



PLEASE NOTE THAT PRAYERS WILL BE HELD AT 6.50PM BEFORE THE COMMENCEMENT OF THE BUSINESS OF THE COUNCIL.

THE MAYOR REQUESTS THAT ANY MEMBER WISHING TO PARTICIPATE IN PRAYERS BE IN ATTENDANCE BY NO LATER THAN 6.45PM.

Dear Sir/Madam,

You are summoned to attend a special meeting of the Borough Council of Newcastle-under-Lyme to be held in the **Queen Elizabeth II & Astley Rooms - Castle House, Barracks Road, Newcastle, Staffs. ST5 1BL** on **Wednesday, 19th March, 2025** at **7.00 pm**.

B U S I N E S S

- 1 APPOINTMENT OF CHAIR**
- 2 TRIBUTES TO THE MAYOR, COUNCILLOR BARRY PANTER AND FORMER COUNCILLOR CHARLES EDWARD (TED) HOLLAND**
- 3 APOLOGIES**
- 4 DECLARATIONS OF INTEREST**

To receive declarations of interest from Members on items contained within this agenda.

- 5 NEWCASTLE-UNDER-LYME BOROUGH COUNCIL RESPONSE (Pages 5 - 44) TO LOCAL GOVERNMENT REORGANISATION**

This item includes an amendment from the Labour Group.

- 6 DISCLOSURE OF EXEMPT INFORMATION**

should there be a requirement to enter into closed session:

To resolve that the public be excluded from the meeting during consideration of the following report(s) as it is likely that there will be disclosure of exempt information as defined in paragraphs contained within Part 1 of Schedule 12A (as amended) of the Local Government Act 1972.

Yours faithfully

Chief Executive

NOTICE FOR COUNCILLORS

1. Fire/Bomb Alerts

In the event of the fire alarm sounding, leave the building immediately, following the fire exit signs.

Fire exits are to be found at the side of the room leading into Queens Gardens.

On exiting the building Members, Officers and the Public must assemble at the statue of Queen Victoria. DO NOT re-enter the building until advised to by the Controlling Officer.

2. Mobile Phones

Please switch off all mobile phones before entering the Council Chamber.

3. Notice of Motion

A Notice of Motion other than those listed in Procedure Rule 14 must reach the Chief Executive ten clear days before the relevant Meeting of the Council. Further information on Notices of Motion can be found in Section B5, Rule 4 of the Constitution of the Council.

Officers will be in attendance prior to the meeting for informal discussions on agenda items.



NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

LEADER'S REPORT TO COUNCIL

19 March 2025

Report Title: Newcastle-under-Lyme Borough Council Response to Local Government Reorganisation

Submitted by: Leader of the Council

Portfolios: One Council, People and Partnerships

Ward(s) affected: All Wards

<u>Purpose of the Report</u>	<u>Key Decision</u>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
To seek the endorsement and support of full Council for actions to preserve the borough following the release of the English Devolution White Paper in December 2024.			
<u>Recommendation</u>			
That Council:			
<ul style="list-style-type: none"> A. Notes the Government English Devolution White Paper, and subsequent letter exchanges with the Minister Jim McMahon about the selective forced reorganisation of local authorities in England (attached as Appendix 1 to this report) B. Notes the discussions with other Councils within the region and across the District Councils Network nationally as set out in para 2.13 of this report and thanks Council Officers for the work they have done on preparing the initial submission document. 			
<i>On Devolution:</i>			
<ul style="list-style-type: none"> C. Supports Newcastle-under-Lyme Borough Council taking part in a 'Strategic Authority' covering Staffordshire and where it makes sense to include neighbouring areas. (for the reasons set out in paragraphs 2.7-2.11 of the report) D. Is of the opinion that there is no benefit of creating an 'Elected Mayoral' system as an extra layer of government. 			
<i>On forced reorganisation of local government:</i>			
<ul style="list-style-type: none"> E. Believes that the current two tiers of local government in Staffordshire should remain in place as the best governance model for the Borough of Newcastle-under-Lyme for the reasons set out in Section 9 of Appendix 3 to this report. F. Believes the Government's arbitrary 500,000 population threshold is not based on a fair and reasoned judgment of population size required for good local governance for the reasons set out in Section 11 of Appendix 3 of this report. 			

