

Draft Order laid before Parliament under section 240(6) of the Local Government and Public Involvement in Health Act 2007, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2023 No.

LOCAL GOVERNMENT, ENGLAND

**The Local Government (Structural Changes)
(Supplementary Provision and Amendment) Order 2023**

Made - - - - *****
Coming into force - - *1st April 2023*

The Secretary of State for Levelling Up, Housing and Communities makes this Order in exercise of the powers conferred by sections 7, 11, 13 and 240(10) of the Local Government and Public Involvement in Health Act 2007(1)(“the 2007 Act”).

The incidental, consequential and supplementary provision made by this Order relates to the following Orders made under section 7 of the 2007 Act(2):

the Cumbria (Structural Changes) Order 2022(3);

the North Yorkshire (Structural Changes) Order 2022(4);

the Somerset (Structural Changes) Order 2022(5).

Those Orders, together with this Order, implement proposals, submitted to the Secretary of State under section 2 of the 2007 Act, that there should be a single tier of local government for Cumbria, North Yorkshire and Somerset.

In accordance with section 7(3) of the 2007 Act, the Secretary of State has consulted every authority affected by the proposals, except the authorities which made them(6), and such other persons as the Secretary of State considers appropriate.

In accordance with section 240(6) of the 2007 Act, a draft of this Order was laid before and approved by a resolution of each House of Parliament.

(1) 2007 c. 28. Section 13(2) provides for section 13(1) to be read with section 15.
(2) Section 13(3) provides that any incidental, consequential, transitional or supplementary provision included in an order under section 7 may relate either to other provisions of the order or to a previous order under section 7.
(3) S.I. 2022/331.
(4) S.I. 2022/328.
(5) S.I. 2022/329.
(6) Proposals were made by Allerdale Borough Council and Copeland Borough Council, North Yorkshire County Council and Somerset County Council.

PART 1

GENERAL

Citation and commencement

1. This Order may be cited as the Local Government (Structural Changes) (Supplementary Provision and Amendment) Order 2023 and comes into force on 1st April 2023.

PART 2

PROVISION RELATING TO CEREMONIAL MATTERS

Charter Trustees

2.—(1) There is established for each area listed in the second column of the table in the Schedule to this Order a body corporate to be known by the name specified in relation to that area in the first column of that table.

(2) The charter trustees for a body listed in the first column of the table in the Schedule are the councillors for the time being for any electoral area all or part of which includes any part of the area specified in the entry for that body in the second column of that table.

PART 3

PROVISION RELATING TO PENSION FUNDS

Local Government pension funds: Cumbria

3. The local government pension fund maintained by Cumbria County Council by virtue of regulations made under section 7 of the Superannuation Act 1972⁽⁷⁾ (superannuation of persons employed in local government service, etc) together with all other property, rights and liabilities in respect of the fund, shall vest in Westmorland and Furness Council.

4.—(1) The Local Government Pension Scheme Regulations 2013⁽⁸⁾ are amended in accordance with paragraphs (2), (3) and (4).

(2) In regulation 64 (special circumstances where revised actuarial valuations and certificates must be obtained) after paragraph (15) insert—

“(16) Where the exiting employers are Cumbria County Council, Allerdale Borough Council, Barrow-in-Furness Borough Council, Carlisle City Council, Copeland Borough Council, Eden District Council and South Lakeland District Council—

- (a) the assets and liabilities of the fund in respect of current or former employees (or those of any predecessor authority) of the exiting employers must be allocated between Cumberland Council and Westmorland and Furness Council in proportions to be determined by Westmorland and Furness Council, and
- (b) paragraph (17) applies.

⁽⁷⁾ 1972 c. 11. The relevant operative regulations are S.I. 2013/2356.

⁽⁸⁾ S.I. 2013/2356 as amended by S.I. 2014/1012, S.I. 2014/1146, S.I. 2015/755, S.I. 2016/449, S.I. 2016/653, S.I. 2017/126, S.I. 2017/251, S.I. 2017/612, S.I. 2018/103, S.I. 2018/269, S.I. 2018/493, S.I. 2018/1133, S.I. 2019/615, S.I. 2020/123, S.I. 2020/179, S.I. 2020/893 and S.I. 2021/272.

(17) Where this paragraph applies, no exit payment or exit credit is due under paragraph (1) and paragraph (2) does not apply.

(18) In determining the proportions for the purposes of paragraph (16)(a) Westmorland and Furness Council must seek advice from an actuary and consult with Cumberland Council.”.

(3) In Part 1 of Schedule 3 (pension funds) in paragraph 1 at the end insert—

“(zd) Westmorland and Furness Council.”.

