authority. A strategic partnership provides the opportunity to bring both councils together to build upon this collaboration at greater scale; to embrace the diversity; and to avoid the unnecessary costs and dis-benefits of disruption from changes to York.

As a result, this will allow us to transform and develop local services at a greater pace, building on stable foundations with enthusiastic partners and yield greater efficiencies and value for money. Areas of existing and future collaboration are summarised below with greater detail set out in appendix 2.

Areas of existing collaboration

There is already a range of collaborative areas between North Yorkshire County Council and the City of York Council including:

- Shared Health & Safety Service
- Strategic and other HR support and HR advisory for schools
- Joint founding shareholders in Veritau - internal audit & fraud management
- Joint shareholders in Yorwaste (waste management company) and partners in the public private partnership of the Allerton Park Waste Recovery Plant
- Shared management arrangements for adult education services
- Shared Emergency Duty Team for out-of-hours social care response
- Coroners service – shared arrangements
- Various other shared specialist services (e.g. Trading Standards, bridges)

The areas above demonstrate a maturity of relationship and a sound base upon which to build additional shared ventures for mutual benefit, notwithstanding the recognition that there are real differences and it will not always be appropriate to have deeper collaboration.

Identified areas for collaboration at a regional level

The following areas are recognised as priority areas for the York and North Yorkshire strategic partnership and key areas of focus for a future mayoral combined authority:

- Responding to Emergencies and COVID-19
- Strategic Planning and Housing
- Working in a new Health and Care System
- Harmonisation of council tax collection, revenues and benefits
- Children's Services
- Adult Services and Public Health
- Environment and Climate Change
- Waste Management
- Working with the market and supply chains
- Legal Services
- Back Office
- Property
- Budget and Finance

Delivering against the Government's tests

We can clearly demonstrate that our proposal for a single unitary authority for North Yorkshire is the strongest option when evaluated against the Government's tests for local government reorganisation, as well as our local requirements. The criteria we have used to evaluate our proposals are:

| 1. Improve local government in the area and deliver: | | | | |
|---|-----------------------------------|--|---|---|
| a. Improved outcomes and services | b. Value for money and efficiency | c. Cost savings and recovering costs of change | d. Stronger and more accountable leadership | e. Immediate and long-term sustainability |
| 2. Command a good deal of local support across the area | | | | |
| 3. Cover an area that provides a credible geography for the proposed new structures | | | | |
| Including a population significantly in excess of 300,000 – 400,000 | | | | |

Test 1: Improve local government in the area

Our proposal sets out a bold, ambitious and achievable vision for the reorganisation of local government in North Yorkshire, including a framework for delivering locality working that is unparalleled in the county's history. It will also deliver substantial financial benefits, with estimates ranging from a minimum of £30.2m per annum from reorganisation alone and up to £66.9m per year if accompanied by transformation. Even greater financial benefits will be accrued from the strategic partnership with City of York Council.

Our proposal also sets out a clear programme of transformation that is evidence based and delivers upon the social and economic opportunities that directly contribute to the UK Government's policy of levelling up and improving living standards. This is particularly relevant in addressing inequality between the east and west of the county.

Only a single unitary council for North Yorkshire will have the scale and financial sustainability to tackle the challenges facing the whole county and take advantage of our opportunities. It will make things simpler for partners and the public, streamline, strengthen

and modernise delivery and build upon our track record of delivering high-quality services. It will provide the new council with the critical mass and capacity to move resources to areas of greatest need. It also provides a platform to revolutionise our connections at a locality level, improving engagement and empowering our communities.

Simplified but strengthened partnerships will ensure we can achieve more together. With a single unitary council covering the whole county, partnerships in North Yorkshire will be characterised by fewer partners achieving more; representing better value for money and joining up service delivery around local priorities at a local level.

Removing unhelpful boundaries between the county and district councils will enable a strong, single unitary council for North Yorkshire to provide a clear strategic focus. The new council will be more local and accountable than the current Local Government arrangements, providing joined up and simpler services for customers, businesses and partners. It will create the conditions to move at pace and will minimise disruption to existing high-quality services and maintained schools, including those provided by the City of York Council.

Test 2: Command a good deal of local support across the area

Key stakeholders from a wide range of organisations across North Yorkshire support our proposal, as detailed below.

As described earlier, our neighbouring authority, the City of York Council, is supportive of our proposal. Together, we will forge a path towards a mayoral combined authority, building on our strategic partnership while maintaining the existing boundaries between North Yorkshire and the City of York.

We are undertaking a comprehensive engagement programme to ask about views and priorities, to listen to people's opinions and answer any questions people may have. We will continue to engage with a wide range of stakeholders over the next few months and will provide more extensive details in an addendum for the final submission deadline in December. A summary of engagement undertaken so far, including key matters which people have told us about and our responses, is listed below.

| What the public told us | Our response |
|--|---|
| They identify strongly with North Yorkshire and are proud to belong to the county | Our proposal retains our historic county's strong internationally recognised brand. |
| Their priorities for a new council include economic regeneration, internet connectivity, public transport, affordable housing and the environment. | Our proposal provides quantitative evidence to support the improved delivery of these and other priorities for the county. |
| A new council must be cost-effective and efficient | Our proposal sets out the most cost-effective and efficient model, both in terms of restructure and in subsequent transformation stages. |
| A new council must be fair and honest | Our proposal sets out how the new council would be much more transparent and accountable, involve local people in an open and honest way and address the different needs of our urban, market town and rural areas effectively and equitably. |
| A new council must be responsive to people's needs and deliver high-quality services at a local level | Our proposal will ensure that frontline staff will be based locally and connected to colleagues through technology. There would be main offices in each district area supported by a network of over 30 community service access points. These will provide information and high-quality services in each of the county's market towns and major areas of population. |

Public

We have engaged extensively with our communities through our website (over 11,000 views), social media (over 500,000 views), and inviting comments to a dedicated email address. A clear and simple video has been produced and viewed over 170,000 times. We have also held a range of representative focus groups - four with members of the public, a specific session for young people and several discussions with learning disabilities self-advocates - as well as a survey of the North Yorkshire Views panel, our online engagement community drawn from across the county.

Overall, residents want a structure of local government that reduces cost and duplication of activity, improves efficiency, integrates high-quality services, increases community involvement and offers best value for money.

Partners

Local Health, Police and Fire Service leaders and colleagues are very strongly in favour of a single unitary model. It represents minimal disruption to existing high-quality services compared to other options and would allow the creation of stronger, simpler and more effective partnerships with many other partner organisations, including the National Parks, devolved Government agencies such as the Environment Agency, and our thriving third sector.

We have specifically engaged with our partners through a number of seminars and webinars for different sectors, for example care providers, schools (22 schools represented), and the cultural, sports and arts sectors (15 organisations represented). Extensive individual discussions have also taken place with partners.

Our proposal has received many letters of support from key partners advocating the reform of the two-tier model and the creation of a single unitary authority for North Yorkshire. These letters represent a range of sectors and interests including health, social care, children and young people's services, schools and academy trusts, community safety, transport, emergency response services and the cultural sector.

| What our partners told us | Our response |
|---|--|
| They feel it is important, that as a large rural county, North Yorkshire be represented strategically to ensure its voice is heard alongside its urban counterparts. | Our proposal for a single new unitary council would deliver a much stronger strategic voice. This will enable North Yorkshire to make its case nationally and fully contribute to economic and social recovery. |
| They value the high-quality of our services and do not want to see them disrupted. | Our proposal will ensure the least amount of disruption during the transition to unitary status for all services across North Yorkshire and York. It will also avoid the disaggregation of nationally recognised high performing services such as Children's and Adults' Social Care. |
| They value current strong partnership working arrangements with the County Council and want to see these continue and be built on, especially given the current COVID-19 crisis. | Our proposal provides a single new council that is the best fit with most of our partners' operational boundaries. It simplifies partnership working arrangements, reduces competing priorities and provides greater action focus. |
| They value the opportunity to bring services together, such as social care, public health, housing and leisure, giving a more person centred, joined-up offer for people and, for example, using culture, arts and sport to support town centre regeneration and the health and wellbeing agenda. | Our proposal identifies the huge opportunity to, not only, aggregate existing best practice demonstrated across the current eight authorities, but also join up interrelated services to deliver improved performance outcomes and experiences to our customers and to promote inclusive growth in our towns and villages. |
| They want to see an end to the current fragmented local government approach that makes it hard to find out who is responsible for which service. | Our proposal for a single unitary council delivering all local government services across the county would simplify system wide working and improve joint strategy, planning and delivery. |

'I am writing to express my support for the creation of a Unitary Authority (UA) to replace the current two-tier Local Authority structure in North Yorkshire. ...arrangements in North Yorkshire are complex and have resulted in great variation in community safety services in different areas of the county. The proposals offer a significant improvement, with one clear strategic approach developed jointly by police, council and fire and rescue through a streamlined County Community Safety Partnership, and a consistent delivery model of local community safety problem solving hubs rather than eight different approaches.'

Julia Mulligan, North Yorkshire Police, Fire and Crime Commissioner

'We already have a very strong relationship and close partnership working with North Yorkshire County Council and City of York Council in respect of safeguarding...the benefit of a single council across the county would enable us to build upon this effective model, and also create a more joined up approach across key police objectives including antisocial behaviour, youth intervention, neighbourhood policing and working with vulnerable groups...I concur with the proposal that a single unitary council for North Yorkshire is supported in order to provide a strong and safe transition to a new local authority arrangement.'

Lisa Winward, Chief Constable, North Yorkshire Police

'I agree that a Unitary Authority model should be created in North Yorkshire... the proposal from North Yorkshire County Council and City of York Council has been presented to me in greatest detail and is the one in which I have so far had the opportunity to engage. I believe it would achieve the benefits I have set out and it has my support on that basis.'

Andrew Brodie, Chief Fire Officer, North Yorkshire Fire and Rescue

'We highly value the strong services for adults, public health and children which the County Council provides...We would therefore be very concerned if any shake up of local government disrupts or fragments these partnership arrangements and distracts us from the continuing challenge of dealing with COVID and its aftermath and restoring services to normal levels across health and social care.'

Professor Stephen Eames, Independent Chair and Lead for the Humber Coast and Vale Health and Care Partnership

'Matters in some children's lives create instability and danger enough. Making services divide and recombine to serve a range of new councils when those provided by NYCC and its partners are deemed outstanding would, if you will pardon a strong and no doubt a judgemental word in this context, be pure folly.'

Professor Maggie Atkinson, Independent Chair of the Executive and Independent Scrutineer of the North Yorkshire Safeguarding Children Partnership.

Voluntary and community sector

We have used our strong working relationship with North Yorkshire's voluntary and community organisations to help us engage extensively and understand the needs of the sector. We have held a bespoke webinar with 90 attendees and carried out comprehensive individual discussions.

Our proposal has received numerous letters of support from key voluntary and community sector partners.

| What our voluntary and community sector told us | Our response |
|--|---|
| They want to see a visible council presence on a locality level | Our proposal will ensure that frontline staff will be based locally and connected to colleagues through technology, with main offices in each district area providing information and high-quality services in each of the county's market towns and major areas of population. |
| They think locality arrangements need to be flexible and co-designed with communities in order to accommodate local circumstances. | Our proposal includes the development of locally owned and developed plans for each locality co-designed with communities. |
| They want to see further investment in localities and community support | Our proposal for community networks to support local engagement activity and place-based social action work will build on the County Council's Stronger Communities approach to support and empower local communities. |

'The challenges associated with a County like North Yorkshire require a coordinated effort to ensure that all communities are supported equally. In a time of great uncertainty and disruption, a single unitary council will create the least disruption and create the most expedited route to the final devolution deal. Therefore, supporting the most vulnerable in our communities in the fastest way possible.'

David Sharp, Chief Executive, North Yorkshire Youth

'We also believe that the County Council's strong track record of place based working, through Stronger Communities, Early Help and Living Well teams and engagement with the voluntary sector will ensure that local delivery and voice is amplified... This proposal creates improved linkages between physical activity interventions and health outcomes, and furthers the opportunities for long-term strategic alliances between co-terminus organisations.'

David Watson, Chief Executive and Alan Graver, Chair, North Yorkshire Sport

Town and Parish Councils

We have engaged town and parish councils through a live webinar, attended by more than 250 representatives from across the county. The webinar included presentations from representatives of parish and town councils in Cornwall, who went through similar changes 11 years ago. We have also contacted each of our town or parish councils individually by letter.

Significant interest from Town and Parish councils also fed in to a working group with more than 20 representatives from councils of different sizes and from all parts of the county. Members of the working group all welcomed our proposed double devolution of assets and services, where town and parish councils wanted to take on additional responsibilities, and where it would be value for money for all involved.

| What our Town and Parish Councils told us | Our response |
|---|--|
| They liked the Cornwall devolution framework and felt it would work as a blue print for North Yorkshire | Our proposal sets out a clear framework for devolution to town and parish Councils based upon the Cornwall model. The working group will shape this further to reflect North Yorkshire and its unique culture, geography and national parks. |
| They want to see the unitary council making a very clear commitment to enabling and supporting town and parish councils | Our proposal sets out a prospectus for devolution of assets and services to town and parish Councils where they want them. The proposal also sets out a radical approach to locality working with town and parish Councils at its heart. This forms a key workstream within the proposed transition arrangements to a new council in order to ensure maximum progress as soon as possible. |
| Parish and town councils must be supported if delivery of relevant services is to be effectively devolved to localities, where appropriate. | Our 'double-devolution' offer to town and parish councils and communities would be accompanied by capacity and capability building, so that they are supported and enabled to deliver. We have established a Town and Parish Council working group to ensure risks and issues are appropriately managed. |

Business

We have carried out specific engagement with our businesses through dedicated webinars with over 120 attendees, brochures, face-to-face engagement with over 800 businesses and over 4,000 individual email and phone contacts.

Our proposal has received numerous letters of support from businesses and bodies representing business. They consider the creation of a single unitary authority vital to boosting economic growth and jobs in the county and want us to seize this opportunity to supercharge our economy.

| What businesses told us | Our response |
|--|---|
| A new council must strongly support our county's economic recovery | Our proposal for a new single unitary council will have a strong voice to ensure the best chance of attracting vital inward investment. It will be able to move at pace to drive regeneration and will have the scale to tackle the shared social, environmental and economic challenges we face. |
| They would value a single point of contact for investment, planning, business development and support. | Our proposal will bring together services for businesses that are currently disparately provided across eight councils. A single new council will be simpler and provide economies of scale, delivering greater resilience and high-quality, consistent support. |
| They want to see a devolution deal achieved as soon as possible | Our proposal for a single unitary authority for North Yorkshire working with the current unitary in York provides the quickest, smoothest and least disruptive option to achieving a devolution deal at pace. This will allow essential work to regenerate our rural, coastal and urban areas to begin as soon as possible. |

'we support the pragmatic view adopted by North Yorkshire County Council to take the bold decision to create a unitary authority... The York & North Yorkshire Chamber would welcome a devolution agreement that delivers the greatest opportunity for economic and business growth across the whole of the area whilst at the same time tackling the inherent barriers such as poor mobile, internet and transport connectivity that are still holding back many in the region, and which reflect some of the very fundamental building blocks of any modern, successful economic environment.'

Andrew Digwood, President, York & North Yorkshire Chamber of Commerce.

'I'm lending my support to North Yorkshire County Council's plans for a new single tier of local government in North Yorkshire. It will unlock further central government investment in infrastructure and deliver the services and opportunities to optimise our economic growth. I know from experience that when you merge similar organisations together, you share the best ideas, use the best people, deliver more innovation in your products and services and at the same time, buy your inputs at the lowest costs. You also remove duplication, making life easier for the consumer.'

James Lambert OBE, Chairman of Inspired Pet Nutrition and Burttons Biscuits, North Yorkshire businessman and investor.

'We must look at ways to build upon the existing positive partnerships to prepare the county for the future. It's a future which will feature a rapidly-ageing population, which will have an increasing demand for ever more complex person centred care. This will require a strong, coherent authority with proven leadership ability in partnership with care providers who have the ambition and innovation.'

Mike Padgham, Chair of the Independent Chair Group – the industry body for the care sector.

Over 6,000 of our staff live in North Yorkshire and are part of the communities they serve, which provides a unique insight as both provider and recipients of council services. We have used a number of internal communication methods, such as blogs, briefings and live webinars, to engage with and generate ideas from our workforce and elected Members on the proposed changes and will continue to do so.

We have consulted widely including relevant trade unions. The North Yorkshire Branch of Unison, which represents staff across North Yorkshire including NYCC but also Hambleton, Richmondshire and Selby District councils, strongly support our proposal.

'We believe that the NYCC proposal is the best option to protect jobs, protect the terms and conditions of our members across all councils and will cause least disruption to Staff, Services and the Communities we serve.'

Wendy Nichols, Branch Secretary, North Yorkshire Branch of Unison

We will continue to use feedback from our engagement to inform and refine our business case thus ensuring a good deal of local support. We are confident our proposal meets the needs of our residents, partners and businesses, provides the best option for everyone in North Yorkshire and will establish a strong foundation for building a responsive single unitary council for the county.

Test 3: Cover a credible geography

A credible geography means far more than the area of land mass. In North Yorkshire, it is about a strong and marketable identity and a sense of belonging. Our business community and residents strongly identify with this and recognise it as being distinct from the compact and urban nature of York.