- G. Believes that any new authority must have the highest possible standards of service to residents and any changes to the current governance model in the Borough of Newcastle-under-Lyme must maintain or exceed the current level of local service provision (as set out in Section 2 of Appendix 3 to this report).
- H. Asks the Minister to consider the De-Unitarisation of the city of Stoke-on-Trent and its incorporation within as a district within Staffordshire as a solution to addressing the financial problems and challenges set out by Stoke City Council (as set out in section 5 of Appendix 3 of this report)
- I. Makes the following assessments on various options for Unitary models in the Borough and Staffordshire for the reasons detailed in Appendix 3:
1. Supports investigation of a Unitary Council model covering the current Newcastle-under-Lyme Borough area (Section 10A, Appendix 3 of this report)
 2. Supports investigation of a Newcastle-under-Lyme and Staffordshire Moorlands Unitary Council (Section 10B, Appendix 3 of this report)
 3. Supports investigation of a West Staffordshire Unitary Council geography (Section 10C, Appendix 3 of this report)
 4. Supports investigation of a Newcastle & Shropshire Unitary Council (Section 10D, Appendix 3 of this report)
 5. Does not currently favour a Staffordshire Unitary Council (section 10E Appendix 3 of this report)
 6. Does not support a Stoke-on-Trent & North Staffordshire Unitary Council (section 10F, Appendix 3 of this report)
- J. Endorses that any changes in governance model for the Borough of Newcastle-under-Lyme should recognise the voice and will of the people of Newcastle-under-Lyme through a borough-wide referendum before any final decision is imposed.
- K. Endorses that a boundary review be undertaken by the Boundary Commission before elections to any new unitary authority takes place (section 9, Appendix
- L. Is concerned that a unitarisation proposal supported by others will mean costs for delivering services will be pushed to new and existing Town & Parish Councils which could lead to increased council taxes for residents in the Borough (para 4.6 of this report).
- M. Requests the Government fully fund their selective forced reorganisation of local authorities in England. Funding of local services should not have to be cut nor council tax increased to pay for reorganisation (as set out in para 4.3 of the report).

Interim Proposal document (Appendix 3):

- N. Authorises the Leader, in conjunction with the Chief Executive, to make any updates to Newcastle-under-Lyme Borough Council's interim proposal to Government following the Full Council meeting before submission to the Minister by 21st March 2025
- O. Notes that further reports will be brought to Cabinet, Scrutiny and full Council at the appropriate time.

Reasons

This report outlines the current position of local government reorganisation, sets out options for member consideration and provides an interim plan to be submitted to Government with any changes following the meeting of full Council.

1. Background

- 1.1** Following the release of its English Devolution White Paper on 16th December 2024, Government has expressed its intention to seek devolution settlements in every part of the United Kingdom, with the creation of new governance arrangements at revised population sizes.
- 1.2** The Government has indicated that it is seeking the creation of new unitary authorities at a population size of some 500,000 residents, and Strategic Authorities at a population level of 1.5 million.
- 1.3** In September 2024, prior to the release of the White Paper and at the Government's request, the Staffordshire Leaders Board submitted its collective devolution plan to Government. This covered key themes:
 - 1.3.1** Devolution must work for all: plans must reflect and respond to a deep understanding of local needs and opportunities. That is what our authorities have been working hard at over the summer.
 - 1.3.2** Form must follow function: if we are to accept another layer of governance in the county, at additional cost to the people of Staffordshire and Stoke-on-Trent, then the prize in terms of devolved functions, powers and resources has to be significant.
 - 1.3.3** Governance has to be inclusive: our Leader's Board works because all local authorities get to participate and contribute, and we want to ensure that this is also the case in any devolved arrangements.
 - 1.3.4** Commitment to subsidiarity: devolution should be to the most appropriate level of governance for the function in any question, and that should mean a combination of county-wide, local authority level and, perhaps most importantly, community level. We seek a devolution deal that gives us flexibility to make those judgements together.
- 1.4** On 22nd January 2025, at its meeting of full Council, it was resolved that the Council:
 - Notes the contents and implications of the English Devolution White Paper.
 - Pledges to stand up for the historic independence of the Borough.
 - Supports the petitioning of residents in relation to the preservation of the Borough.
 - Calls for Newcastle-under-Lyme's Members of Parliament to support the Borough's preservation, and that they engage with Government Ministers in stating the case for the Borough.
 - Asks the Leader & Chief Executive to write to the Deputy Prime Minister and relevant Ministers stating the Council's position.
 - Enables the Leader to take forward necessary discussions and actions with Government and others and report these to the next suitable full Council.

