EXPLANATORY MEMORANDUM TO

THE NORTHAMPTONSHIRE (STRUCTURAL CHANGES) ORDER 2019 2019 No. [XXXX]

1. Introduction

- 1.1 This explanatory memorandum has been prepared by the Ministry of Housing, Communities and Local Government (MHCLG) and is laid before Parliament by Command of Her Majesty.
- 1.2 This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Purpose of the instrument

- 2.1 This Order gives effect to the proposal from seven Northamptonshire councils for the establishment of a single tier of local government for Northamptonshire, which was made in response to an invitation from the Secretary of State to submit proposals to replace the existing two-tier system.
- 2.2 The existing county and district areas are to be abolished as local government areas and all eight councils in Northamptonshire Northamptonshire County Council and the seven district and borough councils of Corby Borough Council, Daventry District Council, East Northamptonshire District Council, Kettering Borough Council, Northampton Borough Council, South Northamptonshire District Council and Wellingborough Borough Council are to be wound up and dissolved. They will be replaced by two unitary councils called North Northamptonshire Council and West Northamptonshire Council, which from 1 April 2021 will be the sole local authorities for the local government areas of North Northamptonshire (the existing local government areas of Corby, East Northamptonshire, Kettering and Wellingborough) and West Northamptonshire (the existing local government areas of Daventry, Northampton and South Northamptonshire). There are to be arrangements put in place to prepare for the transition to the new councils, including elections and the establishment of shadow authorities in May 2020.

3. Matters of special interest to Parliament

Matters of special interest to the Joint Committee on Statutory Instruments

3.1 The Northamptonshire (Changes to Years of Elections) Order 2018 (S.I. 2018/1324) was made on 10 December 2018 and came into force on 14 January 2019. It changed the year of the scheduled elections of councillors in the seven district and borough councils, and the parish councils in those areas, from 2019 to 2020. It was made at the request of the district and borough councils because the proposal for the establishment of a single tier of local government included the new arrangements coming into effect on 1 April 2020. This Order provides for the new arrangements to come into effect on 1 April 2021 and hence it also provides for those district and borough elections scheduled for 2020 to be cancelled, with the term of existing councillors extended

.

¹ For these purposes 'local authorities' does not include parish councils.

until the abolition of those councils. The councils agree with these electoral arrangements.

Matters relevant to Standing Orders Nos. 83P and 83T of the Standing Orders of the House of Commons relating to Public Business (English Votes for English Laws)

- 3.2 This entire instrument applies to England only because the instrument is entirely concerned with local government areas in England.
- 3.3 The instrument does not have any minor or consequential effects outside England.
- 3.4 In the view of the Department, for the purposes of House of Commons Standing Order No. 83P of the Standing Orders of the House of Commons relating to Public Business, the subject-matter of this entire instrument would be within the devolved legislative competence of the Northern Ireland Assembly, if equivalent provision in relation to Northern Ireland were included in an Act of the Northern Ireland Assembly as a transferred matter; or the Scottish Parliament if equivalent provision in relation to Scotland were included in an Act of the Scottish Parliament; or the National Assembly for Wales if equivalent provision in relation to Wales were included in an Act of the National Assembly for Wales.
- 3.5 The Department has reached this view because the primary purposes of the provisions in this instrument relate to local government which is within the devolved legislative competence of the Northern Ireland Assembly, the Scottish Parliament and the National Assembly for Wales.

4. Extent and Territorial Application

- 4.1 The territorial extent of this instrument is England and Wales.
- 4.2 The territorial application of this instrument is set out in Section 3 under "Matters relevant to Standing Orders Nos. 83P and 83T of the Standing Orders of the House of Commons relating to Public Business (English Votes for English Laws)".

5. European Convention on Human Rights

5.1 Luke Hall, Parliamentary Under Secretary of State at the Ministry of Housing, Communities and Local Government, has made the following statement regarding Human Rights:

"In my view the provisions of the Northamptonshire (Structural Changes) Order 2019 are compatible with the Convention rights".