(4) In the table after paragraph 4 in Part 2 of Schedule 3 at the end insert—

“An employee of Cumberland Council	Westmorland and Furness Council”
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Local Government pension funds: North Yorkshire

5.—(1) The Local Government Pension Scheme Regulations 2013 are amended in accordance with paragraphs (2) and (3).

(2) In regulation 64 (special circumstances where revised actuarial valuations and certificates must be obtained) after paragraph (18)(9) insert—

“(19) Paragraph (20) applies where the exiting employers are Craven District Council, Hambleton District Council, Harrogate Borough Council, Richmondshire District Council, Ryedale District Council, Scarborough Borough Council and Selby District Council and the liabilities of the fund in respect of current or former employees (or those of any predecessor authority) of these exiting employers vest in North Yorkshire Council.

(20) Where this paragraph applies, no exit payment or exit credit is due under paragraph (1) and paragraph (2) does not apply.”.

(3) In the table after paragraph 4 in Part 2 of Schedule 3, for the entry relating to an employee of City of York Council, in the second column, for “North Yorkshire County Council” substitute “North Yorkshire Council”.

Local Government pension funds: Somerset

6.—(1) The Local Government Pension Scheme Regulations 2013 are amended in accordance with paragraph (2).

(2) In regulation 64 (special circumstances where revised actuarial valuations and certificates must be obtained) after paragraph (20)(10) insert—

“(21) Paragraph (22) applies where the exiting employers are Mendip District Council, Sedgemoor District Council, Somerset West and Taunton Council and South Somerset Council and the liabilities of the fund in respect of current or former employees (or those of any predecessor authority) of these exiting employers vest in Somerset Council.

(22) Where this paragraph applies, no exit payment or exit credit is due under paragraph (1) and paragraph (2) does not apply.”.

(9) Inserted by article 4 of this Order (S.I. 2023/XXXX).

(10) Inserted by article 5 of this Order (S.I. 2023/XXXX).

PART 4

HOUSING FINANCE

Amendment of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003

7.—(1) The Schedule to the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003(11) (calculation of the sub-liability) is amended in accordance with paragraphs (2) to (10).

(2) In paragraph 4 for the definition of P substitute—

“P has the meanings set out in paragraph 9(2) and (4);”.

(3) In paragraph 4A(12) at the beginning insert “Subject to paragraph 4C,”.

(4) In paragraph 4B(13) at the beginning insert “Subject to paragraph 4D,”.

(5) After paragraph 4B insert—

“4C.—(1) This paragraph applies to North Yorkshire Council, Somerset Council and Westmorland and Furness Council.

(2) The assumed debt is—

(a) in the financial year beginning on 1st April 2023, the amount of debt assumed to be associated with a local authority in that year as set out in Table AA in this Schedule; and

(b) in each subsequent financial year — $N^* \times 1.01$.

(3) The local authority share cap is—

(a) in the financial year beginning on 1st April 2023, the amount attributable to an authority set out in Table BB in this Schedule; and

(b) in each subsequent financial year— $O^* \times 1.01$.”.

(6) In paragraph 9—

(a) in sub-paragraph (2), at the beginning, insert “Subject to sub-paragraph (3),”;

(b) after sub-paragraph (2) insert—

“(3) In the case of North Yorkshire Council, Somerset Council and Westmorland and Furness Council, P means—

(a) in the financial year beginning on 1st April 2023, 79,555,673.79;

(b) in each subsequent financial year— $P^* \times 1.01$.”.

(7) In Table A(14) (assumed debt for each quarter in a year)—

(a) omit the row entry for “Barrow”;

(b) omit the row entry for “Harrogate”;

(c) omit the row entry for “Richmondshire”;

(11) S.I. 2003/3146. Relevant amendments were made by S.I. 2013/476, S.I. 2013/1751, S.I. 2017/536 and S.I. 2021/611. The Schedule was substituted by regulation 4 of S.I. 2013/476.

(12) Paragraph 4A was inserted by regulation 6(5) of the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2021 (S.I. 2021/611).

(13) Paragraph 4B was inserted by regulation 6(5) of the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2021 (S.I. 2021/611).

(14) Table A was substituted by regulation 6(9) of the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2021 (S.I. 2021/611).

