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WELWYN HATFIELD BOROUGH COUNCIL CABINET – 4 MARCH 2025 REPORT OF THE CHIEF EXECUTIVE

LOCAL GOVERNMENT REORGANISTION - INTERIM PLAN SUBMISSION

1 <u>Executive Summary</u>

- 1.1 On 16 December 2024, the government published a white paper on English devolution and reform to local government, setting out the potential for the most significant reforms to local government since the Local Government Act 1972.
- 1.2 The White Paper covers new transport, employment, housing, business and environmental policies, but also focuses on two aspects of reforming and joining-up public services through:

• Widening and broadening devolution across England through the creation of new Strategic Authorities and;

• A programme of local government reorganisation to create new unitary councils across two-tier areas

- 1.3 On 5 February 2025, the Minster of State for Local Government and English Devolution wrote a letter to the Leaders of all District and Borough Councils in Hertfordshire and Hertfordshire County Council, formally inviting them to develop a proposal for local government reorganisation for the area, setting out further detail on the criteria, guidance for the development of proposals, and the timeline for the process. A copy of the letter can be found in Appendix A.
- 1.4 In order to comply with the Government's request to submit an interim plan for local government organisation in Hertfordshire by 21 March 2025, the purpose of this report is to seek delegated authority to be given to the Leader of the Council to submit a plan on behalf of Welwyn Hatfield Borough Council.

2 <u>Recommendation(s)</u>

2.1 That Cabinet agrees for delegated authority to be given to the Leader of the Council, in consultation with Deputy Leader, to submit an interim plan to Government by 21 March 2025 for Local Government Reorganisation in Hertfordshire.

3 Explanation

- 3.1 The current government has made devolution a priority and the White Paper published in December 2024 sets out plans to create a new network of Strategic Authorities that will cover the whole of England.
- 3.2 These Strategic Authorities will have populations of at least 1.5 million people and responsibilities linked to transport and local infrastructure; skills and employment; housing and strategic planning (not determining planning

applications); economic development and regeneration; environment and climate change; health and wellbeing; and public safety.

- 3.3 A Strategic Authority will also cover a 'sensible' economic geography with a sense of identity'. It needs to be contiguous for all of the constituent authorities. It is the government's desire for a Mayor to lead a Strategic Authority. They want local areas to propose plans for devolution but they will use Ministerial Directives to force this to happen if places do not come up with appropriate proposals.
- 3.4 Hertfordshire did not apply to become a Devolution Priority Place (DPP). A DPP area has to commit to have a Mayoral Strategic Authority with a plan to have the elections for the Mayor in 2026. Therefore, there is more time to develop proposals for a strategic authority covering Hertfordshire and a further update will be provided once firmer proposals are available.
- 3.5 As part of its plans for devolution, the Government has announced a programme of local government reorganisation that will replace all two-tier county and district councils and small or failing unitaries with new unitary councils that have populations of at least 500,000 people. These much larger unitary structures would then join together in groups to form Strategic Authorities.
- 3.6 Hertfordshire is a two-tier area as there are ten district and borough councils, including Welwyn Hatfield, and the county council.
- 3.7 The Government believes that local government reorganisation, together with devolution over a big strategic area, will improve public services and support economic growth.
- 3.8 In accordance with the letter from the Minister dated 5 February 2025, we will need to submit proposals for the reorganisation of local government structures in Hertfordshire. In particular, an interim plan will need to be submitted by 21 March 2025 and that a full proposal will need to be submitted by 28 November 2025.
- 3.9 Discussions have started between all Hertfordshire district and borough councils, and Hertfordshire County Council about how best to enable devolution and shape plans for local government reorganisation.
- 3.10 As stated in the statement of our Leader published on 11 February, Welwyn Hatfield Borough Council remains committed to working together with all Hertfordshire authorities to develop a shared evidence-base to inform the options available to our county. Our priority is to ensure that any changes benefit local residents and businesses, whilst maintaining our efficient local government services and ensuring strong democratic accountability to our communities and neighbourhoods.
- 3.11 A White Paper Working Group involving officers from all district and borough councils as well as the county council has been set up to establish an evidence base for both the devolution and local government reorganisation proposals, this group is also starting to formulate a response on the Interim Plan.
- 3.12 The White Paper Working Group reports to the Hertfordshire Chief Executive Coordination Group, who in turns reports to Hertfordshire Leaders Group.
- 3.13 It is the intention that a single response for the Interim Plan will be submitted for Hertfordshire by 21 March, which is likely to contain multiple options being

explored. It should be noted that the March submission is primarily a checkpoint to get assurance that councils are working together to develop proposals in line with the Government's criteria. Any response in March does not prevent further options being developed or explored.

- 3.14 As the Interim Plan will be finalised in the coming weeks, which the Leader will take part in the discussions, this report is therefore seeking delegated authority to agree a plan for submission on behalf of Welwyn Hatfield Borough Council.
- 3.15 It should also be noted that for the Election for Hertfordshire County Council will go ahead as scheduled on 1 May 2025. The table below sets out the current timeline.

	Date	Event
Confirmed	5 Feb 2025	Statutory invitation received from the government to submit local government reorganisation proposals
Confirmed	21 Mar 2025	Submit interim Local Government Reorganisation proposal
Confirmed	1 May 2025	Hertfordshire County Council Elections
Confirmed	28 Nov 2025	Submit full Local Government Reorganisation proposal
Proposed	May 2027	Elections (Shadow authorities)
Proposed	Apr 2028	Vesting day for new unitary councils

Implications

4 <u>Legal Implication(s)</u>

- 4.1 By virtue of Part 1 of the Local Government and Public Involvement in Health Act 2007, the Secretary of State has the statutory power to invite proposals for a single tier of local government from any principal authority (which is defined as a county council or district council in England). The Councils across Hertfordshire, has received such an invitation.
- 4.2 When responding to a request, the Council must have regards to any guidance from the Secretary of State as to what the proposal should seek to achieve and matters that should be taken into account in formulating the proposal. The details of which is set out in the letter received on 5 February 2025.

5 Financial Implication(s)

5.1 The submission of the interim plan will be contained within existing budget.

6 Risk Management Implications

6.1 There is a new strategic risk put on the council's risk register on devolution/local government reorganisation. The council needs to be mindful that significant resources will need to be directed to prepare for the delivery of the full proposal for submission in November 2025.

7 Security and Terrorism Implication(s)

7.1 None.

8 <u>Procurement Implication(s)</u>

8.1 None.

9 <u>Climate Change Implication(s)</u>

9.1 None.

10 <u>Human Resources Implication(s)</u>

- 10.1 None directly relating to the preparation of the Interim Plan. However significant resources will need to be made available to prepare for the full proposal in November 2025.
- 10.2 Local government reorganisation will have a direct impact on the council's recruitment and retention and this will continue to be monitored by the council's Senior Management Team, along with support from Human Resources team.

11 Health and Wellbeing Implication(s)

11.1 None.

12 Communication and Engagement Implication(s)

12.1 There is a Communications workstream as part of the County-wide White Paper Working Group, which involves our Communications team. There is an agreed protocol to keep authorities informed, whilst allowing individual authorities to publish their own statement, should they wish to.

13 Equality and Diversity

13.1 An EqIA was not completed for the Interim Plan stage, however as plans progress an Equalities Impact Assessment will be developed to inform final local government reorganisation proposals to be submitted to Government in November 2025.

Background Papers

English Devolution White Paper December 2024 – Power and Partnership: Foundations for Growth. English Devolution White Paper

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