6. Legislative Context

- 6.1 This memorandum describes an Order being laid before Parliament that implements the proposal, submitted in August 2018 to the Secretary of State by seven Northamptonshire councils, for the establishment of a single tier of local government for Northamptonshire.²
- 6.2 The Order is to be made under Part 1 of the Local Government and Public Involvement in Health Act 2007 ("the Act") which provides for the making of local government structural and boundary changes in England. Section 2 provides that the

² https://www.futurenorthants.co.uk/images/pdf/Northamptonshire-Local-Government-Reform-Proposal-2018.pdf.

Secretary of State may invite³ any principal authority to make either one of three types of proposal for structural change, or a combined proposal. The types of proposal that may be made are for a single tier of local government for:

- the area of the county concerned ("Type A proposal");
- an area which is one or more districts in the county concerned ("Type B proposal");
- an area which consists of the county concerned or one or more districts in that county, and one or more adjoining counties or districts ("Type C proposal");
- a proposal for two or more Type B proposals under the Act (a Type B proposal being a proposal for a unitary authority for the area of one or more districts which form part of a county area); or
- a proposal consisting of one or more Type B and Type C proposals (a Type C proposal being a proposal for a unitary authority for an area which is part of a county and one or more adjoining districts in an adjacent county).
- 6.3 On 27 March 2018 the then Secretary of State invited the principal councils in the area of the county of Northamptonshire to make a combined proposal for a single tier of local government and provided guidance to which the councils must have regard, including the criteria against which any proposal would be assessed. The proposal was received on 29 August 2018 from seven of the eight councils.
- 6.4 Section 7 of the Act allows the Secretary of State to implement by order a proposal, with or without modification. An order may not be made unless the Secretary of State has consulted every authority affected by the proposal (except any authority which has made the proposal) and such other persons as he considers appropriate. This consultation started on 29 November 2018 and ended on 25 January 2019.⁵
- 6.5 Specifically, this Order is to be made in exercise of the powers conferred by sections 7, 11, 12, 13 and 15(2) of the Act. Section 14 of the Act enables the Secretary of State, by regulations of general application, to make incidental, consequential, transitional and supplementary provision to give full effect to these local government changes. A number of such regulations⁶ have been made, and the Secretary of State will consider whether any further amendments or new provision is required, in consultation with the councils concerned.

7. Policy background

What is being done and why

7.1 Following concerns regarding the financial management of Northamptonshire County Council, on 9 January 2018 the then Secretary of State announced he had appointed Max Caller CBE to undertake an independent review of the Council's governance and

³ Section 2 also provides that the Secretary of State may direct a council to make a proposal. However, section 3 provides that such a direction may not be given after 25 January 2008.

⁴https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment data/file/694794/Lette r to Northamptonshire councils.pdf. The invitation contained a deadline of 27 July, which on 18 May was extended to 31 August.

⁵ <u>https://www.gov.uk/government/consultations/the-proposed-reorganisation-of-local-government-in-northamptonshire.</u>

⁶ S.I. 2008/1419, S.I. 2008/2113, S.I. 2008/2176, S.I. 2008/2867, S.I. 2008/3022, S.I. 2009/5, S.I. 2009/276, S.I. 2009/467, S.I. 2009/486, S.I. 2012/20, S.I. 2018/930, S.I. 2018/1128 and S.I. 2018/1296.

financial management under section 10 of the Local Government Act 1999.⁷ The inspection report was published on 15 March 2018 and recommended the appointment of Commissioners to take over key functions in relation to governance and financial management, and that local government in Northamptonshire should be reorganised into two unitary councils – one covering the area of Corby, East Northamptonshire, Kettering and Wellingborough and another covering Daventry, Northampton and South Northamptonshire.⁸