- (d) omit the row entry for “Sedgemoor”;
 - (e) omit the row entry for “Selby”;
 - (f) omit the row entry for “Somerset West and Taunton”.
- (8) After Table A insert a new Table AA—

“Table AA

<i>Authority</i>	<i>Financial year 2023-24 (£)</i>
North Yorkshire	553,283.65
Somerset	326,762.96
Westmorland and Furness	220,885.97”

- (9) In Table B(15) (Local authority share cap for each quarter in a year)—
- (a) omit the row entry for “Barrow”;
 - (b) omit the row entry for “Harrogate”;
 - (c) omit the row entry for “Richmondshire”;
 - (d) omit the row entry for “Sedgemoor”;
 - (e) omit the row entry for “Selby”;
 - (f) omit the row entry for “Somerset West and Taunton”.
- (10) After Table B (Local authority share cap for each quarter in a year) insert a new Table BB—

“Table BB

<i>Authority</i>	<i>Financial year 2023-24 (£)</i>
North Yorkshire	658,195.63
Somerset	285,289.81
Westmorland and Furness	184,982.56”

PART 5

MISCELLANEOUS AMENDMENTS

Amendment of the North Western Inshore Fisheries and Conservation Order 2010

8.—(1) The North Western Inshore Fisheries and Conservation Order 2010(16) is amended in accordance with paragraphs (2) to (4).

- (2) In article 3 (the North Western Inshore Fisheries and Conservation District) in paragraph (3)—
- (a) omit “Cumbria County Council”;
 - (b) after the entry for Cheshire West and Chester Council insert—
“Cumberland Council;”;

(15) Table B substituted by regulation 6(10) of the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2021 (S.I. 2021/611).

(16) S.I. 2010/2200.

(c) after the entry for Sefton Council insert—

“Westmorland and Furness Council;”.

(3) In article 5 (membership of the Authority) in the table at paragraph (3) —

(a) omit the entry for Cumbria County Council;

(b) after the entry for Cheshire West and Chester Council insert—

“Cumberland Council	1”
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(c) after the entry for Sefton Council insert—

“Westmorland and Furness Council	1”
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(4) In article 16 (expenses of the Authority) in the table at paragraph (2)—

(a) omit the entry for Cumbria County Council;

(b) after the entry for Cheshire West and Chester Council insert—

“Cumberland Council	20.49%”
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(c) after the entry for Sefton Council insert—

“Westmorland and Furness Council	20.45%”
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Amendment of the Sub-national Transport Body (Transport for the North) Regulations 2018

9.—(1) The Sub-national Transport Body (Transport for the North) Regulations 2018(17) are amended in accordance with paragraph (2).

(2) In regulation 2 (interpretation)—

(a) for “Cumbria County Council” substitute “Cumberland Council”;

(b) for “North Yorkshire County Council” substitute “North Yorkshire Council”;

(c) after the entry for “West Yorkshire Combined Authority” insert “Westmorland and Furness Council”.

Amendment of the National Park Authorities (England) Order 2015

10.—(1) The National Park Authorities (England) Order 2015(18) is amended in accordance with paragraph (2).

(2) In Part 2 (appointment of local authority members) of Schedule 1—

(a) in the entry relating to Exmoor National Park Authority, for the second and third columns substitute—

“Devon County Council	2
Somerset Council	8
North Devon District Council	2”;

(17) [S.I. 2018/103](#). Relevant amendments were made by [S.I. 2018/1133](#).

(18) [S.I. 2015/770](#). Relevant amendments were made by [S.I. 2016/703](#).

(b) in the entry relating to Lake District National Park Authority, for the second and third columns substitute—

“Cumberland Council	4
Westmorland and Furness Council	6”;

(c) in the entry relating to North York Moors National Park Authority, for the second and third columns substitute—

“ North Yorkshire Council	9
Redcar and Cleveland Borough Council	2”;

(d) in the entry relating to Yorkshire Dales National Park Authority, for the second and third columns substitute—

“Westmorland and Furness Council	3
Lancashire County Council	1
North Yorkshire Council	10
Lancaster City Council	1”.

Amendment of the Workington Harbour Act 1974

11.—(1) The Workington Harbour Act 1974(**19**) is amended in accordance with paragraph (2).

(2) In section 3 (interpretation) for the definition of “the Council” substitute—

““the Council” means Cumberland Council;”.

Amendment of the Workington (Pilotage) Harbour Revision Order 1988

12.—(1) The Workington (Pilotage) Harbour Revision Order 1988(**20**) is amended in accordance with paragraph (2).

(2) In article 2 (interpretation) for the definition of “the Council” substitute—

““the Council” means Cumberland Council;”.

Amendment of the Maryport Harbour Revision Order 2007

13.—(1) The Maryport Harbour Revision Order 2007(**21**) is amended in accordance with paragraphs (2) and (3).

(2) In article 2 (interpretation) for the definition of “the County Council” substitute—

““the Council” means Cumberland Council;”.