North Yorkshire is unique in having two national parks and three Areas of Outstanding Natural Beauty. These are beautiful places but sparse landscapes. This means our geography will be large but that is necessary to have the critical mass to deliver strong services. Technology, dynamic locality structures, commonality of challenges and a strong pride in North Yorkshire links this place as a cohesive whole. After all, this is a geography that already sees over 80% (by spend) of all current local government services in the area delivered to a very high standard and with strong cost efficiency.

Our strong, established services rely on a scale and critical mass to deliver effectively over such a rural and super sparsely populated county. For example, as described earlier in this document, often, functional care markets do not exist in such remote places and innovative solutions need to be found to create viable market conditions.

Other options considered as part of the proposal split up the county into areas representing a significantly reduced population and risk driving rural and urban tensions, dividing partnerships as well as diluting leadership and local voice; therefore a single unitary council covering the whole of the county is considered to be the only viable option.

Our proposal will result in the establishment of a unitary authority serving 618,000 residents. This is considered by many to be the optimum size of a unitary authority for North Yorkshire. Our associated ambition to establish a mayoral combined authority also aligns with similar examples elsewhere in the country.

Neither the City of York Council nor North Yorkshire County Council regard the relative population size of the two areas as a barrier to future success. Many combined authorities consist of different-sized councils. For example, West Midlands Combined Authority includes the separate administrative areas of Dudley (300k population) and Birmingham (1.2m population) and the West Yorkshire Combined Authority includes West Yorkshire with Calderdale (200k population) and Leeds (800k population).

Our proposal provides a model that would enable the different needs of our urban, market town and rural areas to be effectively and equitably addressed. It maintains the geography and cultural identity of North Yorkshire and the City of York, which is well understood locally, nationally and internationally. A new unitary for North Yorkshire, working collaboratively with the City of York Council, will help the two areas take advantage of their complementary nature, at the same time as catering to their specific local circumstances.

It is important to recognise the population in the county of North Yorkshire is not evenly distributed and the sparsity of some parts mean that an alternative model of local government (e.g. the establishment of two new unitary authorities within the county) would be likely to be smaller than the population thresholds recently cited by Ministers. Alternative options to include City of York Council within a proposed restructure would not reflect the historic and cultural identity of both places or their unique urban and rural nature.

The wider public sector landscape described earlier in this document is an important feature of service delivery within North Yorkshire. As described earlier, our proposal has received positive support from stakeholders for a simplified partnership working through the establishment of a single unitary authority on the existing county boundary. This includes Health, Police and Fire services. Partners recognise that creating multiple unitary authorities within the county would create additional complexity when engaging with local government.

4

Options appraisal and financial assessment

The case for change section of this proposal document sets out a strong and compelling argument for creating a single unitary authority in North Yorkshire. In reaching the conclusion that this is the right option for our county, we have identified and evaluated several different reorganisation options. These include an option to optimise the effectiveness of the current two-tier system by implementing a model of non-structural reform, a single unitary model, and various two unitary authority models (covering different geographies). A single unitary authority is the strongest option when assessed against the Government's key tests. Furthermore, our evaluation demonstrates that establishing a single unitary authority in the county will deliver the greatest benefit - in terms of its ability to deliver against our vision and priorities, as well as securing the greatest savings overall. A single unitary authority will save a minimum of **£30.2m per annum** as a result of reorganisation, rising to **£49.5m - £66.9m** each year when considering the opportunities it would also create for transforming local services, with even greater financial benefits accruing from its strategic partnership with City of York Council.

Outline of the different options

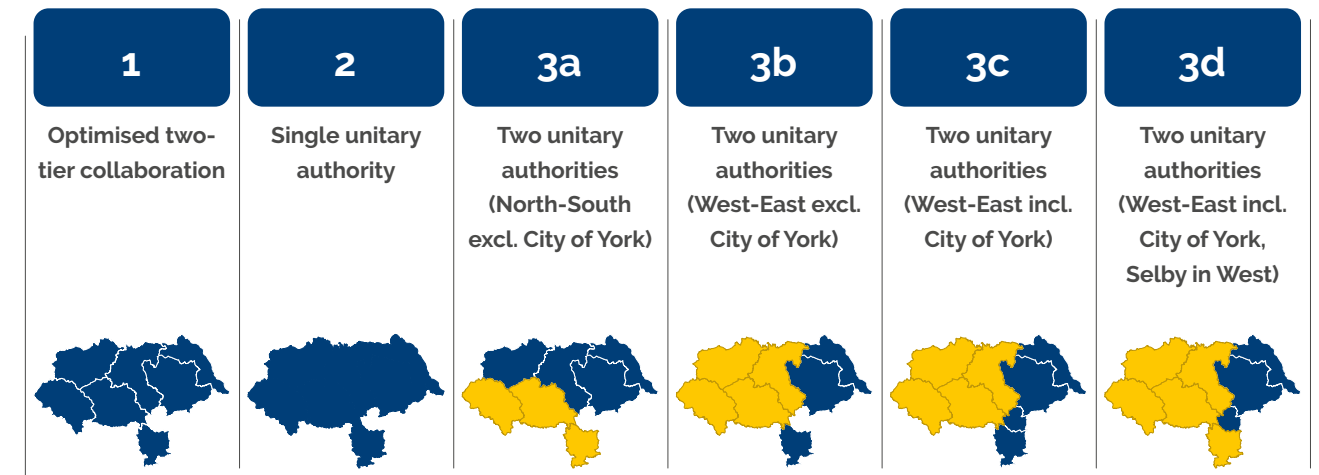
In the case for change section, we set out a clear case for replacing the current two-tier model of local government in North Yorkshire with a single unitary authority. We outlined our proposal to establish an authority which would be responsible for the entire county of North Yorkshire. It would coexist in partnership with the neighbouring City of York Council, who are opposed to any changes to their boundaries or disruption to their services and schools because of the unique, compact, urban nature of the city.

For the purposes of conducting a fair and objective options appraisal, we will set out the different viable options that could be considered, including the option to retain an enhanced version of the current two-tier model. For each of the options identified, we have assessed their advantages and disadvantages and considered their relative performance against the Government's tests for local government reorganisation.

Summary of options considered

Our options analysis considers six potential options:

1. Optimised two-tier collaboration (an enhancement of the current two-tier model).
2. A single unitary authority (covering the entire North Yorkshire area).
- 3a. Two unitary authorities (North-South division of territory which excludes the City of York).
- 3b. Two unitary authorities (West-East division of territory which excludes the City of York).
- 3c. Two unitary authorities (West-East division of territory which includes the City of York).
- 3d. Two unitary authorities (West-East division of territory which includes the City of York and includes Selby in the 'West' authority).



The table below sets out the scope of the proposed options, the relevant geographies and the population sizes within each of the areas covered.

Table 4: Summary of the viable reorganisation options for North Yorkshire identified

| Option | Summary | Geography | Population (Based on 2020) |
|--------|--|--|------------------------------------|
| 1 | Optimised two-tier collaboration | Existing North Yorkshire boundaries (excluding the City of York council) | 618,050 |
| 2 | Transition from a two-tier model to a single unitary authority | Creation of a new single unitary authority for North Yorkshire (excluding the City of York council) | 618,050 |
| 3 | Transition from a two-tier model to a two unitary authority model: a. In a North-South combination, excluding the City of York b. In a West-East combination, excluding the City of York c. In a West-East combination, including the City of York d. In a West-East combination, including the City of York, with Selby now in the West unitary | a. Creation of two new unitary authorities where the City of York remains as a separate entity - one for the North (Scarborough, Ryedale, Hambleton, and Richmondshire) and one for the South (Craven, Selby, and Harrogate) | 309,460 (North) 308,590 (South) |
| | | b. Creation of two new unitary authorities where the City of York remains as a separate entity - one for the East (Scarborough, Ryedale, and Selby) and one for the West (Craven, Hambleton, Harrogate and Richmondshire) | 254,760 (East) 363,290 (West) |
| | | c. Creation of two new unitary authorities - one for the East (Scarborough, Ryedale, Selby & City of York) and one for the West (Craven, Hambleton, Harrogate and Richmondshire) | 465,020 (East) 363,290 (West) |
| | | d. Creation of two new unitary authorities - one for the East (Scarborough, Ryedale & City of York) and one for the West (Craven, Hambleton, Harrogate, Richmondshire and Selby) | 374,360 (East) 453,910 (West) |

Summary of options discounted

For the purpose of this document, we have discounted other options on the basis of the rationale outlined below:

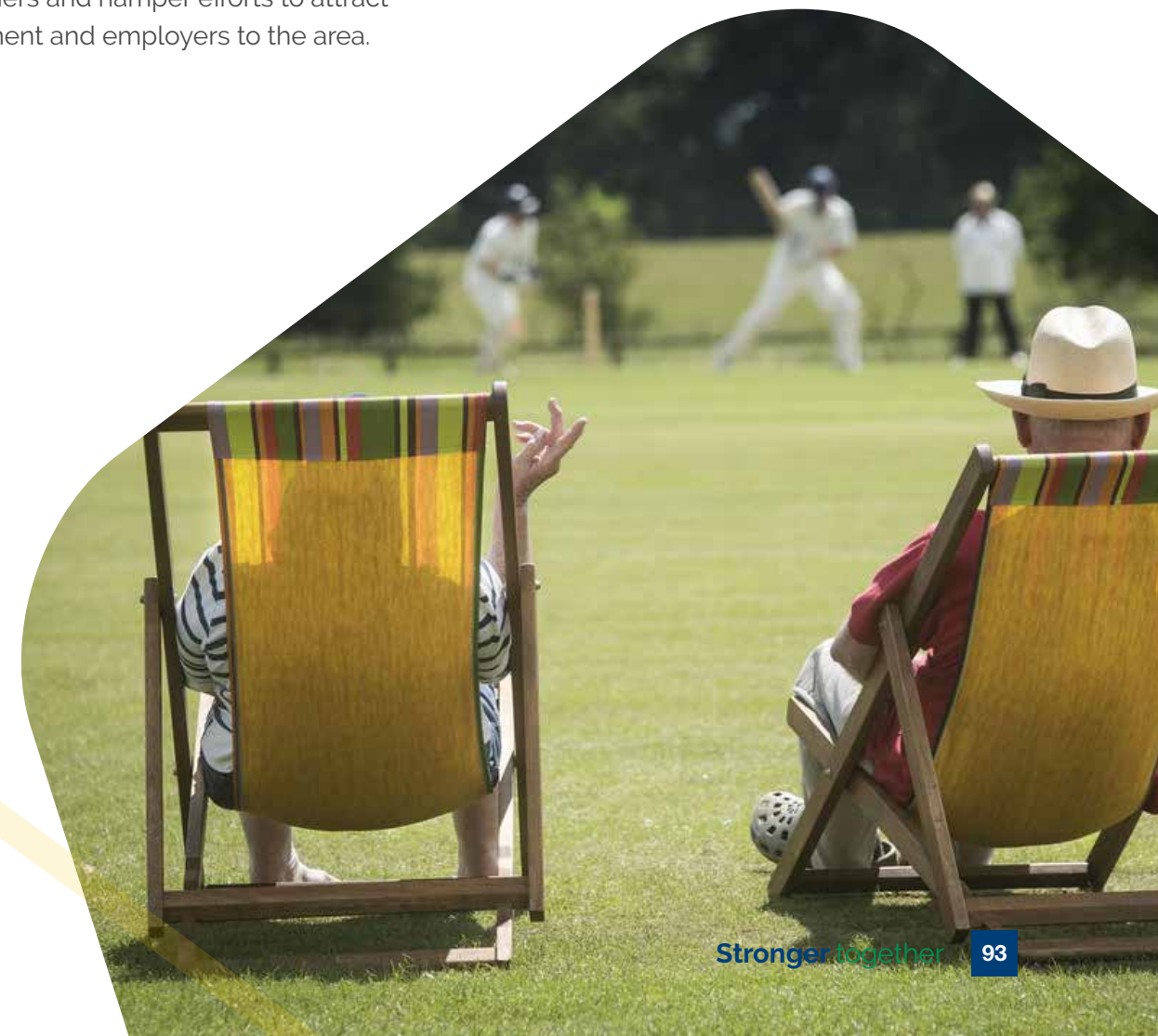
Three unitary authorities or more

Recent indications from the Secretary of State suggest that the populations for proposed unitary councils are "expected to be substantially in excess of 300k-400k". Taking this into account, a new structure with more than two unitary authorities would not be feasible as the population sizes would be below this threshold. Furthermore, we have discounted these options as they would reduce the economies of scale achieved through reorganisation and would result in significant service disruption. The creation of additional unitary authorities under this option would also lead to a fragmentation of strategic direction and lack of unified communication. In turn, this would weaken relationships between local government in North Yorkshire and its national and local partners and hamper efforts to attract inward investment and employers to the area.

Other options that change county boundaries

Implementing any option that would result in changes to boundaries outside of the North Yorkshire county area would make the transition to a new structure of local government much more complicated. It would be inconsistent with Government's indications that it wishes to retain the integrity of historic county boundaries. It is likely that this option would also result in disruption to partner organisations that border the county.

Given there are several other service providers which are organised on a basis that reflects the county boundary, this type of change would also be likely to result in significant disruption to partnership working.



Options appraisal

Approach to appraising each option

Our approach to appraising each of the six options comprised two stages. First, the options were reviewed in the light of the local challenges facing North Yorkshire, including the county's key demographic, rural and economic challenges.

Second, the options were reviewed against the tests outlined by the Ministry for Housing, Communities and Local Government (MHCLG). These tests focus on whether each reorganisation option would improve local government in the area, command a good deal of local support and cover a credible geography.

Option 1: Optimised two-tier collaboration

| Option 1: Optimised two-tier collaboration | |
|---|---|
| Description: Under this option, the two-tier structure of local government in North Yorkshire would be maintained, but efforts would be made to enhance the way it operates through collaboration (e.g. sharing more services, jointly setting strategic policies etc.). | |
| Advantages | Disadvantages |
| Less disruption, as this maintains existing arrangements. | North Yorkshire would be left with a structure of local government that is overly complicated and expensive and would require local residents to continue to interact with several service providers. |
| Some cost savings where existing duplication across county and district councils can be removed. | Delivering savings would require complex governance arrangements and a sustained commitment by leaders – it is less likely to deliver results than local government reorganisation. |
| Lower cost of implementation. | Government had advised that North Yorkshire will not be eligible for a devolution deal and a mayoral combined authority unless it delivers unitary Local Government. |

Option 2: Single unitary authority

| Option 2: Single unitary authority | |
|--|--|
| Description: This option would involve replacing the current County Council and seven district and borough councils with a single unitary authority serving the whole of North Yorkshire (excluding the City of York). This would be a completely new organisation responsible for all local government service provision in the county. | |
| Advantages | Disadvantages |
| Single, stronger voice for North Yorkshire that reflects its strong cultural identity, with unified communications, simplified access points to services and stronger partnerships at a national and regional level with the least amount of disruption. | Establishing a new authority is a relatively complex process, which may result in some short-term disruption. |
| Opportunity to realise significant savings through efficiencies, critical mass and economies of scale, reducing duplication and further transformation, including through a strategic partnership with City of York | Investment would be required to fund the transition to the new authority. |
| Provides greater resilience to tackle crises and would be less likely to cause disruption by splitting high-performing services when compared to a two unitary option, would result in only 2500 TUPE of staff to the continuing authority. Building on this stable foundation would allow North Yorkshire and York to more quickly implement a mayoral combined authority and greater devolution of powers. | There is a risk that a single unitary authority may be perceived as being too remote from communities although we have mitigated and addressed these issues within our proposal. |

Options 3a and 3b: Two unitary authorities (excl. City of York)

| Options 3a and 3b: Two unitary authorities (excl. City of York) | |
|--|--|
| <p>Description: These options would involve replacing the County Council and seven district and borough councils with two new unitary authorities, within the current North Yorkshire boundary (and excluding the City of York).</p> <p>Option 3a (North-South): one unitary authority would include Scarborough, Ryedale, Hambleton and Richmondshire, and the other would include Craven, Selby, Harrogate.</p> <p>Option 3b (West-East): one unitary authority would include Scarborough, Ryedale, Selby and the other would include Craven, Hambleton, Harrogate and Richmondshire.</p> | |
| Advantages | Disadvantages |
| Opportunity to realise savings compared to the status quo by removing duplication across the current councils. | Some level of duplication of functions across the North Yorkshire area would remain. For example, both the new authorities would require a senior management team. |
| When compared to any two unitary option which includes the City of York, the implications of Council Tax harmonisation are less severe (though establishing a single unitary authority would be even more advantageous in this regard). | This option would result in disruption to high-performing services provided by the County Council (e.g. adult and children's social care and 245 maintained schools) and the additional costs and complexity associated with the disaggregation of other County Council services e.g. TUPE of c15,000 employees would be required including maintained schools. This disruption would also slow down progress towards a mayoral combined authority and further devolution of powers. |
| Opportunity to establish a shared service approach across the two organisations and an associated transformation programme. | No critical mass and reduced economies of scale, additional transition costs, less able to operate at scale and lower resilience when compared to option 2. |






Options 3c and 3d: Two unitary authorities (incl. City of York)

| Options 3c and 3d: Two unitary authorities (incl. City of York) | |
|---|--|
| <p>Description: This option would involve replacing the County Council and seven district and borough councils with two new unitary authorities, one of which would include the City of York.</p> <p>In Option 3c, one unitary authority would include Scarborough, Ryedale, Selby, and City of York, while the other would include Craven, Hambleton, Harrogate and Richmondshire.</p> <p>In Option 3d, one unitary authority would include Scarborough, Ryedale, and City of York, and the other would include Craven, Hambleton, Harrogate, Richmondshire, and Selby.</p> | |
| Advantages | Disadvantages |
| Greater opportunity to remove duplication than options 3a and 3b (albeit, to some extent the 'unitary dividend' has already been delivered in the City of York). | This option would result in disruption to high-performing services as well as additional costs and complexity associated with the disaggregation of County Council services and integration of City of York services. TUPE of c19,000 employees would be required including maintained schools. This disruption is likely to be the most significant of all options considered and would delay progress towards a combined authority and more ambitious transformation for our area. |
| Opportunity to operate a shared service approach across two organisations and implement a transformation programme. | Reduced economies of scale, additional transition costs, less able to operate at scale and lower resilience when compared to option 2. |
| Some residents may perceive the creation of two smaller unitaries as being 'closer' to them. | Under this option, Council Tax harmonisation would be particularly challenging, due to the relatively low rates in the City of York. No established identity and rural / urban tensions. |

Appraisal against the Government tests






The Government tests, as described in the case for change section of this proposal document, constitute three conditions to appraise the validity of local government reorganisation for any area. In this section of the document, we have not considered tests 2 and 3 (does the proposal command a good deal of local support and does it cover a credible geography) because they are covered previously in the case for change section of this document. **We are of the view that option 2 commands much greater stakeholder support and covers a more credible geography than any other option.** However, we have made a more granular assessment of how the options set out above measure up against test 1: how reorganisation will improve local government across the area. A more detailed set of criteria for this test is set out below.