- 7.2 On 27 March 2018 the then Secretary of State announced to Parliament he had invited the principal councils in Northamptonshire to make proposals for replacing the current two-tier system of local government in the county, along with announcing that the government accepted the recommendation on commissioners. The invitation and guidance precluded a single unitary solution and a three unitary solution would need to have regard to the criteria relating to population size. On 31 August 2018 seven of the Northamptonshire councils submitted a proposal for the creation of two new unitary councils. Corby Borough Council was involved in the preparation of the proposal but decided to not support its submission. The proposal was for the creation of two unitary councils: North Northamptonshire Council covering the existing districts of Corby, East Northamptonshire, Kettering and Wellingborough; and West Northamptonshire Council covering the existing districts of Daventry, Northampton and South Northamptonshire.
- 7.3 On 29 November 2018 the Secretary of State launched the statutory consultation, inviting views from all principal councils in Northamptonshire, principal councils neighbouring Northamptonshire, Northamptonshire Chamber of Commerce, South East Midlands Local Enterprise Partnership, the Northamptonshire Police and Crime Commissioner, local health bodies, the University of Northampton, and representatives of the voluntary sector. He also welcomed views from any interested persons, including local residents and organisations.
- 7.4 On 14 May 2019, in a Written Ministerial Statement, the then Secretary of State announced he would seek Parliamentary approval to implement the proposal to abolish the eight existing councils in Northamptonshire and replace them with two new councils of North Northamptonshire and West Northamptonshire. He concluded the proposal met the criteria within the invitation that if implemented it would improve local government and service delivery in the area; have a good deal of local support; and the area of each new unitary council would represent a credible local geography.
- 7.5 The Secretary of State decided that the proposed restructure would meet the criteria to improve local government and service delivery in the area on the basis that a Children's Services Trust covering the whole of Northamptonshire would be established and that work continued to be taken forward in Northamptonshire to do more to integrate adult social care and health services. The Secretary of State also decided to make one modification to the proposal. This is to extend the period for

4

⁷ <u>https://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2018-01-09/HCWS394/.</u>

⁸ https://www.gov.uk/government/publications/northamptonshire-county-council-best-value-inspection

⁹ https://hansard.parliament.uk/commons/2018-03-27/debates/92DC1071-0C34-4796-BDC9-95B7D6A5CCFC/NorthamptonshireCountyCouncil.

 $[\]frac{10}{https://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2019-05-14/HCWS1556/.}$

- fully implementing the new arrangements, so the new councils are operational from 1 April 2021 rather than 1 April 2020. This modification was to ensure the councils had adequate time to make the necessary preparations for the establishment of the new councils and ensure improvements in local government and service delivery.
- 7.6 The benefits of the unitary proposal are anticipated to be aligning infrastructure, housing and environment services to help deliver growth; advantages in relation to health and wellbeing; improved education and skills provision; and improved community safety. Cost savings are estimated to be £12 million per year within two years of the establishment of the new councils. It is expected that there will be job losses as duplicated roles are removed and in the short term there will be costs associated with implementation. These impacts, benefits and savings are in line with previous local government restructures of similar configuration.
- 7.7 The Order implements the proposal, as modified by the Secretary of State, to create two unitary councils. It establishes the new local government structures and enables arrangements for a smooth transition of local government functions to the new councils. It provides for the establishment of shadow authorities with the May 2020 local elections in Northamptonshire being elections to those shadow authorities rather than to the existing district councils. The shadow authorities will have three member wards along the existing county ward boundaries, resulting in the shadow North Northamptonshire Council having 78 members and the shadow West Northamptonshire Council having 93 members. Those so elected would be members of the new councils when these go live in April 2021.
- 7.8 Part 2 of the Order provides for the establishment of a new non-metropolitan county and a new non-metropolitan district, each to be known as North Northamptonshire, for the same area as the existing districts of Corby, East Northamptonshire, Kettering and Wellingborough, and a new district council North Northamptonshire Council to be established for the area. It also provides for the establishment of a new non-metropolitan county and a new non-metropolitan district, each to be known as West Northamptonshire, for the same area as the existing districts of Daventry, Northampton and South Northamptonshire and a new district council West Northamptonshire Council to be established for the area. On 1 April 2021 the existing local government areas are to be wound up and abolished and the councils are to be dissolved.
- 7.9 Part 3 provides that North Northamptonshire Council and West Northamptonshire Council are shadow authorities for the shadow period. The shadow period comes into operation on the fourth day after the 2020 elections and ends immediately before 1 April 2021. The main function of each shadow authority will be to make all necessary preparations in advance of 1 April 2021, including appointing key officers and keeping under review an implementation plan. The shadow authorities are therefore enabled to take all such practicable steps as are necessary or expedient to prepare for the assumption of full local government functions and powers on 1 April 2021 and to ensure continuity of public service delivery on and after this date. Each shadow authority will appoint a Leader and Cabinet executive at its first meeting.
- 7.10 The shadow authorities will pay allowances to their elected members in line with a scheme that they adopt. The scheme must provide that if a member already receives basic and, if eligible, special responsibility allowances from an existing Northamptonshire principal council/s, the member is to decide whether to continue to receive their basic and, if eligible, special responsibility allowance from their existing