- 1.5 The above actions have been taken forward, with a response to the letter from the Deputy Prime Minister and Local Government Minister included as Appendix 2 to the report. A locally arranged petition has been raised.

2. Issues

- 2.1 The above resolution of Council underlines a key belief – that residents, businesses and visitors to the borough are better served by a locally accountable, locally focused authority. The two-tier system of local authorities works for Newcastle and remains in its citizens' best interest.
- 2.2 Over recent decades, Newcastle has actively opted to remain its own entity, in charge of its own destiny.
- 2.3 In 1995, North Staffordshire governance arrangements changed further with the creation of the unitary authority of Stoke on Trent. Through this change, Newcastle-Under-Lyme retained its borough status. The city subsequently trialled an elected mayoral model of governance, later abolished.
- 2.4 On 16th December 2024, the Government published its English Devolution White Paper. This set out both a desire to see local authorities work collaboratively, as had been extensively trailed by Ministers, but also set out a plan for local government reorganisation, which had not been shared with district and borough councils, with MHCLG having noted in November 2024 that there were "*no plans to abolish district councils*" and any organisation will be "*from the bottom up. No decisions have been taken on council reorganisation.*"¹
- 2.5 Within this White Paper, the Government has stated that it wishes to see the rapid creation of new, far larger local authorities on a unitary basis, and with it the abolition of existing and historic boroughs, including Newcastle-Under-Lyme.
- 2.6 The reorganisation of local government is intended to happen within the lifetime of the current parliament, with all new structures in place by 2028. The Government is likely to have a policy preference for creating Combined County Authorities or other Strategic Authorities in which districts are not constituent members. It is also likely that the Government will prefer areas to undergo Local Government Reorganisation alongside creating new Strategic Authorities.
- 2.7 Government officials have indicated that differing proposals may be submitted for an area, with Ministers selecting proposals which most closely match the criteria to be brought forward in the guidance following the publication of the White Paper. It is intended that, in the case that no agreement is reached across Staffordshire, Newcastle will submit its own interim proposal and accompanying documentation.

Proposed Structures and Options

- 2.8 The Government's White Paper sets out that it seeks "universal coverage in England of Strategic Authorities (SA's) - which should be a number of councils working together, covering areas that people recognise and work in". Strategic Authorities are intended to reduce duplication and give cities and regions a bigger voice, while utilising economies of scale.
- 2.9 Strategic Authorities should be at scale, reflecting a regional economic and cultural geography, such as those already established in places such as Greater Manchester,

West Yorkshire and the West Midlands. The Government's default assumption is for them to have a combined population of, or greater than, 1.5 million. It acknowledges that some places may have different, smaller geographies where this makes sense.