Figure 7: Overview of the criteria used to consider test 1 for local government reorganisation

| | | | |
|--------------------------|---|---|---|
| Improve local government | Improved outcomes and services |  | <ul style="list-style-type: none"> A system reflecting the needs and demographics of different places within North Yorkshire and focus on areas where provision is lacking. Unified voice for the whole of North Yorkshire, instead of prioritising areas based on geographical boundaries. |
| | Value for money and efficiency |  | <ul style="list-style-type: none"> Local reform that makes full use of any possible service efficiencies or economies of scale. Removal of as much duplication of services as possible across North Yorkshire. |
| | Cost savings and recovering costs of change |  | <ul style="list-style-type: none"> True reform with a transformative agenda, allowing even more savings to be made through reductions in third party spend and ensuring service efficiency. Minimising transition and transformation costs while still implementing reform thoroughly. |
| | Stronger and more accountable leadership |  | <ul style="list-style-type: none"> A system that encourages leadership to be accountable, decisive and strategic, whilst still factoring in local opinions without needless obstruction through inefficient governance arrangements. |
| | Immediate and long-term sustainability |  | <ul style="list-style-type: none"> An operating model that is not only financially viable now, but also years into the future, coping with future demand pressures. Engagement with the community to examine and work with deprived areas. |

The assessment of the six reorganisation options against these criteria is set out below. It should be noted that Options 3a and 3b, and Options 3c and 3d were combined for this assessment due to the relatively immaterial differences between them.

Figure 8: Comparison of the viable reorganisation options against the criteria for Government test 1

| Test 1: Improve local government | Option 1 | Option 2 | Option 3a and 3b | Option 3c and 3d |
|--|--|---|---|---|
| | Optimised two-tier collaboration | Single unitary authority | Two unitary authorities | Two unitary authorities (including City of York) |
|  1. Improved outcomes and services | Simplified service areas but current structures too complex to significantly drive economic recovery and living standards | Leaner, more agile organisation with simplified access to services, partnerships and democracy | More complexity due to three sets of management and risk of disruption to high-performing services and schools from disaggregation | Disruption to high-performing services and schools. Greater risk when disaggregating poor-performing services |
|  2. Value for money and efficiency | Some savings from shared responsibilities and ways of working likely but some inefficiencies to remain | Significant economies of scale could be realised through reorganisation and transformation in FTE and third party spend | Some efficiencies but reduced economies of scale achieved than Option 2 | Some efficiencies and higher benefits than Option 3a and 3b but reduced economies of scale achieved than Option 2 |
|  3. Cost savings & recovering costs of change | Minimal transition costs but limited opportunity for transformational cost savings | Significant opportunity for cost savings such as property rationalisation and election savings with opportunity for further transformation | Fewer cost savings than Option 3c as less removal of duplication in responsibilities and senior management | Greater savings than 3a and 3b but less opportunity for transformational cost savings than Option 2 |
|  4. Stronger & more accountable leadership | Lack of unified voice for North Yorkshire and no tangible change in accountability or strategic direction | Centralised leadership results in clearer accountability to public and central government and more efficient decision-making | Leadership could still represent needs of respective geographies and maintain identity and accountability | Leadership could still represent needs of respective geographies and maintain identity and accountability |
|  5. Immediate and long-term sustainability | Less short-term disruption but weak alignment with shift in policy to Mayoral Combined Authorities | Broad stakeholder support –increased ability to operate at scale, greater resilience and improved sustainability of service delivery in longer term | Large initial disruption and very complex reorganisation. Less likely to obtain broad stakeholder support, lack of scale to tackle crises, lower resilience than Option 2 | Large initial disruption and very complex reorganisation. Less likely to obtain broad stakeholder support, lack of scale to tackle crises, lower resilience than Option 2 |
| Overall assessment | | | | |
| Key | ■ Meets the criteria ■ Partially meets the criteria ■ Does not meet the criteria | | | |

Summary

The case for establishing a single unitary authority (option 2)

Our assessment shows that option 2 is the strongest option from the perspective of satisfying the Government tests and for providing the platform to deliver our ambitions for North Yorkshire and meet our distinct local challenges.

The key reasons for this are:

- **Opportunity for efficiencies and cost savings.** Option 2 will deliver the greatest value for money and unlock greater economies of scale through reorganisation and transformation including through its strategic partnership with City of York Council, whilst aligning to the Government's clear desire for stronger and more accountable leadership. Option 2 will enable North Yorkshire to address its urgent financial challenges to the greatest degree and recover more rapidly from the COVID-19 crisis.

- **Greatest simplicity.** Option 2 would simplify public access to services and remove duplication across the councils. It would result in the establishment of a continuing authority which will, reduce the disruptive TUPE and HR harmonisation challenges from 15-19,000 council and maintained school staff (depending on option) to 2,500 council staff for a single unitary council. It will also ensure a single vision, which would be able to speak for North Yorkshire with a single, powerful voice on the regional and national stage. The creation of a single unitary authority will strengthen the accountability of local leadership and improve decision-making.
- **Ability to improve outcomes at an impactful scale.** The COVID-19 pandemic has demonstrated the importance of resilience and operating at scale in order to provide a coordinated response to crises. The need for critical mass is even greater for North Yorkshire given the dispersed nature of the rural population across the county. For example, North Yorkshire County Council was able to mobilise a rapid digital response to COVID-19 and operate 24 hours a day, seven days a week for many months. Scale is equally important to North Yorkshire's ability to improve outcomes by fundamentally transforming the delivery of public services. Smaller authorities covering just a portion of the North Yorkshire geography would not have access to such levels of resource and capacity.

The case for not pursuing a non-structural or two unitary authority solution

- **The case against optimised two-tier collaboration (option 1)** - An optimised two-tier model would not provide a step-change in accountability of leadership or the cost savings required to address the increasing financial challenges faced by the North Yorkshire councils.
- **The case against a two unitary authority model in North Yorkshire (options 3a, b, c and d)** - Establishing two unitary authorities would create geographies with no practical identity and no cultural connection to North Yorkshire. Administering services in North Yorkshire, and potentially across the City of York, would add layers of unnecessary complexity and create significantly more disruption to existing high performing services and 245 maintained schools than establishing a single unitary authority with a strategic partnership with City of York Council. Splitting up services that are currently high-performing within the County Council would disrupt current ways of working, require division of in-house provision, migration of service users and schools alongside the renegotiation of provider contracts across significant areas of spend. This disruption would prevent us from accelerating more radical transformation of local services at pace. Furthermore, a model with two unitary authorities would not have the same level of resilience to respond to peaks in service demand, volatility and emergency events as a single, larger organisation.

Financial assessment of the different reorganisation options

This section of our proposal document considers the financial case for local government reorganisation and transformation.

Delivering savings through reorganisation and transformation

As we have indicated elsewhere in this proposal document, we consider reorganisation to offer an opportunity to deliver a much more radical transformation of local government services. For this reason, we have assessed both the potential costs and benefits associated simply with reorganising local government in North Yorkshire and the additional costs and benefits associated with delivering transformation at the same time.

Financial considerations associated with undertaking reorganisation only

At its simplest, the proposal to consolidate from eight councils to one or two organisations offers a clear opportunity to reduce the level of duplication present in the current system. However, a single unitary authority for North Yorkshire will require fewer councillors and senior managers, smaller support functions, fewer offices and IT systems than the current or alternative structures. Therefore, the overall size of the single new unitary authority would provide greatest efficiencies from economies of scale.

Reorganisation also presents an opportunity to simplify service provision, which would lead to savings that arise from the rationalisation of services and delivery staff currently being provided across a two-tier model.

Transforming alongside reorganisation offers greater financial opportunities

North Yorkshire County Council has a strong track record of transforming services, delivering cashable savings and excellent performance. By the end of March 2022 we will have delivered a total of £200m of savings, which is approximately 40% of our spending power. As described elsewhere, the County Council has achieved this whilst delivering "Outstanding" children's services, nationally recognised adult social care and significant investment in highways, prevention and social capital through our Living Well and Stronger Communities programmes. This provides confidence that the new Council will be well positioned to capitalise on this track record, technical knowhow and well established governance.

Therefore, should reorganisation take place in North Yorkshire, we believe there is an opportunity to do something more ambitious than simply rearrange the existing administrative boundaries and responsibilities. The process of reorganisation could also be used as the catalyst to deliver a 21st century model of local government and radically transform the way in which local government in North Yorkshire operates.

Reorganisation combined with the execution of an ambitious transformation programme would enable the new council to refocus its operating model around its key priorities and outcomes, redesigning its interactions with customers and partners and front and back office functions. Transformation would enable North Yorkshire to achieve stronger outcomes than just merging organisations and removing duplication, for example by addressing the inequality that exists between the east and the west. The new authority would be presented with a number of opportunities which include:

- partner collaboration,
- redesign and digitisation of customer services,
- simplification and streamlining internal processes,
- workforce optimisation,
- greater use of data and analytics,
- growing the Council Tax base by delivering a buoyant new housing programme.

The ability of the new authority to deliver transformation will depend on a number of factors – its ambition and appetite for risk, the quality of its leadership, the manner in which implementation is prepared for and delivered and the availability of the necessary capacity and capability. The new structure would need to make conscious choices about these factors. As a reflection of this, we have identified a transformation 'base case' and 'stretch case' to forecast the potential savings the new authority could expect to deliver from undertaking transformation.

Financial comparison of the different reorganisation options

The financial analysis we have carried out focuses on: (1) the recurring net annual benefit that could be achieved (after implementation); (2) cumulative net benefit over a five-year period; and (3) the cumulative net financial position after a five-year period.

We have examined the following three scenarios:

1. Reorganisation only.
2. Reorganisation and transformation (base case).
3. Reorganisation and transformation (stretch case).

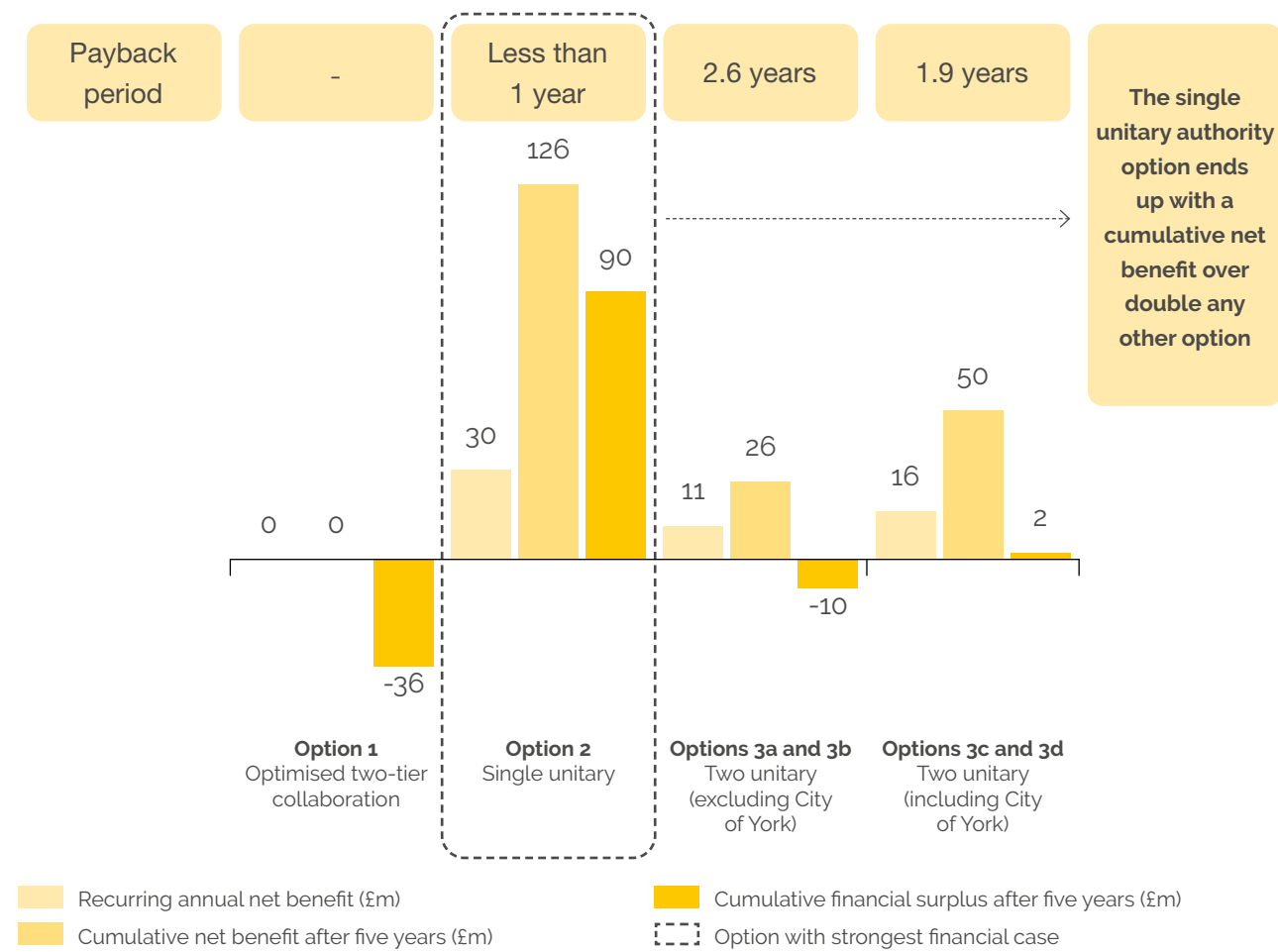
Given that we do not expect there to be any significant difference between total system benefits and costs for either options 3a and 3b, or between for options 3c and 3d, we have simplified the presentation of the financial calculation for these options.

A move to a single unitary model (Option 2) would deliver a net benefit of **£30.2m per annum** after implementation, solely as a result of local government reorganisation. This is by far the highest recurring annual net benefit of the options evaluated. By year five, the cumulative net benefit for option 2 would be £126m, which is over four times that of either option 3a or 3b and over double that of option 3c or 3d. The net benefit associated with option 3c and 3d would be lower than option 2 because the City of York Council has, to some extent, already delivered some of the financial benefits associated with becoming a unitary authority. It is also a function of the fact that it would cost more to establish two new councils than it would cost to establish one.



Figure 9: Financial case results for all local government reform options based on a five-year period (reorganisation only) Source: NYCC, PwC analysis

Note: Recurring annual net benefit is the annual benefit gained each year once the benefits are fully realised from creation of the new unitary authority minus the total costs. The net benefit after five years is the cumulative net benefits after five years. The financial position after five years is the overall budget position after the savings are realised and accounted for.