council/s, or the new council. This is to minimise the additional costs from establishing the new councils. The costs of the shadow authorities will be met by the existing Northamptonshire councils in such proportion as they agree, but if there is no such agreement the Secretary of State may determine the proportion in which that expenditure is to be divided and paid or appoint an arbitrator to do so.

- 7.11 Part 4 makes provisions regarding electoral matters. The Order cancels the 2020 district and borough council elections as described at paragraph 3.1, and provides that if a councillor vacancy occurs after 30 September 2020, then the existing council will not be required to call a by-election to fill the office of the councillor. The Order also provides for the election of councillors to the shadow authorities, as described at paragraph 7.7, and specifies the election cycle, with the second election in 2025 and then on a 4-year cycle. The returning officer for the 2020 local elections will be the returning officer for the election of the Northamptonshire Police and Crime Commissioner (also scheduled for the 2020 election day). The Schedule to the Order provides for the electoral wards and number of councillors to be elected to each ward for each new council. Subject to Parliamentary approval of this Order, the Local Government Boundary Commission for England is expected to review the wards after 1 April 2021 and in time for the 2025 elections.
- 7.12 Most parish councils in Northamptonshire will have elections in 2020, having been postponed from 2019. The next round of parish council elections would be due to take place on the ordinary day of election in 2023. The Order cancels these 2023 parish council elections and instead schedules them for 2025, and then similarly on a 4-year cycle thereafter. Arrangements are also made for new parish councils whose first elections were before 2025 so that subsequent elections are on the same timetable as other parish councils in the areas.
- Part 5 makes provision for a transitional period, which will operate from when the 7.13 Order comes into force to the fourteenth day after the 2020 election day. During this period, and then during the shadow period, the existing councils will have an additional function of preparing for and facilitating the economic, effective, efficient and timely transfer to the new councils of such of its functions, property, rights and liabilities as relate to the new councils and its inhabitants. During the transitional period, the relevant councils will be required to establish a North Northamptonshire Joint Committee and a West Northamptonshire Joint Committee, to exercise this function. The membership of the Joint Committees specified in the Order reflects local preferences. The Joint Committees will be required to prepare, and keep under review, an Implementation Plan, which will then become the responsibility of the relevant shadow authority. The Joint Committees will also be required to form a team of officers, which will be known as the Implementation Team, for the purposes of assisting the Joint Committees in the discharge of their functions and then, if sought, the relevant shadow authority. The Joint Committees will be dissolved on the day following that which the corresponding shadow authority hold their first meeting.
- 7.14 The Secretary of State decided that for the implementation of the proposal to improve local government and service delivery in the area it was necessary for a Children's Services Trust to be established for the whole of Northamptonshire and that work must continue to be taken forward in Northamptonshire to do more to integrate adult

-

¹¹ Part 2 makes a similar provision for the County Council in relation to councillor vacancies.