- 2.10** The form of Strategic Authority is one of the below:
- 2.10.1** Foundation SAs (these include non-mayoral combined authorities and combined county authorities automatically, and any local authority designated as a Strategic Authority without a Mayor).
 - 2.10.2** Mayoral SAs and Established Mayoral SAs (such as the Greater London Authority, all Mayoral Combined Authorities and all Mayoral Combined County Authorities will automatically begin as Mayoral Strategic Authorities. Those who meet specified eligibility criteria may be designated as Established Mayoral Strategic Authorities. This unlocks further devolution, most notably an Integrated Settlement).
- 2.11** A Strategic Authority at a Staffordshire or wider scale (for example, to include Shropshire) has the potential to enable scaled investment in infrastructure and support economic growth.
- 2.12** Strategic authorities will not deliver local services, nor deal with localised issues – they will use their convening power to develop strategic, regional-level intervention and direction of funding to the local level.
- 2.13** Whilst the Government has indicated it intends for every Strategic Authority-level area to ultimately have an Elected Mayor, the benefit case for this has not yet been made or demonstrated, and given the history of elected mayors locally, would not be seen as a necessary or positive step forward. The Borough Council would therefore support an SA model, without a Mayor (unless mandated by Government) on a logical regional footprint.
- 2.14** With the firm position that the Council supports the retention of an effective two-tier system, were unitarisation to be imposed, the Council has given early consideration to options which full Council is asked to either reject or support further investigation of. These are set out further in Appendix 3, and include:
- 2.14.1** The creation of a new unitary council on the existing geographical footprint of Newcastle-under-Lyme Borough Council;
 - 2.14.2** The creation of a new unitary council across the existing geographies of neighbouring Newcastle-under-Lyme and Staffordshire Moorlands;
 - 2.14.3** The creation of a new 'West Staffordshire' unitary council based on a connected M6 corridor, comprising Newcastle-under-Lyme, Stafford, Cannock, South Staffordshire (with or without Lichfield);
 - 2.14.4** The creation of a new unitary council comprising the existing unitary area of Shropshire and the existing borough geography of Newcastle-under-Lyme;
 - 2.14.5** The creation of a new single unitary council on the existing geographical footprint of Staffordshire County Council, as proposed by the County Council;
 - 2.14.6** The creation of a single unitary council for Staffordshire including Stoke-on-Trent (requiring a larger Strategic Authority area);

2.14.7 Stoke on Trent City Council's proposal for North Staffordshire including Newcastle and Staffordshire Moorlands (as a minimum).

2.15 The investigation of options set out in this report and its appendices have been informed by initial discussion with relevant councils on a 'without prejudice' basis to test a willingness to consider such options, and will require further detailed work and ultimate acceptance or rejection by both Newcastle and the relevant authorities before Government consideration. This has included discussions with fellow council Leaders, Chief Executives, councillors and relevant national networks.

3. Recommendation

3.1 It is recommended that Council:

Recommendation

That Council:

- A. Notes the Government English Devolution White Paper, and subsequent letter exchanges with the Minister Jim McMahon about the selective forced reorganisation of local authorities in England (attached as Appendix 1 to this report)
- B. Notes the discussions with other Councils within the region and across the District Councils Network nationally in its development as set out in para 2.13 of this report and thanks Council Officers for the work they have done on preparing the initial submission document.

On Devolution:

- C. Supports Newcastle-under-Lyme Borough Council taking part in a 'Strategic Authority' covering Staffordshire and where it makes sense to include neighbouring areas (for the reasons set out in paragraphs 2.7-2.11 of the report)
- D. Is of the opinion that there is no benefit of creating an 'Elected Mayoral' system for an extra layer of government.

On forced reorganisation of local government:

- E. Believes that the current two tiers of local government in Staffordshire should remain in place as the best governance model for the Borough of Newcastle-under-Lyme for the reasons set out in Section 9 of Appendix 3 to this report.
- F. Believes the Government's arbitrary 500,000 population threshold is not based on a fair and reasoned judgment of population size required for good local governance for the reasons set out in Section 11 of Appendix 3 of this report.
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- H. Asks the Minister to consider the De-unitarisation of the city of Stoke-on-Trent and its incorporation within Staffordshire before any new creation of unitary councils as a solution to addressing the financial problems and challenges set out by Stoke City Council (as set out in Section 5 of Appendix 3 of this report)

- I. Makes the following assessments and judgments on various options for Unitary models in the Borough and Staffordshire for the reasons detailed in Appendix 3:
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Interim Proposal document (Appendix 3):

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- O. Notes that further reports will be brought to Cabinet, Scrutiny and full Council at the appropriate time.

4. Financial and Resource Implications

- 4.1 As noted in the report to full Council of 22nd January 2025, the Government has, to date, not provided an investment case or intended savings arising from local government reorganisation.
- 4.2 In his letter of 5th February 2025, set out in Appendix 1, the Minister for Local Government noted that: "*Considering the efficiencies that are possible through reorganisation, we expect that areas will be able to meet transition costs over time*"

from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.”