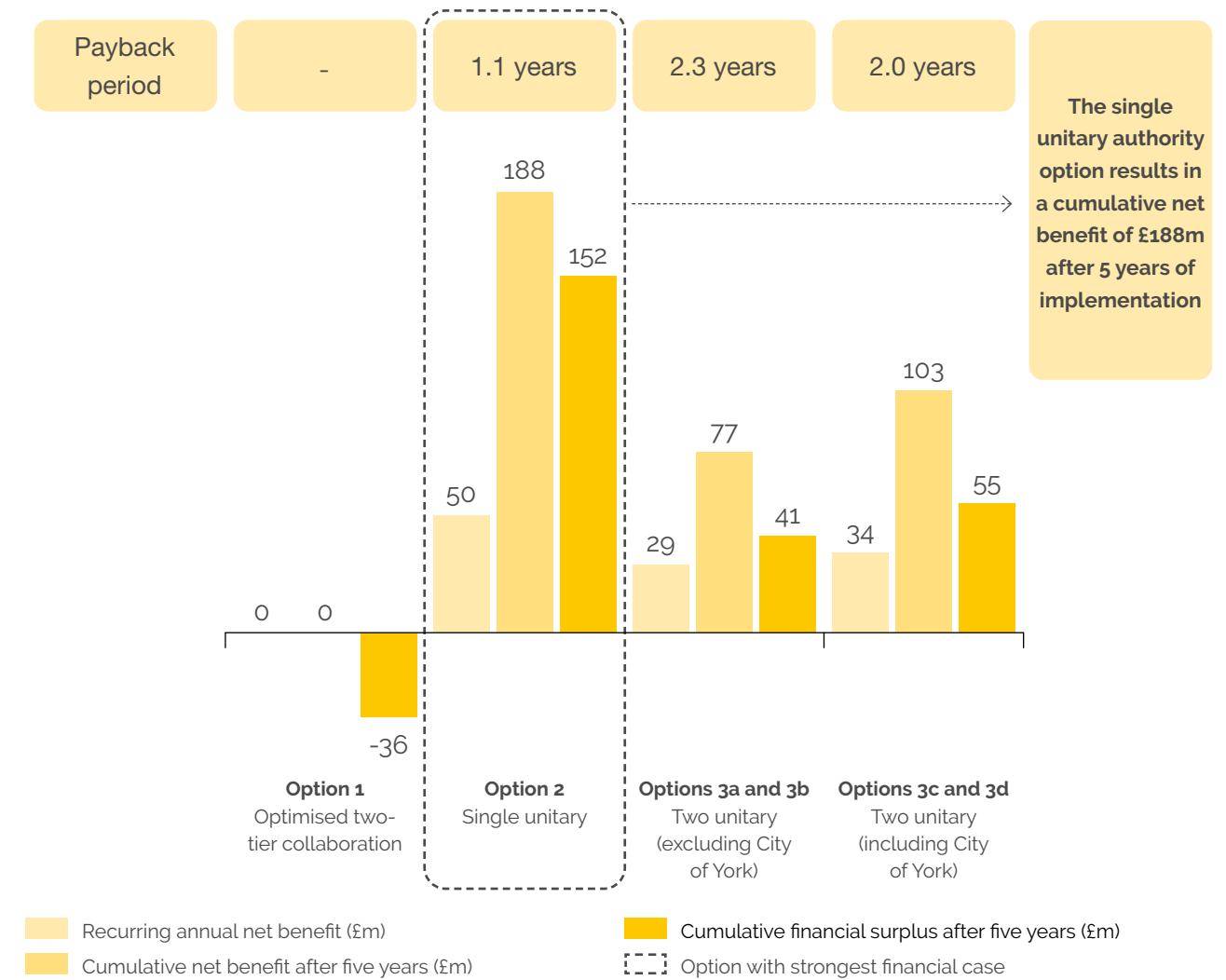


The chart above also shows the impact of reform on the wider financial position across the councils in North Yorkshire, considering the current deficits they face. Option 2 would have the most positive impact on the overall financial position by some margin, with a projected surplus of £90m by year five.

Further information on implementation costs is provided in the appendix to this proposal document. It shows that the total one-off costs of establishing a new unitary authority for North Yorkshire would be £33m, which is lower than the costs associated with either option 3a or 3b (£43m) or option 3c or 3d (£44m).

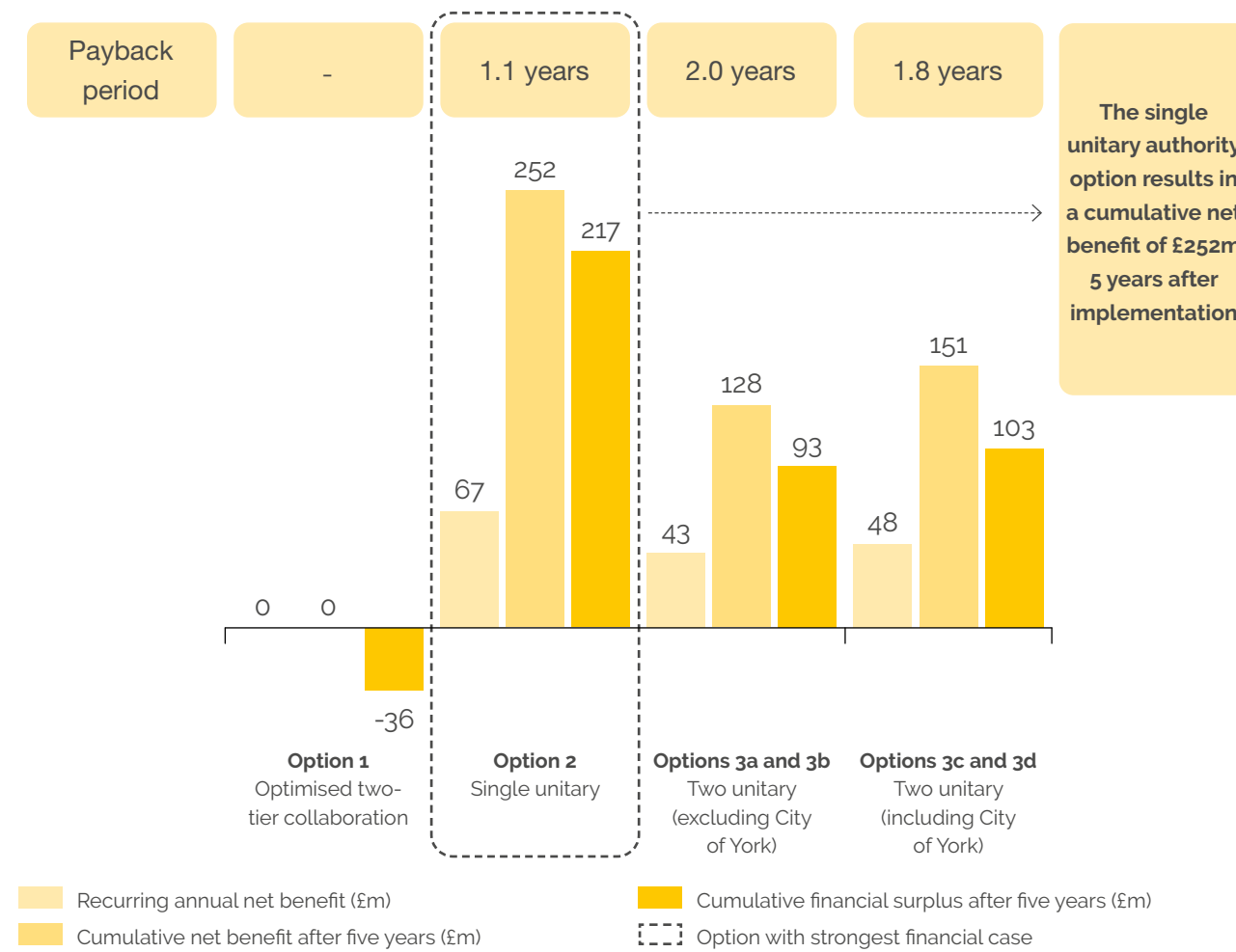
When considering the opportunity to transform local services alongside reorganisation, the case for option 2 is even clearer. In the reorganisation and transformation (the base case) scenario, a single unitary authority model would achieve a recurring annual net benefit of **£50m per annum** after implementation, delivering a cumulative net benefit of £188m by year five.

Figure 10: Financial case results for all local government reform options (reorganisation plus 'base case' transformation) Source: NYCC, PwC analysis



Finally, our analysis demonstrates that the potential benefits associated with delivering reorganisation and transformation (the stretch case) could be even greater. By fully capitalising on its ambition and using reform as a catalyst for radical transformation, a single unitary model could deliver an annual net benefit of **£67m per annum** after implementation, therefore a cumulative net benefit of £252m by year five. This scenario takes account of the higher ambition for transformation within the front and back office, maximising the use of modern technology and innovative approaches to service delivery, and also higher levels of benefits associated with the consolidation of third party spend and implementation of a coherent strategy around income generation.

Figure 11: Financial case results for all local government reform options (reorganisation plus 'stretch case' transformation) Source: NYCC, PwC analysis



All three of these scenarios demonstrate that a single unitary model achieves the **most significant financial benefits**, the **lowest one-off implementation costs** and the **shortest payback period** of all the options examined. This option clearly delivers the greatest efficiencies and value for money for our local people, as well as delivering stronger, simpler and more effective services.

Financial comparison of the cost and benefits associated with reorganising and transforming a single unitary authority

Summary of the cost and benefit elements

Establishing a new unitary authority, whether through reorganisation alone or in combination with transformation, presents an opportunity to deliver significant financial benefits from sources including IT and assets rationalisation, staff efficiencies and securing better value from third party contracts.

The ability of the new authority to realise these benefits will be dependent on the extent of its ambition to deliver reorganisation and transformation at the same time, as well as its capacity and capability.

The figure below summarises the different areas where the new council could realise financial benefits and indicates the relative scale of the benefits that could be achieved from the different scenarios. The figure also highlights the different cost elements attributed to each of the scenarios.

Figure 12: Summary of the indicative level of benefits and costs associated with each reorganisation and transformation scenario

| Type of benefit / cost | Description | Reorganisation | Transformation base case | Transformation stretch case |
|---|---|----------------|--------------------------|-----------------------------|
| Benefits | | | | |
| 1. Operational efficiency | FTE savings from consolidation of seven councils into single or two unitary authorities across senior management, front, middle and back office functions, simplification and standardisation of processes and greater use of technology. | ££ | £££ | ££££ |
| 2. Greater value for money from third party spend | Savings from spend on suppliers of goods and services, through the consolidation and stronger joint negotiation of contracts. | ££ | £££ | ££££ |
| 3. Property rationalisation | Reduced building footprint would result in savings from premises rationalisation and reduced property-related spend. | £ | £ | £ |
| 4. Higher 'democracy benefits' | Election savings and reduced expenditure on base and special responsibility allowance for councillors. | £ | £ | £ |
| 5. Increased sales, fees and charges | Higher revenue generation from the receipt of sales, fees and charges underpinned by a regional income generation strategy | | £ | ££ |
| Costs | | | | |
| 1. Redundancy costs | One-off staff redundancy costs from consolidation and efficiency savings across the council. | ££ | £££ | ££££ |
| 2. Transition costs | Implementation costs incurred when closing down local authorities and transitioning to new unitary authorities. | ££ | £££ | ££££ |
| 3. Other costs | Investment in physical and IT infrastructure, training, support and programme management costs. | ££ | £££ | ££££ |

Comparison between the different reorganisation and transformation scenarios

Our analysis has identified how structural change could deliver significant savings. However, as indicated in the diagram above, the opportunity to reorganise and deliver transformation would secure significant additional benefits.

The table below demonstrates the potential savings that could be achieved from successfully transforming, over and above the potential benefits that would be delivered from just reorganising.

Table 5: Benefits and costs from transformation to a single unitary authority compared with reorganisation Source: NYCC, PwC analysis

| Scenario | Reorganisation | Reorganisation + transformation (base case) | Reorganisation + transformation (stretch case) |
|---|----------------|---|--|
| Recurring annual net benefit when fully realised (£m) | 30.2 | 49.5 | 66.9 |
| Total transition cost (£m) | 18.0 | 33.1 | 38.0 |

Financial comparison of the cumulative net benefit associated with reorganising and transforming a single unitary authority

Profiling of benefits

To achieve the level of benefits identified for each of the modelled scenarios (reorganisation, reorganisation and transformation base case and reorganisation and transformation stretch case), the new authority would need to deliver a significant level of organisational change. This would take some time to deliver. The table below sets out how the benefits have been profiled over time, in order to provide a more accurate estimate of the cumulative net benefit each scenario would deliver over a five-year period. Due to the different nature of activities involved, the benefits associated with reorganisation would be secured faster than those associated with transformation.

Table 6: Benefit profiles for reorganisation and transformation scenarios Source: NYCC, PwC analysis

| Year | Cumulative Benefit Realisation | |
|------|--------------------------------|----------------|
| | Reorganisation | Transformation |
| 0 | 0% | 0% |
| 1 | 75% | 25% |
| 2 | 100% | 75% |
| 3 | 100% | 100% |
| 4 | 100% | 100% |
| 5 | 100% | 100% |

For the reorganisation scenario, most benefits would be realised in the first year. The entire level of benefits would then be fully realised in the second year. For the reorganisation and transformation scenarios, we have estimated it will take three years before the full range of benefits can be realised.

Profiling of costs

Below, we summarise the phasing of the costs associated with the establishment of a single unitary authority for North Yorkshire.

Table 7: Cost profiles for reorganisation and transformation scenarios Source: NYCC, PwC analysis

| Year | Cumulative Cost Profile | |
|------|-------------------------|----------------|
| | Reorganisation | Transformation |
| 0 | 38% | 50% |
| 1+ | 100% | 100% |

For both reorganisation and transformation, we have assumed that a proportion of the transition costs would be incurred in Year 0, in the run up to the establishment of the new authority.

Comparison between the different reorganisation and transformation scenarios

Taking into consideration the profiling of costs and benefits for the three reorganisation and transformation scenarios, the tables below summarise the cumulative net benefits (based on a five year period) for (1) reorganisation; (2) reorganisation and base case transformation; and (3) reorganisation and stretch case transformation.

Table 8: Phasing of benefits and costs for reorganisation - one unitary authority Source: NYCC, PwC analysis.
Note: Gross benefits do not account for the one-off transition costs. Yellow line indicated Vesting Day

| Year | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
|---------------------------|---------|--------------------|---------|---------|---------|---------|
| Year of implementation | 0 | 1 | 2 | 3 | 4 | 5 |
| Annual gross benefit (£m) | 0.0 | 22.7 | 30.2 | 30.2 | 30.2 | 30.2 |
| Annual cost (£m) | 6.7 | 11.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total net benefit (£m) | -6.7 | 4.7 | 34.9 | 65.2 | 95.4 | 125.7 |
| Payback period (£m) | | Less than one year | | | | |

Table 9: Phasing of benefits and costs for transformation 'base case' - one unitary authority Source: NYCC, PwC analysis

| Year | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
|---------------------------|---------|-----------|---------|---------|---------|---------|
| Year of implementation | 0 | 1 | 2 | 3 | 4 | 5 |
| Annual gross benefit (£m) | 0.0 | 27.5 | 44.7 | 49.5 | 49.5 | 49.5 |
| Annual cost (£m) | 12.2 | 20.8 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total net benefit (£m) | -12.2 | -5.6 | 39.1 | 88.6 | 138.2 | 187.7 |
| Payback period (£m) | | 1.1 years | | | | |

Table 10: Phasing of benefits and costs for transformation 'stretch case' - one unitary authority Source: NYCC, PwC analysis

| Year | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
|---------------------------|---------|-----------|---------|---------|---------|---------|
| Year of implementation | 0 | 1 | 2 | 3 | 4 | 5 |
| Annual gross benefit (£m) | 0.0 | 31.8 | 57.7 | 66.9 | 66.9 | 66.9 |
| Annual cost (£m) | 13.2 | 24.8 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total net benefit (£m) | -13.2 | -6.2 | 51.6 | 118.4 | 185.3 | 252.2 |
| Payback period (£m) | | 1.1 years | | | | |

Consideration and impact of council tax disaggregation

A critical requirement of the local government reorganisation process is the need to harmonise Council Tax rates across the geography covered by any new authority. The potential impacts could include:

- Losing a portion of council tax income that would have been received had the existing two-tier model continued, adversely impacting the new council's budget.
- Significant increases in the rates charged to residents in certain areas, over and above the capped increases permissible by local authorities.

Currently, the Council Tax rates paid by North Yorkshire's residents vary as a result of the differential precepts applied by different districts.

Table 11: Band D rates and Band D equivalent tax bases for county and district councils

| Council | 2019 Tax base (Band D equivalents after council tax support) ¹ | 2020-21 Band D rate (£) (including ASC precept and excluding parish precepts) ² |
|-----------------|---|--|
| North Yorkshire | 236,919 | 1,363 |
| Craven | 22,938 | 177 |
| Hambleton | 37,127 | 114 |
| Richmondshire | 19,944 | 220 |
| Scarborough | 39,537 | 240 |
| Harrogate | 63,392 | 246 |
| Ryedale | 21,986 | 203 |
| Selby | 31,996 | 183 |
| York UA | 67,856 | 1,383 |

¹ <https://www.gov.uk/government/statistics/council-taxbase-2019-in-england>

² <https://www.gov.uk/government/statistics/council-tax-levels-set-by-local-authorities-in-england-2020-to-2021>

Approaches to harmonising Council Tax

The new authority could choose to harmonise rates in several different ways. Two options have been examined, the implications of which are set out below.

1. Opting to harmonise Council Tax rates in the first year of the new authority

Under this option, the unitary authority could choose to harmonise all Council Tax rates towards the lowest rate (currently set by Hambleton District Council); the highest rate (currently set by Harrogate Borough Council); or an alternative rate. Depending on the rates agreed, this could result in either a significant loss or gain in terms of Council Tax income.

The table below summarises the financial impact of harmonising in the first year of the new authority vesting day. This has been examined using a low case (harmonising to the lowest current rate - Hambleton); a high case (harmonising to the highest current rate - Harrogate); and a mid-case (harmonising to the median current rate). Based on the low case, the new authority would forgo £40.6m of Council Tax revenue over a five-year period, while the high case would enable the new authority to achieve an additional £137.2m in Council Tax income to support service provision. The mid case would result in a £79.3m increase in Council Tax income over the five years.