(3) In article 5 (constitution of Authority)—

(a) for paragraph (1)(a) substitute—

“(a) two Members appointed by the Council or, should they fail to make an appointment, by the Authority;”;

(b) omit paragraph (1)(b).

(19) 1974 c. xxviii. Further provision relating to Workington Harbour was made by S.I. 1988/1629 and S.I. 1999/3444.

(20) S.I. 1988/1629.

(21) S.I. 2007/3463.

Draft Legislation: This is a draft item of legislation. This draft has since been made as a UK Statutory Instrument:
The Local Government (Structural Changes) (Supplementary Provision and Amendment) Order 2023 No. 187

Signed by authority of the Secretary of State for Levelling Up, Housing and Communities

Date

Name
Parliamentary Under Secretary of State
Department for Levelling Up, Housing and
Communities

SCHEDULE

Article 2

<i>Name of Charter Trustees</i>	<i>Area</i>
The Charter Trustees for Barrow	The area comprising the Barrow-in-Furness Borough Council wards (as those wards existed on 31st March 2023): Barrow Island, Central, Hawcoat, Hindpool, Newbarns, Ormsgill, Parkside, Risedale, Roosecote, Walney North and Walney South.
The Charter Trustees for the City of Carlisle	The area comprising the Carlisle City Council wards (as those wards existed on 31st March 2023): Belah and Kingmoor, Botcherby and Harraby North, Cathedral and Castle, Currock and Upperby, Denton Holme and Morton South, Harraby South and Parklands, Newtown and Morton North, Sandsfield and Morton West and Stanwix and Houghton.

EXPLANATORY NOTE

(This note is not part of the Order)

Part 1 of the Local Government and Public Involvement in Health Act 2007 (c. 28) (“the 2007 Act”) provides for structural and boundary changes in relation to local government areas in England. Structural change is a change from two-tier local government (a county council and district councils) in an area to a single tier of local government. There is a single tier of local government for an area if there is either a county council and no district councils for that area, or a district council and no county council for that area (section 1(2) of the 2007 Act).

The Secretary of State may by order implement (with or without modification) a proposal received for a single tier of local government (section 7 of the 2007 Act). This Order makes provision which is incidental, consequential and supplementary to the implementation by order of structural change in Cumbria (S.I. 2022/331), North Yorkshire (S.I. 2022/328) and Somerset (S.I. 2022/329).

Article 2 and the Schedule provide for the appointment of Charter Trustees as appropriate bodies in which historic rights and privileges may vest for the Borough of Barrow and the City of Carlisle. Regulations of general application, the Charter Trustees Regulations 2009 (S.I. 2009/467) have been made under section 14 of the 2007 Act to provide for the transfer of those rights and privileges to Charter Trustees.

Articles 3 and 4 make provision about vesting the local government pension fund that is maintained by Cumbria County Council in the new Westmorland and Furness Council and makes consequential amendments to the Local Government Pension Scheme Regulations 2013 (S.I. 2013/2356) (“the 2013 Regulations”). Articles 5 and 6 amend the 2013 Regulations to provide that no exit payments or exit credits are due.

Draft Legislation: This is a draft item of legislation. This draft has since been made as a UK Statutory Instrument:
The Local Government (Structural Changes) (Supplementary Provision and Amendment) Order 2023 No. 187

Article 7 amends the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (S.I. 2003/3146) to make provision for housing revenue account debt and share caps in relation to North Yorkshire, Somerset and Westmorland and Furness Councils.

Article 8 amends the North Western Inshore Fisheries and Conservation Order 2010 (S.I. 2010/2200) to reflect the changes in local government arrangements as a consequence of local government reorganisation in Cumbria. Article 9 makes similar amendments to the Sub-National Transport Body (Transport for the North) Regulations 2018 (S.I. 2018/103).

Article 10 amends the National Park Authorities (England) Order 2015 (S.I. 2015/770) to update the membership of the Exmoor National Park Authority, the Lake District National Park Authority, the North York Moors National Park Authority and the Yorkshire Dales National Park Authority to reflect the changes in local government arrangements.

Articles 11, 12 and 13 make consequential amendments to the Workington Harbour Act 1974 (c. xxviii), the Workington (Pilotage) Harbour Revision Order 1988 (S.I. 1988/1629) and the Maryport Harbour Revision Order 2007 (S.I. 2007/3463) as a result of local government reorganisation in Cumbria.

A full regulatory impact assessment has not been prepared as this instrument will have no impact on the costs of business and the voluntary sector. The impact on the public sector is a simplification to the system of local government in Cumbria, North Yorkshire and Somerset.