- 4.3** The Local Government Association, which represents councils in England, has noted that there remain concerns about future viability of new unitary councils where these are addressing the debts and financial burdens of existing failing authorities. It notes that *‘it is imperative that any new unitary councils are financially viable [and] able to provide sustainable services for communities in the long term’* ²
- 4.4** The Borough Council does not have an existing revenue facility for undertaking local government reorganisation. Costs of this reorganisation will likely include staff time, consultancy support for some specialist areas such as asset valuation, data and systems integration, legal support and assurance. These costs would need to be met through existing service resources, with a potential reduction of service provision. Government is therefore asked to commit to adequately fund this process leading to final submissions in November 2025.
- 4.5** Attached to the Minister’s letter of 5th February 2025 is a statutory invitation to principal local authorities in Staffordshire (that is, all Councils in the area) to submit their proposals for a single tier of local government, aligned to one of the four types of single tier proposals relating to its area as described in section 2 of the Local Government and Public Involvement in Health Act 2007 (2007 Act). The Minister asks that, where possible, these submissions for options and proposals are made jointly, but where not are submitted individually for determination. All final proposals must be submitted by 28th November 2025.
- 4.6** Existing parish and town councils play an important part in local democracy and accountability, and can deliver focused services which meet needs at the most local level. However, the creation of a network of parished areas and town councils should not be seen as a direct substitute for existing delivery arrangements, and the following would need to be carefully considered for future arrangements:
- 4.6.1** Avoiding artificial structures to fill gaps where these are not responsive to locally identified geographies;
 - 4.6.2** Ensuring that parish and town councils have the powers and capacity they need to be self-sustaining and not be dependent upon higher tier authorities for funding for service delivery;
 - 4.6.3** Not to place undue burdens on residents through precepts which have to fill gaps in provision left by the abolition of district and borough councils.

5. Major Risks & Mitigation

- 5.1** Much remains unknown of detail at this stage so mitigation measures cannot yet be fully considered. Potential risks at this stage include staff recruitment and retention, a reduction in service delivery under a larger local authority, a potential ‘democratic deficit’ as elected members may be reduced in number and further from residents and a need to focus on reorganisation rather than get on with the day job of service provision.
- 5.2** *Financial sustainability* – Over recent years, the Council has delivered a balanced budget based on efficiencies across its services and investment in the borough whilst

seeking to maintain optimum delivery for residents. It is unknown at what stage in a reorganisation process would restrict spending or borrowing, or whether areas in a much worse financial position would be prioritised over Newcastle.

- 5.3** A unitary council would have significantly greater spend responsibilities than existing borough and district councils, with statutory provision taking precedence over non-statutory and discretionary service delivery.
- 5.4** As an indication of spending power in the local (Newcastle) area, Table 1 sets out the Council Tax to be collected in 2025/2026:

	(£'000)
Newcastle-under-Lyme Borough Council Tax Requirement	8,879
Staffordshire County Council	64,555
Office of the Police and Crime Commissioner for Staffordshire	11,447
Staffordshire Fire Authority	3,653
Total	88,534

Table 1: Council Tax income (not including parish and town council precepts), 2025/2026

- 5.5** *Expectation of efficiency and savings.* As noted above, the Government anticipates that the process of reorganisation will create the conditions for addressing the cumulative financial pressures on local authorities. It is useful to note that, as with other local authorities, Newcastle has faced a continued real-terms reduction in spending power, resulting in the need to make significant year-on-year savings. In this, it has demonstrated an efficiency of approach over as long period of time whilst maintaining quality service delivery for both statutory service provision and investment in local priorities. Table 2, below, sets out savings achieved (for 2025/2026 forecast) over the last ten financial years:

	£
2015/16	2.098m
2016/17	1.834m
2017/18	2.728m
2018/19	1.696m
2019/20	2.468m
2020/21	1.249m
2021/22	1.275m
2022/23	1.313m
2023/24	2.103m
2024/25	2.692m
2025/26	1.890m
Total Savings	21.346m

- 5.6** *Effectiveness of change* – There is a lack of proven success where local government reorganisation has taken place elsewhere in the country to date, and to date the Government has provided limited detail on the business case/benefits of the approach being described in the White Paper.
- 5.7** *Restructuring and staffing* - The process of local government reorganisation to new councils and the creation of a Strategic Authority would result in changes in employing organisations and structures. TUPE will apply to staff moving between organisations for the same roles as those that they undertake presently. This will be the

responsibility of the vesting (new) authority. Following that process, the new authority will conduct an assessment of resource need.