Table 12: Implications of harmonising Council Tax in the first year of the new authority

| Income Foregone (£m) | 2022/23 (£m) | 2023/24 (£m) | 2024/25 (£m) | 2025/26 (£m) | 2026/27 (£m) | Total (£m) |
|----------------------|--------------|--------------|--------------|--------------|--------------|------------|
| Low case | 22.0 | 16.3 | 8.8 | 0.9 | -7.5 | 40.6 |
| High case | -10.7 | -17.8 | -26.7 | -36.1 | -46.0 | -137.2 |
| Mid case | 0.0 | -6.7 | -15.1 | -24.0 | -33.5 | -79.3 |

2. Opting to harmonise the council tax rates over a longer period

The new authority could opt to harmonise Council Tax rates over a longer period. This would avoid a step-change in fees for residents. However, it would mean that during the harmonisation period, residents of the newly formed unitary authority would be paying different rates based on where they lived.

By smoothing the rate of harmonisation, the new authority would forego £70.7m of Council Tax revenue over five years under the low case, whereas the high case would result in an increase in Council Tax revenue of £33.9m. For the mid case, the new authority would gain £0.1m of Council Tax revenue over the five-year period.

Table 13: Implications of harmonising Council Tax over the first five years of the new authority

| Income Foregone (£m) | 2022/23 (£m) | 2023/24 (£m) | 2024/25 (£m) | 2025/26 (£m) | 2026/27 (£m) | Total (£m) |
|----------------------|--------------|--------------|--------------|--------------|--------------|------------|
| Low case | 4.5 | 9.2 | 14.0 | 19.0 | 24.0 | 70.7 |
| High case | -2.1 | -4.3 | -6.6 | -9.1 | -11.7 | -33.9 |
| Mid case | 0.0 | 0.0 | 0.0 | 0.0 | -0.1 | -0.1 |

Implications for residents

Whatever approach the new authority would take to harmonising Council Tax rates, there would be implications for local residents. Currently, residents of some districts pay relatively low rates, whereas others pay comparatively high rates. Unless the new authority opted to harmonise to the lowest rate, it is inevitable that residents in one or more districts would end up paying more Council Tax in the future. However, it is not possible to estimate whether these increases would be more or less than would be the case should the two-tier system remain. Furthermore, it is possible the new authority could opt to harmonise down, with the result that all residents would, in all likelihood, end up paying less Council Tax than would be the case under a retained two-tier system. Critically, this issue would be more straightforward to resolve under a single unitary for North Yorkshire than it would be under a two unitary model that included the City of York.

It is recognised that decisions around council tax harmonisation will be a matter for the new council. However, given the financial benefits from re-organisation and transformation that accrue to a single unitary county, it is believed that there is a good opportunity to use some of that benefit to help cushion increases in council tax for those currently at the lower levels.



5

Implementing our proposal

We believe establishing a single unitary authority for North Yorkshire, working closely with the neighbouring City of York, constitutes the best option for our residents, communities, businesses and partners. However, it also represents the most straightforward option to implement, enabling us to mobilise our transition plan quickly and effectively establishing a new council by April 2022, and a Mayoral Combined Authority achievable in the same year. We have carefully considered the governance arrangements required, as well as the programme planning required to deliver a successful transition by this date. This is underpinned by our commitment to minimise disruption to service delivery and maintained schools, so we can effectively serve local people. While we recognise the new council will need to take its own decisions about the pace and scale of change, the plans set out here provide a clear indication of our commitment to accelerate implementation, drive post COVID-19 recovery and secure the maximum benefits possible during the transition period.

How we will deliver our ambition

Overview of our approach

Should approval be granted for our submission, we will deliver the new unitary authority for North Yorkshire through three distinct phases of activity:

1. Preparation

During this stage, we will continue to engage widely with our communities and partners, establish robust programme management and set up an Implementation Executive arrangement in order to progress implementation quickly and confidently.

2. Transition

We will establish workstreams to ensure leadership, teams and infrastructure are in place, before formal go-live and elections.

3. Transformation

We will review and optimise our services, so that we realise the full benefits of transformation and improve outcomes for our residents.

Our proposed approach will provide the smoothest transition to the new arrangements, minimising disruption while ensuring the most efficient and effective processes and structures are put in place.

Critically, our proposal provides the conditions to move at pace, and seize the opportunity to supercharge social and economic recovery and growth in this important post COVID-19 period. It will deliver a new improved local government structure for North Yorkshire and create the platform for devolution through a Mayoral Combined Authority established as early 2022. However, this would require government approval by the summer of 2021.

In submitting this proposal, we include a request to postpone the County Council elections from May 2021 to May 2022 regardless of whether the new unitary authority commences on April 2022 or 2023. This will provide clarity for residents and candidates on the nature of the authority being elected to and the term of a new council.

With a track record of successful transformation and delivery, we are confident of delivering reorganised local government by April 2022. This section sets out more detail about our approach, which will be based upon managing change and minimising disruption by:

- Adopting a robust programme management approach to ensure comprehensive planning, delivery, oversight and benefits realisation.
- Adopting a 'continuing authority' model to maintain continuity for our citizens, staff and partners.
- Keeping together existing excellent services in North Yorkshire and City of York (such as Children's Services, Education and Adults' Services).
- Continuing to work closely with the City of York to ensure effective service delivery.
- Promoting ongoing communication and engagement with our workforce, communities and partners.

We recognise that broad and meaningful engagement is essential for establishing the identity, vision and values of the new council. This will also drive the development of the future culture and behaviours of what will be an entirely new organisation. The voices of our residents, communities, workforce and partners will inform all stages of our transition and transformation programmes.

1. Preparing for transition

Following the submission of this bid, we will continue our preparations so that we maximise our readiness for implementation. This will include ongoing engagement with our key stakeholders and the public to build awareness and shape our approach to transition and transformation. We will build on the robust change management practices adopted by all the impacted councils and put in place the programme management structures required to ensure delivery. As soon as the Government announces its intention to create a new council for North Yorkshire we will put these plans into action.

By the end of this stage in June 2021, we will have achieved:

- **Extensive engagement with key stakeholders**, supported by a clear communications strategy to underpin the transition and transformation.
- **Detailed programme management** plans, structures and governance in place.
- **Clear assessment of existing arrangements, issues and opportunities** across all existing councils.

2. Managing the transition

Transition to the new unitary arrangements will be led by a Councillor lead Implementation Executive. We propose that North Yorkshire County Council will act as the 'continuing authority' - building on the foundations of the largest existing organisation will minimise transitional activity, time and costs. However, the Implementation Executive committee will focus on ensuring the new organisation establishes a new identity, purpose and infrastructure, which is greater than the sum of its predecessors.

During this stage, we would mobilise the following workstreams to design, plan and implement the new arrangements:

- **Democracy, legal and finance** - Responsible for directing the democratic, legal and financial management requirements for transition to a new single organisation.
- **People and culture** - Responsible for planning and managing effective workforce changes, Human Resources implications, organisational development and communications.

- **Customer experience and service continuity** - Responsible for reviewing services, assessing and managing impact, and developing effective partnerships in order to improve experience and outcomes for customers.
- **Digital, data and technology** - Responsible for designing and co-ordinating changes to IT, systems, applications and information, as well as promoting digital innovation.
- **Property, contracts and commercial** - Responsible for co-ordinating property rationalisation, contract management and novation, joint owned companies and other commercial arrangements.
- **Locality Working** - Responsible for designing and delivering the new model of locality working, including devolution prospectus, Community Networks, community engagement model and officer support structures

The workstreams will be underpinned by a clear programme management approach, which will drive a consistent focus on timely delivery, risk management, stakeholder engagement and benefit realisation.

|  Democracy, Legal and Finance |  People and Culture |  Customer Experience and Service Continuity |  Digital, Data and Technology |  Property, Contracts and Commercial |  Locality Working |
|--|--|---|---|--|---|
| <ul style="list-style-type: none"> • Create Implementation Executive • Elections • 'Continuing authority' arrangements • Budget setting • Financial management • Council tax harmonisation • Constitution and governance arrangements | <ul style="list-style-type: none"> • Communications and engagement • Vision and values • Existing workforce and TUPE process • Organisational structure and appointments • OD and Culture | <ul style="list-style-type: none"> • Service mapping and review • Customer journeys and impact assessment • Enhancing partnerships • Service continuity and resilience • Equality duties | <ul style="list-style-type: none"> • Aggregation • IT implementation plan • Applications and data • Public facing website, intranet and infrastructure • GDPR • ICO | <ul style="list-style-type: none"> • Joint-owned companies • Shared services and joint arrangements • Commercial opportunities • Contract management and novation • Asset rationalisation | <ul style="list-style-type: none"> • Community networks • Town, Parish & Community prospectus • Service Hubs • Community engagement |
| Programme Management | | | | | |
| Robust programme management and planning to drive decision making, progress review, risk and issues management and benefits realisation. | | | | | |

The new council would assume full responsibility for all local government functions across North Yorkshire in April 2022. This will enable all councils to have proper financial planning and accountability and allow the new council to establish its own budget.

Our ambitions for vesting day, the first 100 days of the new authority and its first year will be determined during the transition phase. We will prioritise service continuity to ensure effective delivery of our excellent services and maintain effective performance. However, we will also lead policy, planning and business case development for wider transformation during this stage, so that we are able to maximise the opportunities presented by our proposal.

By the end of this stage in April 2022, we will have achieved:

- **Appointment of chief executive and senior leadership team.**
- **Design and implementation** of arrangements and supporting infrastructure for the new authority.
- **Go-live, elections and embedding the new authority** during its first year.

3. Driving transformation

Establishing a single unitary authority for North Yorkshire offers a unique opportunity to transform how we work to improve outcomes for our residents, communities and businesses, enhance our partnerships and optimise our efficiency and productivity.

Throughout the transition period, we will promote a dynamic approach to service delivery which enables efficiencies and improvements to be implemented in an agile manner, while also capturing potential opportunities for wider change.

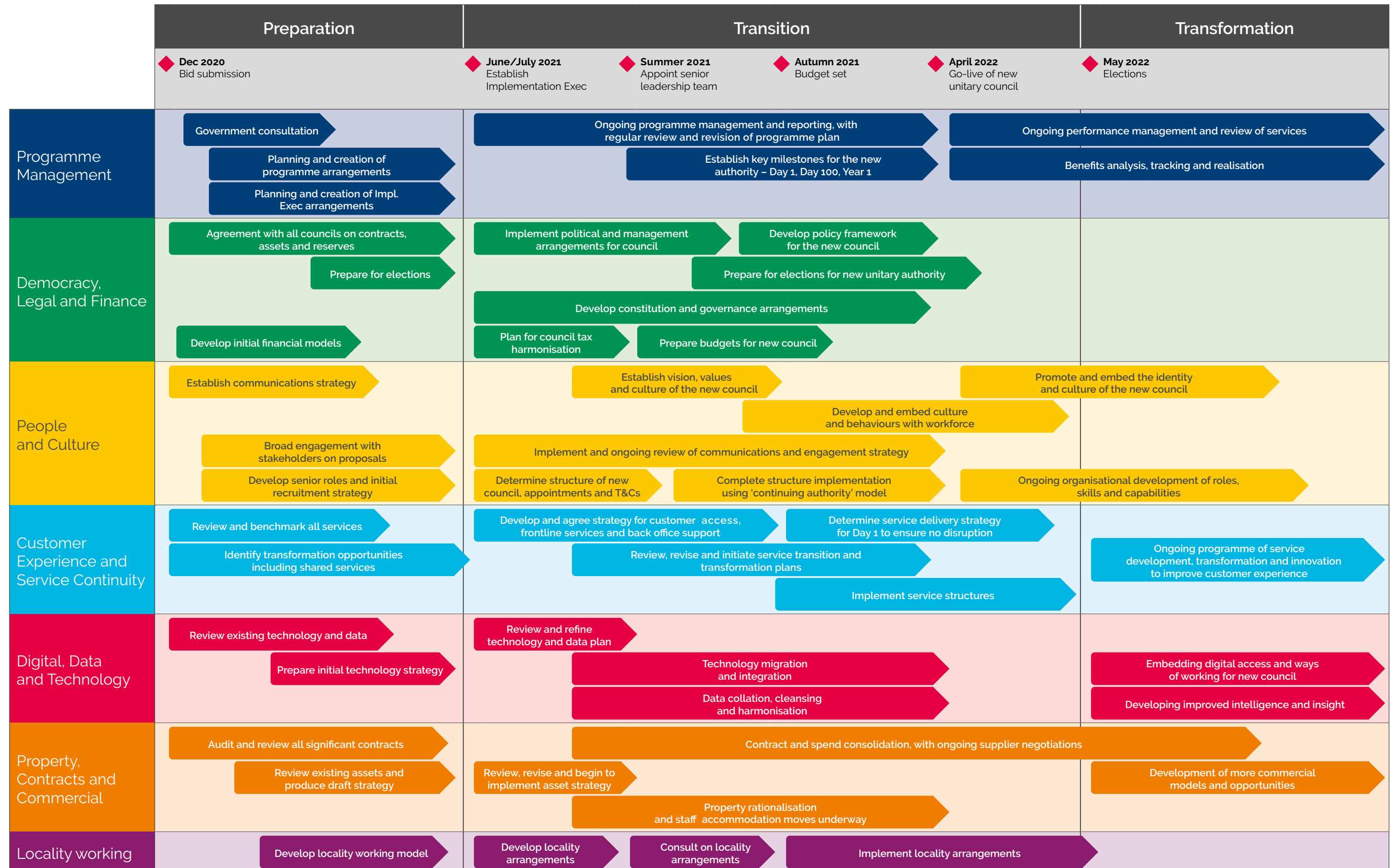
Once the new unitary authority has been successfully established, we will embark on a systematic programme of transformation, which will deliver the overall ambitions set out in this proposal. Building on our existing strengths, this will focus on realising the opportunities offered by establishing a single organisation, including:

- **Empowering our communities**, towns and parishes to maximise their assets and tailor services to meet local needs.
- **Promoting a customer-focused approach** to service design and delivery which puts the customer voice and outcomes at the heart of all our work.
- **Expanding digital innovation** to drive service effectiveness and efficiency, while ensuring access to services through the most suitable channel for our diverse range of customers.
- **Driving an ambitious commercial approach** where appropriate, building on a strong track record in establishing alternative models of service delivery.
- **Developing efficient support service arrangements** including potential shared services, which will optimise overall efficiency and protect delivery of frontline services.

By the end of this stage, we will have achieved:

- **Transformed services** delivering improved outcomes and experiences for customers.
- **Realisation of financial benefits** (initial tranche) as a result of the new unitary authority.
- **Embedding our culture, values and identity** as a new and ambitious organisation.

Our transition and transformation roadmap



Managing risk and realising benefits

The transition and transformation approach that we have set out will establish clear oversight and structured protocols for change, so that we effectively manage the following strategic risks:

| Risk description | Mitigation |
|--|---|
| Stakeholder support: There are many potential interested parties and we recognise the sensitivities regarding our proposal. If these stakeholders are not effectively informed and engaged in the transition and transformation process, then the new authority may lack support and be hindered in its ambition. | We have a strong commitment to wide engagement across our communities, workforce, partners and other stakeholders throughout the transition process. We will establish a detailed communications strategy to keep all stakeholders informed and involved as we plan, design and implement changes. |
| Effective leadership: If there is a lack of clarity on the leadership and decision-making arrangements during the transition process, this may delay implementation activities, increase costs and prevent effective oversight. | We will move swiftly to establish an Implementation Executive to oversee and direct the preparation stage. Establishing an Implementation Executive, with early appointment of a Chief Executive and senior team will provide clear leadership. |
| Service continuity: The existing authorities deliver many vital services, often to vulnerable people. If transition and transformation does not minimise disruption, it may prevent the effective delivery of services and harm public confidence in the new authority. | Our proposal is based around maximising service continuity and minimising disruption by implementing a single unitary authority which does not include the City of York. North Yorkshire County Council acting as the 'continuing authority' will also streamline implementation activities, timescales and costs. |
| Complexity and pace of change: There is a relatively short period of time between a decision on this proposal and anticipated go-live of new arrangements. If there is a lack of preparation or ineffective programme management, there may be an increase in time and costs. | Our proposal establishes clear foundations for us to accelerate into transition and transformation as soon as a decision has been approved. We will establish robust programme management arrangements, informed by our existing good practice, to deliver in a timely and cost-efficient manner. |
| Workforce capacity and morale: The proposal will lead to significant changes for people across the existing organisations. While we believe the future offers significant opportunities, we recognise that if change is not managed effectively and the workforce not sufficiently engaged, this may damage staff morale, disrupt services and limit retention of the relevant skills and roles for the new organisation. | The workforce across all existing organisations will be involved in informing and co-designing our future arrangements from the beginning. While recognising our differences, it is critical that all our people contribute to shaping the purpose, identity and culture of the new organisation. While some uncertainty for staff is unavoidable, the dedicated People and Culture workstream will ensure all concerns and issues are proactively addressed. |

Finally, we will maintain a sharp focus on benefits realisation that will enable us to maximise the full range of opportunities set out in this proposal. This will include establishing a fit-for-purpose organisation which is financially sustainable, delivering significant efficiencies first from reorganisation then strategic transformation, but subsequently through the establishment of a mayoral combined authority.





Conclusion

There is a strong case to reform the current model of local government in North Yorkshire. As a group of eight authorities, we have a good track record of working well together and with external partners. However, we are reaching the limits of what we can achieve under the current arrangements. Establishing a single unitary authority for North Yorkshire will build upon the county's globally recognised identity and enable us to deliver a more ambitious vision. We have a clear plan to reorganise and transform the delivery of public services, while building on our strategic partnership with the City of York Council to form a mayoral combined authority. This will provide a powerful opportunity to transform the region and level up, by driving social and economic recovery and growth. This is the time to take a significant step towards achieving this vision. Establishing a new authority for our county represents a critical step to unlocking our potential.