¹² S.I. 2018/1324.

social care and health services. Progress has been made in establishing the Children's Services Trust¹³, due to take place in July 2020, and the councils continue to work strongly and collaboratively with local health partners on the further integration of adult social care and health services.

8. European Union (Withdrawal) Act/Withdrawal of the United Kingdom from the European Union

8.1 This instrument does not relate to withdrawal from the European Union.

9. Consolidation

9.1 There is no requirement for consolidation as this instrument does not amend other legislation.

10. Consultation outcome

- 10.1 This Order relates to a proposal that itself was subject to consultation, as described below. The Government shared drafts of this Order with the Northamptonshire councils during its development and it has been prepared having regard to representations from those councils. Further consultation is not considered necessary given the extensive nature of the consultation that has already taken place on the principle of unitarisation and the way forward. That consultation is now summarised.
- 10.2 Prior to submitting their proposal, the councils jointly commissioned Opinion Research Services (ORS) to carry out a consultation exercise. This consultation ran from 18 June to 22 July 2018 and during this five-week period residents and stakeholders were invited to provide feedback on the proposal through a range of routes, including face to face workshops, an online and paper-based consultation document with an open questionnaire, and a representative, quota-controlled telephone survey. The questionnaire featured four core questions on whether change is needed, whether the number of councils should be reduced, whether unitary councils should be introduced, and whether respondents agreed or disagreed with the proposal for two unitary councils. The telephone survey was based on the same core questions as the questionnaire.
- 10.3 ORS reported its findings and the councils included the final report with their proposal. ORS advised the councils "the consultation findings show that the government requirement for the proposal for two unitary councils to command a "good deal of local support as assessed in the round across the whole area of the proposal" is more than satisfied." ORS summarised its findings as follows: "Overall, there was overwhelming support for change and for reducing the number of councils. The creation of unitary councils was supported in principle in all areas of the county (except in Corby (in the open questionnaire)). The representative residents' survey found overwhelming support for two unitary councils across the county, and in both the proposed West and North Northants areas. The open questionnaire found widespread support for two unitary councils in North Northants (except in Corby) and considerable opposition from respondents in West Northants".

¹³ On 10 June 2019 Northamptonshire County Council were directed to establish a Children's Services Trust. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/807427/North_amptonshire_direction_June_2019.pdf.

¹⁴ https://www.futurenorthants.co.uk/images/pdf/ORS-NORTHANTS-LGR-REPORT-FINALV2.pdf.