North Yorkshire has one of the strongest identities of any English county. We are proud of our history and the broader contribution we have made to the UK, including the economy, politics, the arts and sport. Our identity is recognised all over the world for its remarkable culture and sense of community, its landscapes and its brands. Our proposal for a single unitary council will ensure the combined value of these cultural and economic assets is used to maximise benefits for the whole county – the sum of the whole will be far greater than the sum of the parts.

The two-tier model in North Yorkshire has reached the limit of what can be achieved and is now inhibiting our ability to work together effectively. Our current arrangements also make life difficult for our partner organisations. They prevent us from dealing with the deep-rooted challenges and inequalities that stem from our rural and super-sparsely populated geography and social and economic differences between the east and the west of the county. The two-tier structure is also hindering the contribution we could be making to national objectives, such as the need for a rapid and fair economic recovery, the 'levelling up' agenda and the requirement to reform public service provision in its broadest sense.

Most importantly of all, the current structure of local government in North Yorkshire is confusing to our residents, communities and businesses. It is stopping them from reaching their full potential.

- **The two-tier model is too complicated.** It creates competing voices and priorities and strategies across the county. This undermines the case for investment at scale. The current arrangements are confusing to the public, businesses and public sector partners, who are often not clear where accountability lies and from whom they should access services. At times people feel removed or remote from decision making.
- **The two-tier model is less effective than it could be.** The division of capacity and capabilities across organisations leads to inconsistent service performance, as well as limiting the use of our collective resources to maximise outcomes for local people, such as social and economic recovery and growth. In some cases this has compromised the achievement of the best outcomes for the county.
- **The two-tier model is inefficient and unsustainable:** The current local government arrangements create duplication of senior posts and support functions. We are failing to achieve the economies of scale and the best value for money that could be delivered under a single unitary authority. Despite strong local financial management, local government services are under pressure. The existing structural arrangements are inefficient and costly. Change and improvement is often incremental. The COVID-19 pandemic has put further strain on the finances of all the councils in North Yorkshire.

Our proposal is to establish a single unitary authority covering the North Yorkshire area, replacing the current councils

A single unitary council for North Yorkshire would be at the forefront of modern local government and will combine the benefits of:

- Clearer democratic leadership, simplicity and ease of access.
- A globally recognisable identity, culture and natural assets
- Better value for money, consistency, critical mass and economies of scale.
- A revolutionised engagement model with communities and a new model of locality working.
- An enhanced model of local partnership working.
- A better platform for investment, social and economic recovery and growth with a single joined up vision

We want to establish a strong and sustainable unitary authority for the county, which would work effectively with the City of York. The new council would use this as a stepping stone towards the establishment of a mayoral combined authority, which would seek devolved powers and funding from central Government and drive economic recovery and growth.

Leaders and colleagues from local partners, including Health, Police, and the Fire Service are strong advocates of the opportunities offered by a single unitary model, as well as its minimal disruption to existing high-quality services and 245 maintained schools compared to other options. It would allow the creation of stronger, simpler and more effective partnerships with many other partner organisations.

This opportunity will supercharge the region's economy. It will enable a transformation of transport and digital infrastructure, high streets and market towns, whilst boosting housing and business development. It will drive the skills agenda and deliver a green revolution by protecting and developing the county's vast natural assets.

This proposal builds on our strong track record of transformation and strong performance. It sets out a vision for delivery of integrated public services and social action, making local government in North Yorkshire **stronger and simpler, local and effective**, and **efficient and sustainable**.

It will do this by:

- Preventing the break-up of the county's borders, protecting its geography and cultural identity and establishing a stronger and unified voice to represent the county
- Avoiding the disaggregation of existing high performing services, and adding critical mass, resilience and modern digital working practices to others whilst removing duplication and waste
- Focussing on local challenges through the development of locally owned, evidence-led strategies and plans for each locality
- Helping to address our county's biggest challenges including:
 - Social inequality
 - Changing demographics and support needs
 - Digital infrastructure and connectivity.
 - Regeneration of town centres and places.
 - Improving rural transport.
 - Tackling climate change.
 - Employment and economic growth.
 - Housing.

- Investing in modern digital technology and creating simpler and easier to access services to improve the experience of our residents. Embedding local leadership that is more accountable and effective and forming stronger and simpler partnerships with key stakeholders and other organisations.
- Revolutionising locality working and social action through better local engagement, by introducing community networks and devolving power to our communities, town and parish councils.

This proposal provides a once in a generation opportunity to drive the levelling up agenda, by supporting more self-reliant and resilient communities. The new council will be a key leader in a broader local ecosystem of communities and partnerships, charged with creating the conditions for people and places to flourish.

This proposal clearly demonstrates a significant improvement to local government in North Yorkshire. It will create an authority that covers a credible and recognisable geography that people identify with. It has strong support from key stakeholders including the City of York; key external partners including health organisations, the Police, Fire and voluntary and community sector, as well as support from our residents and businesses.

Our proposal will provide the leverage for structural reorganisation as a platform for radically transforming the delivery of public services in North Yorkshire. Building on our successful track record, we want to undertake an ambitious programme that will deliver the recurring net benefit associated with reorganising, as well as the much greater benefits we estimate could be achieved, as a result of transformation. We have a clear plan for how we will achieve this, working closely with our partners and communities, creating a new organisation with clear leadership accountability and mobilising an ambitious programme of change.

This is our opportunity to transform North Yorkshire, to supercharge our economy, communities and partnerships that will enable our county to prosper now and over the long term. Establishing a single unitary authority in the county is the key to unlocking our potential and a critical first step to delivering a more successful future for everyone in North Yorkshire.



Appendix 1

North Yorkshire Data Analysis

| Population | Craven | Hambleton | Harrogate | Richmondshire | Ryedale | Scarborough | Selby | North Yorkshire | England |
|-------------------------------------|--------|-----------|-----------|---------------|---------|-------------|--------|-----------------|---------|
| Total Population (2019) | 57,142 | 91,594 | 160,831 | 53,730 | 55,380 | 108,757 | 90,620 | 618,054 | |
| Area (km2) | 1,177 | 1,311 | 1,308 | 1,319 | 1,507 | 816 | 599 | 8,037 | |
| Density (number of persons per km2) | 49 | 70 | 123 | 41 | 37 | 133 | 151 | 77 | 432 |
| Rural (2011) % | 60 | 81 | 33 | 77 | 77 | 31 | 68 | 55 | |
| Average Age (2019) | 46.5 | 45.9 | 44.3 | 42.6 | 46.2 | 46.0 | 42.2 | 44.8 | 40.2 |

| Health and Social Inequality | Craven | Hambleton | Harrogate | Richmondshire | Ryedale | Scarborough | Selby | North Yorkshire | England |
|--|--------|-----------|-----------|---------------|---------|-------------|-------|-----------------|---------|
| Data from Public Health England Local Authority Health Profiles | | | | | | | | | |
| Life expectancy at birth (male) | 81.1 | 81.8 | 81 | 81.5 | 80.9 | 78.4 | 80.6 | 80.7 | 79.6 |
| Life expectancy at birth (female) | 85 | 85 | 84.6 | 84 | 85.3 | 82.8 | 83.2 | 84.2 | 83.2 |
| Under 75 mortality rate from all causes (per 100,000) | 259 | 244.6 | 279.4 | 266.2 | 277.1 | 359.3 | 300.5 | 287.8 | 330.5 |
| Suicide rate (per 100,000) | 8.8 | 13.1 | 13.2 | 11.1 | 11.7 | 16 | 8.7 | 12.3 | 10.1 |
| Killed and seriously injured (KSI) rate on England's roads (per 100,000 population) | 99.5 | 70.2 | 68.7 | 73.2 | 86.5 | 38.1 | 52 | 65.9 | 42.6 |
| Emergency hospital admission rate for intentional self-harm (per 100,000) | 240.3 | 224 | 163.2 | 145.5 | 148.2 | 309.1 | 126.1 | 194.1 | 193.4 |
| Estimated dementia diagnosis rate (recorded diagnosis aged 65+ as % of those estimated to have dementia) | 68.9 | 56.3 | 75 | 64.9 | 55.4 | 55.2 | 58.1 | 63 | 67.4 |
| Hospital admission rate for alcohol-specific conditions (Under 18 per 100,000) | - | 39.9 | 65.8 | - | 34.4 | 68.2 | 27.6 | 44 | 31.6 |
| Hospital admission rate for alcohol-related conditions (per 100,000) | 766.4 | 611.5 | 691 | 521.3 | 579.3 | 867.3 | 629.5 | 679 | 684 |
| Smoking prevalence in adults (Percentage of 18+) | 12.8 | 13.5 | 14 | 6.31 | 14.6 | 13.6 | 6.81 | 11.9 | 13.9 |
| Percentage of physically active adults | 75.2 | 71.1 | 72.9 | 72.2 | 70.7 | 66.7 | 67.9 | 70.7 | 67.2 |
| Percentage of adults classified as overweight or obese | 64.6 | 62.2 | 56.9 | 62.4 | 57.9 | 64.8 | 72.8 | 62.9 | 62.3 |

| Health and Social Inequality Data from Public Health England Local Authority Health Profiles | Craven | Hambleton | Harrogate | Richmondshire | Ryedale | Scarborough | Selby | North Yorkshire | England |
|---|--------|-----------|-----------|---------------|---------|-------------|-------|-----------------|---------|
| Under 18 conception rate Conceptions in women aged under 18 per 1,000 females aged 15-17 | 8.9 | 8.9 | 10.9 | 11.2 | 12.4 | 22.7 | 13.4 | 12.8 | 16.7 |
| Percentage smoking during pregnancy | 12.3 | 8.14 | 8.07 | 7.49 | 13.6 | 13.7 | 11.6 | 10.5 | 10.6 |
| Percentage breastfeeding initiation | 78.1 | 74 | 83.4 | 70.7 | 72.5 | 60.9 | - | 73.6 | 74.5 |
| Infant mortality rate (Infant deaths under 1 year of age per 1000 live births) | 2.19 | 1.31 | 2.6 | 1.27 | 0.78 | 2.05 | 2.15 | 1.94 | 3.93 |
| Year 6: Prevalence of obesity (including severe obesity) | 18.7 | 17.5 | 14.8 | 16.7 | 17.1 | 18.3 | 18.5 | 17.1 | 20.2 |
| Deprivation score (IMD 2019) | 12.76 | 11.99 | 10.9 | 12.14 | 15.67 | 26.28 | 12.73 | 14.8 | 21.7 |
| Excess winter deaths index (ratio of extra deaths that occur in the winter months compared with the expected number) | 31.8 | 15.5 | 44.6 | 54.9 | 39.4 | 21.9 | 29.9 | 32.1 | 30.1 |
| IMD (Health Deprivation and Disability): Average score (2019) | -0.53 | -0.79 | -0.61 | -0.67 | -0.55 | 0.5 | -0.52 | -0.42 | 0 |
| Fuel Poverty 2020 (BEIS Annual Statistics % of households fuel poor) | 10.6 | 9.5 | 8.3 | 10.4 | 11.7 | 12.1 | 8.3 | 9.9 | 10.3 |
| ONS Annual Population Survey (2020) Life Satisfaction Score (On a scale of 0-10) | 8.13 | 7.68 | 7.73 | 8.24 | 8.12 | 7.63 | 7.56 | 7.79 | 7.66 |
| ONS Annual Population Survey (2020) Happiness Score (On a scale of 0-10) | 8.02 | 7.26 | 7.57 | 8.35 | 7.73 | 7.55 | 7.22 | 7.59 | 7.48 |
| Overall social mobility rank 2017 (out of 324 Local Authorities) | 32 | 99 | 135 | 179 | 240 | 295 | 196 | - | - |
| Early years social mobility rank 2017 (out of 324) | 142 | 74 | 244 | 61 | 289 | 211 | 122 | - | - |
| School social mobility rank 2017 (out of 324) | 31 | 91 | 109 | 161 | 57 | 315 | 250 | - | - |
| Youth social mobility rank 2017 (out of 324) | 37 | 103 | 84 | 120 | 160 | 87 | 262 | - | - |
| Adulthood social mobility rank 2017 (out of 324) | 118 | 268 | 134 | 312 | 297 | 299 | 71 | - | - |

| Boosting Economic Growth, Jobs and Apprenticeships | Craven | Hambleton | Harrogate | Richmondshire | Ryedale | Scarborough | Selby | North Yorkshire | England |
|--|--------|-----------|-----------|---------------|---------|-------------|--------|-----------------|---------|
| Total GVA 2016 (£M) | 1,447 | 2,016 | 3,875 | 899 | 1,235 | 2,059 | 1,930 | - | - |
| GVA per head (£) 2016 | 25,690 | 22,263 | 24,791 | 16,726 | 23,092 | 19,094 | 22,269 | 22,274 | 27,108 |
| Percentage of children in low income families | 7.9 | 9.3 | 5.8 | 7.4 | 9.9 | 18 | 10.3 | 9.8 | 17 |
| Deprivation Score (IMD) ³ | 12.5 | 12.7 | 10.4 | 13.3 | 15.5 | 25.2 | 12.9 | 14.6 | 21.8 |
| Percentage of people aged 16-64 in employment (Labour Force Survey) | 69 | 77.1 | 87.4 | 72.6 | 82.2 | 76.5 | 76.5 | 78.9 | 75.6 |
| Gap in the employment rate between those with a long- term health condition and the overall employment rate (%) | 3.8 | 7.9 | 3.1 | 15.1 | 6.1 | 9.9 | 6.7 | 6.8 | 11.5 |
| Long term claimants of Jobseeker's Allowance over 12 Months (% of claimants) | 6.7 | 14.3 | 2.2 | 11.1 | 12.2 | 33 | 25.7 | 16.1 | 33.9 |
| Economic inactivity rate (% aged 16-64) | 28.2 | 27.9 | 25.8 | 24.9 | 29.1 | 34.2 | 26.1 | 28.1 | 30.1 |
| Unemployment Benefit (JSA and UC) claimants (% May-20) | 4.1 | 3.6 | 4.2 | 3.3 | 4 | 6.7 | 4.2 | 4.3 | 6.5 |
| Jobs density (jobs as a % of the working age population) | 91.1 | 79 | 83.6 | 55.3 | 79.6 | 72.7 | 69.4 | 82.1 | 76.6 |
| IMD (Income): Average score (2019) ³ | 0.07 | 0.07 | 0.06 | 0.06 | 0.08 | 0.14 | 0.08 | 0.08 | 0.13 |
| IMD (Employment): Average score (2019) ³ | 0.06 | 0.06 | 0.06 | 0.05 | 0.06 | 0.13 | 0.07 | 0.07 | 0.1 |
| IMD (Education, Skills and Training): Average score (2019) ³ | 12.24 | 14.66 | 10.34 | 19.46 | 18.38 | 29.34 | 18.67 | 17.23 | 21.69 |

³ A weighted score, the larger the score the more deprived the area. Further detail on the methodology can be found here https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/833951/loD2019_Technical_Report.pdf

| Regenerating Town Centres and Places | Craven | Hambleton | Harrogate | Richmondshire | Ryedale | Scarborough | Selby | North Yorkshire | England |
|---|--------|-----------|-----------|---------------|---------|-------------|-------|-----------------|---------|
| Violent crime - hospital admission rate for violence (including sexual violence) per 100,000 population | 22.2 | 21.3 | 24.8 | 38.6 | 20.8 | 49.2 | 38.5 | 31.6 | 44.9 |
| IMD (Crime): Average score (2019)3 | -1.1 | -1.24 | -0.96 | -1.39 | -1.33 | -0.46 | -0.8 | -0.97 | 0 |
| IMD (Barriers to Housing and Services): Average score (2019)3 | 18.68 | 24.22 | 21.47 | 27.97 | 26.97 | 19.54 | 19.02 | 21.98 | 21.69 |
| IMD (Living Environment): Average score (2019)3 | 33.92 | 22.41 | 22.43 | 19.28 | 34.57 | 28.31 | 14.73 | 24.23 | 21.69 |

| Delivering the Housing Each Community Needs | Craven | Hambleton | Harrogate | Richmondshire | Ryedale | Scarborough | Selby | North Yorkshire | England |
|---|--------|-----------|-----------|---------------|---------|-------------|-------|-----------------|---------|
| Statutory homelessness rate - eligible homeless people not in priority need (per 1,000 households) | 0.48 | - | 0.25 | - | - | 0.26 | 0.27 | 0.23 | 0.79 |
| Households assessed as homeless per (000s) Oct – Dec 2019 | 0.54 | 1.09 | - | 1.42 | 0.99 | 1.52 | 0.81 | - | 1.42 |
| Ratio of median house price to median gross annual residence-based earnings | 8.34 | 8.06 | 8.15 | 6.76 | 8.47 | 6.19 | 6.41 | 7.17 | 7.83 |
| Ratio of median house price to median gross annual workplace-based earnings | 7.62 | 8.96 | 9.04 | 7.4 | 8.91 | 6.17 | 6.72 | 7.66 | 7.83 |
| Ratio of median house price (existing dwellings) to median gross annual residence-based earnings | 7.98 | 7.79 | 7.69 | 6.76 | 8.25 | 6.15 | 5.94 | 6.9 | 7.57 |
| Ratio of median house price (existing dwellings) to median gross annual workplace-based earnings | 7.3 | 8.66 | 8.52 | 7.4 | 8.68 | 6.13 | 6.23 | 7.37 | 7.57 |
| Ratio of median house price (newly built dwellings) to median gross annual residence-based earnings | 12.97 | 8.76 | 11.93 | 8.05 | 10.73 | 7.35 | 8 | 9.17 | 9.62 |
| Ratio of median house price (newly built dwellings) to median gross annual workplace-based earnings | 11.87 | 9.74 | 13.23 | 8.81 | 11.29 | 7.33 | 8.39 | 9.8 | 9.62 |
| Percentage of socially rented homes | 9 | 12.9 | 9.1 | 10.8 | 12.9 | 12.4 | 12 | 12 | 18 |

| Improving Rural Transport | Craven | Hambleton | Harrogate | Richmondshire | Ryedale | Scarborough | Selby | North Yorkshire | England |
|--|--------|-----------|-----------|---------------|---------|-------------|-------|-----------------|---------|
| Average Travel time (mins) to FE College (walking or public transport) | 31.1 | 37.5 | 30.6 | 34.9 | 47.1 | 28.4 | 31.9 | 33.4 | 21 |
| Average Travel time (mins) to GP (walking or public transport) | 23.4 | 29.1 | 20.1 | 20.2 | 32.8 | 15.1 | 21.9 | 22.1 | 13 |
| Average Travel time (mins) to Hospital (walking or public transport) | 57.4 | 51.9 | 45.5 | 75 | 87.4 | 29.3 | 39.5 | 49.6 | 39 |
| Average Travel time (mins) to Secondary School (walking or public transport) | 28.9 | 33.6 | 28.8 | 28.9 | 43.2 | 22.2 | 26.1 | 29.3 | 19 |
| Average Travel time (mins) to Town Centre (walking or public transport) | 28.3 | 31 | 28.3 | 29 | 38.7 | 22.7 | 29.2 | 28.7 | 21 |
| Average Travel time (mins) to Supermarket (walking or public transport) | 16.5 | 23.9 | 14.9 | 18.5 | 27.1 | 10.6 | 14.9 | 17 | 9 |
| Proportion of adults that cycle (for travel) five times per week | 0.5 | 0.8 | 1.5 | 0.9 | 1.6 | 0.6 | 0.8 | 1 | 1.9 |
| Method of travel to work (Train, underground, metro, light rail, tram) | 2 | 1 | 2 | 2 | 1 | 1 | 1 | 1 | 9 |
| Method of travel to work (Bus; minibus or coach) | 3 | 2 | 4 | 2 | 2 | 5 | 2 | 3 | 7 |
| Method of travel to work (Driving a car or van) | 55 | 60 | 57 | 50 | 56 | 50 | 63 | 56 | 54 |
| Method of travel to work (Passenger in car or van) | 6 | 5 | 5 | 5 | 6 | 6 | 7 | 6 | 5 |
| Method of travel to work (Bicycle) | 1 | 3 | 2 | 2 | 3 | 2 | 3 | 2 | 3 |
| Method of travel to work (On foot) | 14 | 13 | 13 | 17 | 11 | 21 | 9 | 14 | 10 |

| Tackling Climate Change | Craven | Hambleton | Harrogate | Richmondshire | Ryedale | Scarborough | Selby | North Yorkshire | England |
|---|--------|-----------|-----------|---------------|---------|-------------|--------|-----------------|---------|
| Average domestic consumption per household (kWh) (2018) | 4167.3 | 4210.8 | 4182.7 | 4407.7 | 4449.9 | 3945.1 | 4084.2 | - | 3794.2 |
| Per Capita CO2 Emissions (t) (Total) | 6.25 | 7.46 | 5.2 | 6.43 | 8.88 | 4.85 | 8.93 | 6.55 | 4.22 |
| Per Capita Industry and Commercial CO2 Emissions (t) | 1.93 | 2.32 | 1.77 | 1.88 | 3.64 | 1.76 | 4.9 | 2.49 | 1.42 |
| Per Capita Domestic CO2 Emissions (t) | 1.81 | 1.77 | 1.79 | 1.68 | 1.84 | 1.71 | 1.62 | 1.74 | 1.42 |
| Per Capita Transport CO2 Emissions (t) | 2.51 | 3.37 | 1.64 | 2.87 | 3.41 | 1.38 | 2.41 | 2.31 | 1.38 |
| CO2 emissions per km2 (kt) (Total) | 0.3 | 0.52 | 0.64 | 0.26 | 0.32 | 0.64 | 1.32 | 0.5 | 1.78 |
| Industry and Commercial CO2 Emissions per km2 (kt) | 0.09 | 0.16 | 0.22 | 0.08 | 0.13 | 0.23 | 0.73 | 0.19 | 0.6 |
| Domestic CO2 Emissions per km2 (kt) | 0.09 | 0.12 | 0.22 | 0.07 | 0.07 | 0.23 | 0.24 | 0.13 | 0.6 |
| Transport CO2 Emissions per km2 (kt) | 0.12 | 0.23 | 0.2 | 0.12 | 0.12 | 0.18 | 0.36 | 0.18 | 0.58 |



Appendix 2

York and North Yorkshire Strategic Partnership

Background

North Yorkshire County Council (NYCC) are submitting a proposal to Government to create a new Unitary Council for the County of North Yorkshire. City of York Council (CYC) are submitting a proposal to Government to maintain the existing Unitary Council for the City of York and does not support inclusion within any proposed model by the District Councils of North Yorkshire. Both councils are fully supportive of a devolution deal for the York and North Yorkshire economy and the creation of a Mayoral Combined Authority (MCA). **There is joint agreement between both councils that this is best achieved by establishing a new unitary council for North Yorkshire and the City of York Council retaining its existing footprint alongside a commitment to broaden the scope of collaboration to leverage the strengths of both councils.**

There is already a good history of collaboration between North Yorkshire County Council and the City of York Council and both councils see devolution and the associated reform of local government as an opportunity to build upon this collaboration. Both recognise that the city of York plays a key role in the economic make-up of the North Yorkshire hinterland but also that there are clear differences between York and the County of North Yorkshire.

The City of York Council and North Yorkshire County Council as part of its submission for local government reform, proposes the creation of a York and North Yorkshire strategic partnership that will complement the joint work at MCA level. A strategic partnership provides the opportunity to bring both councils together to build upon this collaboration at greater scale; to embrace the diversity; and to avoid the unnecessary costs and dis-benefits of disruption of changes to York.



Strategic Partnership Principles

The following are suggested principles that would underpin the partnership:-

- We will remain sovereign bodies respectful of the strengths that both partners bring to the partnership, to the MCA and to the wider economic and social makeup of the York and North Yorkshire sub-region.
- We will utilise the specific strengths of each authority to support the other, through a range of collaborative approaches, from sharing of services through to acting as a critical friend.
- For those aspects of previous District responsibility, CYC will support transition arrangements for the new NY unitary, giving consideration to sharing of services where there is benefit in doing so.
- We will consider any potential efficiencies as part of forming new partnership working arrangements.
- We will use the future MCA as a vehicle for delivery of shared models of working where they relate to the priorities of the MCA. Other areas of governance will build upon other joint arrangements and will be proportionate.
- We will work jointly as part of the approach to recovery from the COVID-19 pandemic creating a stronger and more effective response.
- We will come together as equals regardless of population, land mass and GVA output.
- Collaboration will not be limited to York and North Yorkshire. We will collaborate more broadly where this makes sense.
- We will be agile in our approach to collaboration. Success will be judged in the medium to long term and not solely on individual ventures.

Benefits of this approach

- Delivers benefits of greater scale whilst minimising disruption
- Enhances efficiency and helps to further reduce costs
- Enhances sustainability of both councils
- Allows for sharing of specialisms and leading practice
- Reinforces collaboration at the MCA
- Respects differences and political sovereignty
- Provides framework to enrich planning and strategy (diversity of thinking)
- Provides flexibility to support the delivery of services at the most appropriate scale.

Areas of existing collaboration

There are already a range of collaborative areas that involve the current North Yorkshire County Council and the City of York Council including –

- Shared Health & Safety Service
- Shared use of some HR support & HR advisory support for schools
- Joint founding shareholders in Veritau – internal audit & fraud management
- Joint shareholders in Yorwaste (waste management company) and partners in the public private partnership of the Allerton Park Waste Recovery Plant
- Shared management arrangements for adult education services
- Shared Emergency Duty Team for out of hours social care response
- Coroners service – shared arrangements
- Various other shared specialist services (e.g. Trading Standards, bridges)

In addition, both have a shared commitment to work within the Humber Coast and Vale Integrated Care System as part of the York and North Yorkshire System Leadership Executive.

The areas above demonstrate a maturity of relationship and a sound base upon which to build additional shared ventures for mutual benefit, notwithstanding the recognition that there are real differences and it will not always be appropriate to have deeper collaboration.

Areas of immediate identification for collaboration include the following

The following areas are recognised as areas of further more immediate opportunity:

Responding to Emergencies & COVID-19 – recent emergencies, notably COVID-19 and flooding, have seen both councils work closely together in the same Local Resilience Forum. This has identified further opportunities to collaborate on emergency planning, flood management, and public health support resilience of services and the ability to work collectively during an emergency as part of the York & North Yorkshire LRF, particularly with just two councils rather than the current nine and the complexity of responsibilities this brings.

Strategic Planning & Housing – working as two councils alongside a mayoral combined authority will increase the ability to have a clearer shared strategic plan to inform priorities and development. As part of this, we will be able to explore housing opportunities both at strategic planning and delivery level, considering council housing and wider housing delivery to meet the shared requirements across boundaries.

Working in a New Health & Care System – as strong players and partners within the Humber Coast and Vale Integrated Care System, and as part of the York and North Yorkshire System Leadership Executive, there would be enhanced scope to explore joint opportunities with health partners at both local and sub-regional level. This could include the development of health population data, strategic approaches to the Better Care Fund, managing the risk of the care market and managing Continuing Health Care pressures. Further medium to long term transformational opportunities could also be built upon this new springboard for greater integration and collaboration across the health and care systems, linking into the development of the emerging Integrated Care Partnership on a York and North Yorkshire footprint.



Equality impact assessment (EIA) form: evidencing paying due regard to protected characteristics

(Form updated April 2019)

If you would like this information in another language or format such as Braille, large print or audio, please contact the Communications Unit on 01609 53 2013 or email communications@northyorks.gov.uk.



যদি আপনি এই ডকুমেন্ট অন্য ভাষায় বা ফরমেটে চান, তাহলে দয়া করে আমাদেরকে বলুন।

如欲索取以另一語文印製或另一格式製作的資料，請與我們聯絡。

اگر آپ کو معلومات کسی دیگر زبان یا دیگر شکل میں درکار ہوں تو برائے مہربانی ہم سے پوچھئے۔

Equality Impact Assessments (EIAs) are public documents. EIAs accompanying reports going to County Councillors for decisions are published with the committee papers on our website and are available in hard copy at the relevant meeting. To help people to find completed EIAs we also publish them in the Equality and Diversity section of our website. This will help people to see for themselves how we have paid due regard in order to meet statutory requirements.

| | |
|---|--|
| Name of Directorate and Service Area | Central Services |
| Lead Officer and contact details | Stephen Lilgert Strategy and Performance 01609 534370 stephen.lilgert@northyorks.gov.uk |
| Names and roles of other people involved in carrying out the EIA | Steve Evans, Simon Moss, Deborah Hugill, Sue Wharam, Tony Law, David David and Barry Khan. |
| How will you pay due regard? e.g. working group, individual officer | This EIA document relates to the business case that will be submitted to government. It provides a review of the potential impacts of County Council's preferred option along with |

| | |
|--|--|
| | <p>a short assessment of the other options considered.</p> <p>The document is at a high level as ultimately any changes and associated equalities assessments post-reorganisation will be the responsibility of the new organisations.</p> <p>Assessments for this document were carried out by the Strategy and Performance teams that support the business service areas.</p> <p>It is also not possible, at this point, to provide an in-depth review of all services that will be impacted by the move to unitary status. The creation of action plans for the transition of services will be the responsibility of the new unitary.</p> |
| When did the due regard process start? | Due regard has been taken with regard to the submission of the document. It is important to note that it will be for Government as the decision taker to determine which way to progress any proposals. |

Section 1. Please describe briefly what this EIA is about. (e.g. are you starting a new service, changing how you do something, stopping doing something?)

Negotiations with the Government for a devolution deal for North Yorkshire and York had reached an advanced stage when Government made raised the proposals of unitary local government as being integral in paving the way for the best devolution deal. This EIA is about considering the impact of submitting a proposal for a single unitary authority for North Yorkshire and leaving the boundaries of the City of York as they are. It will be for Government to determine after their own considerations and public consultation on which proposal to take forward.

Section 2. Why is this being proposed? What are the aims? What does the authority hope to achieve by it? (e.g. to save money, meet increased demand, do things in a better way.)

The expectation is that the County Council's preferred option of a single unitary for all of North Yorkshire will save £30.2m annually based on reorganisation only and raising to £67m annually with full transformation and reorganisation.

Streamlining the service delivery will make local government in North Yorkshire;

- stronger and simpler,
- more local and effective,
- more efficient and sustainable

In addition if reorganisation paves the way for a devolution deal, then currently the proposed devolution deal is requesting around £2.4bn of funding, including a gain share of £750m (£25m per annum for 30 years).

Section 3. What will change? What will be different for customers and/or staff?

It is important to note that the current proposal is to simply request Government to consider the change and it is not the Council that will determine the change. However if Government proceed with the proposal at a later date, the existing two-tier delivery of local government services will change to a single unitary authority that will serve the whole county. In addition to the significant savings that will be made from this, there is the opportunity to improve the way in which services are delivered as identified in the Case for Change.

A two-tier council adds complexity to the delivery of services particularly when an individual receives services from both tiers. This is particularly prevalent in those with protected characteristics.

For example, a vulnerable person who is in receipt of a social care package from the county may also live in council accommodation and receive benefits managed by the district. A single tier authority will provide these socially connected, but currently disparately managed, services in a single place simplifying service delivery and reducing the potential for confusion. The person will also have the benefit of a single point of contact.

The key point in the Case fo Change's preferred option is that there will be broadly no change to the way in which core services such as Adult Services, Children's Services, Maintained Schools, Highways and Passenger Transport are delivered. Given that persons with protected characteristics are primary users of such services then any overall impact is significantly reduced.

As part of the process, a number of other options were considered for how to deliver a workable unitary solution. With the exception of retaining a slightly enhanced two-tier structure, all required the splitting of the existing county services, including those core services above. Other options that include the City of York further complicated the transition with a predominantly rural set of services being merged with a predominantly urban set.

While ultimately some of the benefits of the other unitary options would accrue, it is the transition period where the fully functional countywide services with their associated standards, management structure and back-office infrastructure will be broken up into at least two pieces. This long-term disruption will create uncertainty for those people most dependent on the services and hence must be included in this assessment of the non-preferred options.

From an organisation point of view, the transition to a unitary authority will have an impact on staffing levels and structures. As part of this transition then there will be impacts on all service functions. The retention of a single unitary across all seven districts smooths this impact since the existing services are likely to have minimal disruption compared to the alternatives. Splitting core services as per the rejected options adds further uncertainty by breaking up the teams at new boundary points.

Section 4. Involvement and consultation (What involvement and consultation has been done regarding the proposal and what are the results? What consultation will be needed and how will it be done?)

At present, this document is high level and is concerned with the submission of the business case to government for their decision. Currently consultation is defined in the Case for Change. Once Government has received all the proposals, it can choose which proposals (or all of the proposals) to consult with the public upon.

It will be then for the relevant organisations to carry out the transitional arrangements to ensure a smooth transition.

The Case for Change’s preferred option should require fewer transition arrangements since the County’s services will be largely unaffected and can, in any interim period operate as they do now. For those people dependent on these services specifically those referred to in this EIA there will be a consistent service through the process. The process of assimilating the services provided by the seven borough and district councils need to be managed to ensure that there is as minimum as a disruption as possible but it is noted that their services will not be split but rather brought together with other borough and district authorities. In such cases then involvement and consultation will take place to ensure that any disruption has the least impact on those who depend on the services and to implement improvements in accordance with the Case for Change.

For those unselected options, where the services are split, it is likely that involvement and consultations are longer and more involved during the transition period due the need to define new management and service delivery methods. This uncertainty has the potential risk to see vulnerable persons “fall through the cracks” during the lengthy process.

Section 5. What impact will this proposal have on council budgets? Will it be cost neutral, have increased cost or reduce costs?

The proposal, financially, is largely split into three areas.

- The overall cost of the transition from the current arrangements to the new unitary using a variety of options
- The potential long term savings after the transition to the unitary
- Additional investment that would be available for being a part of the combined York and North Yorkshire combined authority (this relates to the separate Devolution deal where the Councils collectively are asking for £2.4bn from Government)

As part of the business case, PwC have prepared a series of figures that give the estimated annual net benefit of the options considered in the business case. These figures are summarised in the table below.

| Option | Reorganisation only | Reorganisation and transformation (base case) | Reorganisation and transformation (stretch case) |
|--|---------------------|---|--|
| Optimised two tier county council | - | - | - |
| Single unitary replaces current county council (preferred option) | £30m | £50m | £67m |
| Splitting the county council into two unitaries | £11m | £29m | £43m |
| Splitting the county council into two unitaries (including City of York council) | £16m | £34m | £48m |

As can be seen, the annual net benefit is significantly higher with the preferred solution. These additional benefits would be available to the new authority to spend where it felt that the best use could be made.