- 10.4 Key findings of the ORS report are as follows:
 - Both the representative telephone survey and open questionnaire demonstrated agreement with the need to make changes, reduce the number of councils, and the principle of introducing unitary councils; but views on the specific proposal for two new unitary councils was more varied. The representative telephone survey showed absolute majorities of all residents, both across the county and within each of the proposed unitary areas, agreeing with the proposal. The open questionnaire results also showed most respondents supporting the proposal in the North Northamptonshire area, but a majority opposed in the proposed West Northamptonshire area. Corby was the most critical of all – with far fewer respondents than in other districts agreeing with the need for changes and a large majority against reducing the number of councils, introducing unitary councils, and against the main proposal.
 - The representative telephone survey showed that 90 per cent of respondents¹⁵ agreed there was a need to make changes to respond to the challenges in Northamptonshire, with 56 per cent agreeing there was a need to reduce the number of councils. 74 per cent of the respondents agreed with the proposal to create two unitary councils, breaking down to 77 per cent and 70 per cent support from residents in West and North Northamptonshire respectively, with the ORS report stating, "the majorities in favour may properly be described as overwhelming".
 - The open questionnaire reported that 67 per cent of 5831 respondents agreed that a number of unitary councils should be introduced. The level of agreement varied across the county, with the highest level of support in Northampton (85 per cent) and the lowest in Corby (21 per cent).
 - While 67 per cent agreed that a number of unitary councils should be introduced, when asked about support for the proposal 44 per cent of 5496 respondents were in favour of the two unitary proposal. Majority of support for a two unitary proposal was in the North Northamptonshire area (61 per cent in East Northamptonshire, 68 per cent in Kettering and 63 per cent in Wellingborough while 18 per cent in Corby). However less in the West Northamptonshire area (44 per cent in Daventry, 37 per cent in Northampton and 39 per cent in South Northamptonshire).
- The ORS report also describes the results of its engagement with relevant partners and 10.5 stakeholders:
 - Northamptonshire Chamber of Commerce and the Federation of Small Businesses for Leicestershire, Northamptonshire and Rutland organised two meetings attended by a total of 49 senior and SME business people. 32 individuals were in support of the proposal, with unanimous opposition to a single unitary council for the county.¹⁶
 - Northamptonshire County Association of Local Councils organised two forums with a total of 117 parish and town councillors attending. An overwhelming majority of those representing town and parish councils in North Northamptonshire (in a ratio of about nine to one), and 35 out of the 51 attendees representing town and parish councils in West Northamptonshire,

¹⁵ ORS surveyed a sample of 500 individuals to be representative of the population of 746,000 residents.

¹⁶ 15 of 17 senior business people and 17 of 32 senior SME business people supported the two-unitary proposal.

supported the principle of unitary authorities being established in Northamptonshire. 53 per cent (17 of 32) of town and parish councillors from North Northamptonshire were in support of a two unitary solution, but only one councillor from 41 West Northamptonshire councillors favoured such a solution.

- Written responses from town and parish councils were generally supportive of
 unitary authorities in principle. However, those from West Northamptonshire
 favoured a three unitary solution with Northampton forming a third unitary, as
 there were worries about urban and rural areas being combined
 unsympathetically in a two-tier structure.
- Of the local authorities that sent submissions, Bedford Borough Council and Harborough District Council supported the proposal, and Oxfordshire County Council "agrees with the other criteria laid down by Government and feels it to be essential that Max Caller's recommendations are implemented in Northants". Cherwell District Council and Leicestershire County Council did not support this proposal, and Peterborough City Council and Cambridgeshire County Council, in a joint response, also did not support the proposal.
- Northamptonshire Healthcare Foundation Trust and Healthwatch Northamptonshire were supportive of a reduction in councils; both expressed concern about the division of countywide services and potential duplication; and dilution of resources if budgets are divided into two. However, both welcomed the closer integration due to fewer authorities and agreed this was a positive opportunity for change to secure a sustainable future.
- The Northamptonshire Police and Crime Commissioner expressed support for a single county unitary, but also felt that "creation of unitary authorities would bring about clarity for the public and present opportunities for greater coordination, realisation of efficiencies, and simpler partnership working".
- 10.6 As described at 7.3, the Government launched a statutory consultation on the Northamptonshire proposal on 29 November 2018. A total of 386 responses were received though not all respondents chose to address all questions directly. There were three joint responses on behalf of a number of bodies: one each jointly from the councils that will form the two new unitary councils (except Corby), and one jointly on behalf of 21 parish councils, 165 parish councillors and five Daventry district councillors. One response also included a petition of circa 400 names against the proposal. These are all counted as a single response in terms of the analysis, but any implications in terms of support/opposition have been drawn out.
- 10.7 Of the 386 responses, 318 were from individuals, 14 from parish councils, 14 from community organisations, 12 from Councillors, ten from county or district councils, six from businesses, six from public sector partners and six from political parties. Seven of the eight councils in the area, all public sector partners and the Local Enterprise Partnership were supportive of the two unitary proposal. There were mixed responses from councillors, parish councils, local businesses and community organisations, with a roughly equal split between those in favour and those opposed to the proposal itself.