The additional funding that would flow to the region as part of a Combined Authority deal would be similar irrespective of the chosen governance model, but there may be an impact on timing as it is considered that the preferred option is able to be delivered more quickly and simply than other options as it relies on a continuing authority model which may attracting the funding into the area earlier.

For further detail, models and explanations refer to the Case for Change at Appendix 1 of the Report

| Section 6. How will this proposal affect people with protected characteristics? | No impact | Make things better | Make things worse | Why will it have this effect? Provide evidence from engagement, consultation and/or service user data or demographic information etc. |
|---|-----------|--------------------|-------------------|--|
| Age | | X | | <p>North Yorkshire has a lower proportion of young people than the national average – 29.9% under 25 compared to 31.25% nationally.¹ In 2016 1.7% of 16 – 17 year olds were identified as NEET (Not in Employment, Education or Training). The percentage across the UK who were NEET was 4.3%.² Nationally the unemployment rate for 16-24 year olds is high. The unemployment rate for people aged 16 and over for the UK was 4.3%, for the period August to October 2017.²</p> <p>In 2019 24.73% of the county's adult population was over the age of 65. This is higher than the national percentage of 18.39%. Every year the population of older people increases, and with it the demand for the care and support which the council provides. By 2035, 32.60% of North Yorkshire's total population will be aged 65+ and 5.97% will be aged 85+.</p> <p>Nationally 23.26% will be 65+ and 4.05% will be 85+ by 2035.</p> <p>The outcomes we want for children and young people include great education, good career choices with access to relevant skills, living safely and happily, and being healthy. Our proposal will avoid disruption to services</p> |

¹ Office for National Statistics Population Estimates mid-2017

² GOV.uk end 2016

| | | | |
|------------|---|---|--|
| | | | <p>to support these outcomes and allow the considerable financial savings to be reinvested into those services.</p> <p>Our ambitions for older people are that they have control and choice in relation to their health, independence and social care support, and can access good public health services and social care. We also want vulnerable people to be safe, with individuals, organisations and communities all playing a part in preventing, identifying and reporting neglect or abuse. Our proposal will avoid disruption to services to support these outcomes and allow the considerable financial savings to be reinvested into those services.</p> <p>For all age groups we have identified opportunities to join up previously disparately provided services to add value and improve outcomes. For example bringing together leisure provision and public health.</p> |
| Disability | | X | <p>North Yorkshire has a lower proportion of people with a disability or long term limiting illness whose day-to-day activities are limited a lot of 19.3%, against the national average of 23.69%.³ However this will rise to 20.89% of the 65+ population in North Yorkshire, against a national average of 24.86%.</p> <p>Our ambitions for disabled and other vulnerable people are that they will be safe, live longer, healthier, independent lives and that we ensure that people have more choice and control over support to meet their social care needs. Our proposal will avoid disruption to services to support these outcomes and allow the considerable financial savings to be reinvested into those services.</p> <p>We have also identified opportunities to join up previously disparately provided services to add value and improve outcomes. For example, bringing together social care and housing adaptations.</p> |
| Sex | X | | <p>At county level the proportion of females is slightly higher (50.7%) than that of males (49.3%)⁴. This pattern is reflected across all</p> |

³ Poppi 2019

⁴ Office of National Statistics Mid-2017 population estimates

| | | | | |
|---------------------|---|--|--|---|
| | | | | <p>districts, with the exception of Richmondshire where the large number of predominantly male military personnel has the effect of reversing the proportions.</p> <p>There were 13,648 lone parent households in North Yorkshire in 2011⁵, of which 11,958 had a female lone parent (87.6%).</p> <p>Our proposal will avoid disruption to services and allow the considerable financial savings to be reinvested in the front line.</p> |
| Race | X | | | <p>North Yorkshire has a much lower proportion (2.65%) of Black or Minority Ethnic (BME) citizens than the national average (14.57%)⁶ according to the 2011 census.</p> <p>Our proposal will avoid disruption to services and allow the considerable financial savings to be reinvested in the front line.</p> |
| Gender reassignment | X | | | <p>The Gender Identity Research and Education Society (GIREs) suggests that across the UK:</p> <p>1% of employees and service users may be experiencing some degree of gender variance. At some point, about 0.2% may undergo transition (i.e. gender reassignment). Around 0.025% have so far sought medical help and about 0.015% have probably undergone transition. In any year 0.003% may start transition.</p> <p>Our proposal will avoid disruption to services and allow the considerable financial savings to be reinvested in the front line.</p> |
| Sexual orientation | X | | | <p>The government estimates that 5 – 7% of the population are gay, lesbian or bisexual. We have no evidence to suggest that this is not the case in North Yorkshire.</p> <p>Our proposal will avoid disruption to services and allow the considerable financial savings to be reinvested in the front line.</p> |
| Religion or belief | X | | | <p>North Yorkshire has higher levels of Christians (69%) than the national average (59%), and lower levels of all other religions than the national average. Percentages of those with no religion or not stating their</p> |

⁵ Census 2011

⁶ 2011 census

| | | | | |
|-------------------------------|---|--|--|---|
| | | | | <p>religion are broadly similar to the national average. (2011 census)</p> <p>Our proposal will avoid disruption to services and allow the considerable financial savings to be reinvested in the front line.</p> |
| Pregnancy or maternity | X | | | <p>In 2017 there were 5441 live births in North Yorkshire. The conception rate per 1000 for 15 – 17 year olds was 12.9. This is below the rate for England (18.2). In 2017 4786 live births (88%) were to mothers born in the UK. 654 live births (12%) were to mothers born outside the UK.</p> <p>Our proposal will avoid disruption to services and allow the considerable financial savings to be reinvested in the front line.</p> |
| Marriage or civil partnership | X | | | <p>A higher percentage of North Yorkshire's population is married or in a civil partnership (53.7%) than the national average (46.8%).⁷ (2011 census)</p> <p>Our proposal will avoid disruption to services and allow the considerable financial savings to be reinvested in the front line.</p> |

| Section 7. How will this proposal affect people who... | No impact | Make things better | Make things worse | Why will it have this effect? Provide evidence from engagement, consultation and/or service user data or demographic information etc. |
|---|------------------|---------------------------|--------------------------|--|
| ..live in a rural area? | | X | | <p>The population in North Yorkshire is generally sparser than the national average (0.76 people per hectare as opposed to 3.14 nationally). In some parts of the county this is lower still (Ryedale 0.36, Richmondshire 0.40)⁶. Distance travelled to access services is further than the national average. The Lower Super Output Area (LSOA) which covers the Dales ward in Ryedale is the most deprived in England for Geographical Barriers to Services.⁸</p> <p>Rurality can also mean higher costs for such things as fuel for heating.</p> <p>We want North Yorkshire to have more resilient, resourceful and confident</p> |

⁷ 2011 census

⁸ Index of Multiple Deprivation, Indices of Deprivation 2015

| | | | |
|-----------------------|--|---|--|
| | | | <p>communities co-producing with a new unitary authority. This is particularly important in rural areas where provision of traditional services is likely to change.</p> <p>Our proposal will avoid disruption to services to support these outcomes and allow the considerable financial savings to be reinvested into those services. Services will continue to be delivered locally from existing offices. It will allow the geography of North Yorkshire to stay in tact which will allow resources to be delivered at scale and provide better resources to rural areas.</p> <p>It will also devolve decision making to local areas giving communities more say and power to influence decision making and shape the place in which they live.</p> <p>We have also identified opportunities to join up previously disparately provided services to add value and improve outcomes for those in rural areas.</p> |
| ...have a low income? | | X | <p>At local authority level North Yorkshire is among the least deprived in England⁷. Figures for long term unemployment in North Yorkshire (0.1%) are lower than the national average (0.4%)⁹. However, North Yorkshire has a number of lower super output areas within the 20% most deprived in England (23 in 2015, rising from 18 in 2010) and three LSOAs in Scarborough town are within the most deprived 1% in England.⁷</p> <p>The percentage of the working age population who claim out of work benefits in North Yorkshire is 1.7%, compared to a Great Britain percentage of 2.9% (Nomis – ONS November 2019)</p> <p>Our proposal acknowledges the pockets of deprivation in the county and the need for a new unitary authority to have the scale to target resources to areas of greatest need. Other options which split the county east and west would leave the east with higher deprivation and need without the scale and resource to address these issues. Our proposal is</p> |

⁹ November 2017, ONS

| | | | | |
|--|--|---|--|---|
| | | | | <p>also the most effective and quickest route to a devolution deal which will bring considerable funding and powers to the region and allow levelling up across the county.</p> <p>Our proposal will avoid disruption to services and allow the considerable financial savings to be reinvested into those services. Services will continue to be delivered locally from existing offices, meaning that resources will be available in the areas of greatest need.</p> <p>The proposed devolution deal has strong economic commitments and targets through sustainable growth. Improved job opportunities could impact positively on those on a low income.</p> |
| ...are carers (unpaid family or friend)? | | X | | <p>Carers' allowance claimants make up 0.9% of North Yorkshire's population.¹⁰ This is lower than the average for England (1.3%) but there are variations across the county with the highest percentage being in Scarborough (1.4%). It is likely, however, that these figures do not reflect the true number of people carrying out caring roles in the county as many do not claim allowances.</p> <p>Our proposal will avoid disruption to services to support outcomes for vulnerable people and allow the considerable financial savings to be reinvested into those services.</p> <p>The identified opportunities to join up previously disparately provided services to add value and improve outcomes will also positively impact on carers due to the anticipated positive impacts for those they are caring for.</p> |

| | |
|---|---|
| Section 8. Geographic impact – Please detail where the impact will be (please tick all that apply) | |
| North Yorkshire wide | The super sparsely populated geography of large parts of North Yorkshire presents challenges in the delivery of all services. The provision of key health & adult and children's services, along with areas such as passenger transport, highways and libraries must overcome |

¹⁰ May 2017, ONS

| | |
|--|---|
| | <p>these challenges. The economic geography also manifests itself across the region with relatively wealthy areas contrasting with some small but significant areas of deprivation.</p> <p>The County Council's method of meeting these challenges has always been based on local teams delivering services using local knowledge and experience. This delivery backed up by a consistent centralised set of standards across the whole county.</p> <p>During the transition phase from the current organisational structure to the new unitary, continuity of service is key. For those most vulnerable people who may have a great reliance these services, consistency and minimisation of impact during any this time is vital.</p> <p>Of the options included as part of the business case, only one can truly deliver and form of transformation with minimal impact and this is the preferred option.</p> <p>The majority of services that have an equalities impact on people, are already provided by the County Council. The preferred option sees no practical change to the way in which these services operate during the initial transformation. Continuity is retained and changes are largely administrative.</p> <p>This is important as a basis for when the district provided services are assimilated into the major provision to create a single, seamless service delivery.</p> <p>Options that involve splitting the county will see the breaking apart of the existing high performing services before being reformed into the new unitary authorities. Furthermore, these new authorities still have to manage the overarching rurality of the county.</p> <p>This will cause significant uncertainty amount all residents but in particular those who depend on the services most. There is also the loss of a consistent set of standards across the county</p> <p>Options that involve the City of York as part of a unitary authority further increase the complexity of the transition. Specifically the differences in delivering services to a rural area and delivering services to an urban area.</p> |
| <p>If you have ticked one or more districts, will specific town(s)/village(s) be particularly impacted? If so, please specify below.</p> | |
| <p>The preferred option chosen has the potential to improve services since its concentration is more targeted at a local level with localities, communities, town and parish councils having a far greater role in service delivery where they want it</p> | |

Section 9. Will the proposal affect anyone more because of a combination of protected characteristics? (e.g. older women or young gay men) State what you think the effect may be and why, providing evidence from engagement, consultation and/or service user data or demographic information etc.

The proposal has no additional impacts on combinations of protected characteristics that are not covered above.

| Section 10. Next steps to address the anticipated impact. Select one of the following options and explain why this has been chosen. (Remember: we have an anticipatory duty to make reasonable adjustments so that disabled people can access services and work for us) | Tick option chosen |
|--|---------------------------|
| 1. No adverse impact - no major change needed to the proposal. There is no potential for discrimination or adverse impact identified. | X |
| 2. Adverse impact - adjust the proposal - The EIA identifies potential problems or missed opportunities. We will change our proposal to reduce or remove these adverse impacts, or we will achieve our aim in another way which will not make things worse for people. | |
| 3. Adverse impact - continue the proposal - The EIA identifies potential problems or missed opportunities. We cannot change our proposal to reduce or remove these adverse impacts, nor can we achieve our aim in another way that will not make things worse for people. (There must be compelling reasons for continuing with proposals that will have the most adverse impacts. Get advice from Legal Services) | |
| 4. Actual or potential unlawful discrimination - stop and remove the proposal – The EIA identifies actual or potential unlawful discrimination. It must be stopped. | |
| <p>Explanation of why option has been chosen. (Include any advice given by Legal Services.)</p> <p>The County Council's preferred option to be submitted to Government is for a single unitary authority for North Yorkshire to replace the county, district and borough councils, and work alongside the existing City of York Council. This option has been chosen because the anticipated equality impacts are neutral or positive, in comparison to other options that involve splitting services for vulnerable people for which negative equality impacts are anticipated. This option also provides the largest savings that can be reinvested into frontline services for vulnerable people.</p> | |

Section 11. If the proposal is to be implemented how will you find out how it is really affecting people? (How will you monitor and review the changes?)

This EIA is concerned with the potential impacts that may occur and the mitigations in place for the business case that recommends the preferred option of creating a single unitary from the existing seven districts.

Implementation of any these changes would be a task for the new organisation as part of the transformation. Similarly, monitoring the impact of these changes on the people would be a key part of the assessment of the new organisation.

Section 12. Action plan. List any actions you need to take which have been identified in this EIA, including post implementation review to find out how the outcomes have been achieved in practice and what impacts there have actually been on people with protected characteristics.

This EIA is a high-level view of the potential equalities impacts identified as part of the business case to move towards a unitary authority. It is the responsibility of the chosen governance model for North Yorkshire.

It is certain that there will be a detailed action plan for how the services will transition to the new governance model and this will include impacts on people with protected characteristics.

One of the benefits of the preferred option is the continuity of key services currently delivered by the County Council such as adult services and children's. This limits the potential impact on the people with protected characteristics.

| Action | Lead | By when | Progress | Monitoring arrangements |
|--------|------|---------|----------|-------------------------|
| | | | | |
| | | | | |
| | | | | |

Section 13. Summary Summarise the findings of your EIA, including impacts, recommendation in relation to addressing impacts, including any legal advice, and next steps. This summary should be used as part of the report to the decision maker.

This document sets out to provide a high-level equalities impact assessment for the transformation of local government within North Yorkshire. The preferred option of a single unitary covering all of North Yorkshire would have the least impact as part of the overall transformation process.

A large number of the services provided to North Yorkshire is through the County Council. Specifically those services that support a great many people with protected characteristics including Adult Services, Children's Services and passenger transport. The transition to the new single unitary would initially retain these services "as is" significantly reducing the impact on those people with protected characteristics. This would smooth the assimilation of district functions.

Other options that split the county would see a major disturbance in the continuity of delivery and possibly a change in overall standards with one half receiving a different standard of delivery to the other.

Section 14. Sign off section

This full EIA was completed by:

Name: Stephen Lilgert
Job title: Senior Strategy and Performance Officer
Directorate: Business and Environmental Services
Signature: Stephen Lilgert

Completion date: 24.10.20

Authorised by relevant Assistant Director (signature): *Barry Khan*

Date: 26th October 2020



Ministry of Housing,
Communities &
Local Government

Simon Clarke MP
Minister for Regional Growth and Local Government

**Ministry of Housing, Communities and Local
Government**
Fry Building
2 Marsham Street
London
SW1P 4DF

Cllr Carl Les
Cllr Angie Dale
Cllr Keane Duncan
Cllr Richard Cooper
Cllr Keith Aspden
Cllr Steve Siddons
Cllr Richard Foster
Cllr Mark Robson
Cllr Mark Crane

Tel: 0303 444 3440
Email: Simon.Clarke@communities.gov.uk

www.gov.uk/mhclg

29 June 2020

Dear Councillors,

I want to start by thanking you and your colleagues for the huge efforts you are making as part of the nationwide campaign to tackle Covid-19. This situation is unprecedented and it is vital that you continue your work to protect residents and maintain essential services. It is clear that this work will carry on for some time yet, but the importance of economic recovery will undoubtedly grow as the weeks go by.

The Government sees the devolution agenda as an important part of this phase, helping to drive economic growth across the country and deliver our ambition to level up opportunity and living standards. As you know, we agreed a major devolution deal with West Yorkshire at budget and we are working hard to implement both this and the Sheffield City Region deal. We want to see devolution in all parts of Yorkshire and share your ambition that York and North Yorkshire should not be left behind. The current Covid-19 crisis, and its economic impact, increases the need and urgency for delivering that ambition.

We recently held constructive discussions where I expressed our determination to move at pace on this issue, and I am pleased that you have reached agreement locally on the need to get a deal done. The Secretary of State and I recognise there are different views among you regarding the need for structural reform of local government at this time. However, as we continue to consider these issues, in the context of developing our white paper, we are seeing unitary local government reorganisation and establishing a Mayoral Combined Authority as being integral to the reforms of our local institutions designed to facilitate economic recovery and deliver our levelling up agenda. We will be announcing these reforms and our wider policy on levelling up and English devolution in our white paper which will include making clear our expectations on devolved governance.

I am looking forward to meeting you next week to discuss your asks and these issues in more detail.

SIMON CLARKE MP