_

¹⁷ In addition, there were over 200 blank or partially complete responses where none of the questions were answered and no comments were offered. These have not been included in the figures.

- 10.8 Some responses received from individuals and political parties were not positive with concerns that the proposal would lead to weakened local democracy and lack of attention to rural concerns. However, some saw the proposal presented an opportunity to "enhance service delivery and stop the bickering...between the various layers of local government in Northamptonshire". There were split opinions between those that supported unitarisation in general though preferred a three or single unitary solution. Other reasons given for not supporting the proposal were concerns that the proposed councils would be too remote from residents, concerns about the new councils covering a mixture of rural and urban areas, and the perceived pressure on councils to put forward a proposal. Corby, who did not support the proposal, also proposed a modification to establish a North Northamptonshire Council in 2023.
- 10.9 Public sector partners, the Local Enterprise Partnership, county and district councils and councillors were more supportive of the proposal. Reasons given for supporting the proposal include a more effective experience and service for the public, clear efficiencies and value for money, generation of savings, opportunity to formally align resources and functions that currently work apart, opportunity to review services and ensure they meet the needs of local communities, opportunities for the police to work more closely with the new authorities, improvement over the current system, and opportunities for stronger strategic leadership. It was also noted, however, that other county-wide public services (police, fire and health) could have to align to two councils rather than one, and this may have some cost and capacity implications for other public sector organisations and the potential for duplication in a number of partnership structures.
- 10.10 The Secretary of State carefully considered the results of the consultation exercises and concluded the proposal met the criteria for reorganisation, as if implemented it would improve local government and service delivery in the area; have a good deal of local support; and the area of each new unitary council would represent a credible local geography. This was subject to the establishment of a Children's Services Trust, continued work to integrate adult social care and health services, and the modification to the proposal so the new councils are operational from 1 April 2021. Following the Secretary of State's announcement on 12 May 2019, he wrote to the councils seeking their views on the proposed electoral arrangements, and all eight wrote to support those proposals. The councils also provided their views on matters relating to the transitional period and the shadow period, and the Order has been prepared having regard to these representations.

11. Guidance

11.1 No guidance is necessary to accompany this instrument. The local authorities are considered to be best placed to deliver the new councils and the MHCLG will work closely with those responsible for implementing the provisions of this Order.

12. Impact

- 12.1 There is no, or no significant, impact on business, charities or voluntary bodies.
- 12.2 The impact on the public sector is a simplification to the system of local government in Northamptonshire, with a reduction in the number of councils from eight to two. In making their proposal, the councils estimated savings of £12 million per annum.
- 12.3 An Impact Assessment has not been prepared for this instrument because there is no, or no significant, impact on business.

13. Regulating small business

13.1 The legislation does not apply to activities that are undertaken by small businesses.

14. Monitoring & review

- 14.1 The approach to monitoring of this legislation is that the new councils will be democratically accountable for their performance to their local electorates, and subject to the audit and accountability regimes applicable to the generality of local government.
- 14.2 The Order does not include a statutory review clause. Officials are working with the Northamptonshire councils on taking forward implementation in line with the provisions of this Order.

15. Contact

- 15.1 Michelle Murray at Governance Reform and Democracy Unit, MHCLG, Telephone: 030 3444 8181 or email: michelle.murray@communities.gov.uk can be contacted with any queries regarding the instrument.
- 15.2 Paul Rowsell, Deputy Director and Head of Governance Reform and Democracy Unit at the MHCLG, can confirm that this Explanatory Memorandum meets the required standard.
- 15.3 Luke Hall MP, Parliamentary Under Secretary of State at the MHCLG, can confirm that this Explanatory Memorandum meets the required standard.