5.8 It is likely that implementation of local government Reorganisation and Devolution will have significant impact across the Borough, this initial stage is commencing the development of the outline proposals to be submitted to Government. The Legislation will be subject to an impact assessment. It is therefore not possible at this stage to adequately assess any local equalities implications.

6. UN Sustainable Development Goals (UNSDG)



7. One Council

7.1 Please confirm that consideration has been given to the following programmes of work:

One Commercial Council

The reorganisation of local government would change the commercial asset holding of councils, for example leisure centres and museums, and decisions would be made on these at a unitary level.

One Digital Council

It is probable that newer, larger councils would need to align digital systems, the resource for which is not known.

One Green Council

Newcastle Borough Council has declared a climate emergency and has developed its sustainability programme to meet a 2030 net zero target for its scopes 1 and 2 emissions. Other local authorities are at different stages of implementing net zero approaches.

8. Key Decision Information

8.1 This is a key decision as local government reorganisation may affect residents in all wards.

9. Earlier Cabinet/Committee Resolutions

9.1 Cabinet – 4th June 2024 – Staffordshire Leaders Board Joint Committee

9.2 Cabinet – 9th January 2025 – Devolution and Local Government Reorganisation: White Paper

- 9.3 Full Council – 22nd January 2025 – Devolution and Local Government Reorganisation White Paper

10. List of Appendices

- 10.1 Appendix 1 – letter from the Local Government Minister, 5th February 2025.
- 10.2 Appendix 2a - Letter from the Leader of the Council to the Secretary of State for Housing, Communities and Local Government and Minister for Local Government, 28th January 2025.
- 10.3 Appendix 2b - Letter of response from Local Government Minister, 13th February 2025
- 10.4 Appendix 3 - Draft Interim Plan Submission

11. Background Papers

- 11.1 [English Devolution White Paper](#), December 2024, HMSO.

Appendix 1: Letter from the Local Government Minister to Staffordshire and Stoke-on-Trent local authorities, 5th February 2025

Appendix 2a: Letter from the Leader of the Council to the Secretary of State for Housing, Communities and Local Government and Minister for Local Government, 28th January 2025.

Appendix 2b Letter of response from Local Government Minister, 13th February 2025

Appendix 3 Draft Interim Plan Submission



Ministry of Housing, Communities & Local Government

Jim McMahon OBE MP

*Minister of State for Local Government and
English Devolution*
2 Marsham Street
London
SW1P 4DF

Your reference:

Our reference:

To: Leaders of two-tier councils and
unitary council in Staffordshire

Cannock Chase District Council
East Staffordshire Borough Council
Lichfield District Council
Newcastle Under Lyme Borough
Council
South Staffordshire District Council
Stafford Borough Council
Staffordshire County Council
Staffordshire Moorlands District Council
Tamworth Borough Council
Stoke City Council

5 February 2025

Dear Leaders

This Government has been clear on our vision for simpler, more sustainable, local government structures, alongside a transfer of power out of Westminster through devolution. We know that councils of all political stripes are in crisis after a decade of decline and instability. Indeed, a record number of councils asked the government for support this year to help them set their budgets.

This new government will not waste this opportunity to build empowered, simplified, resilient and sustainable local government for your area that will increase value for money for council taxpayers. Local leaders are central to our mission to deliver change for hard-working people in every corner of the country through our Plan for Change, and our councils are doing everything they can to stay afloat and provide for their communities day in, day out. The Government will work closely with you to deliver these aims to the most ambitious timeline.

I am writing to you now to formally invite you to work with other council leaders in your area to develop a proposal for local government reorganisation, and to set out further detail on the criteria, guidance for the development of proposals, and the timeline for this process. A formal invitation with guidance for the development of your proposals is attached at Annex A. This invitation sets out the criteria against which proposals will be assessed.

Developing proposals for reorganisation

We expect there to be different views on the best structures for an area, and indeed there may be merits to a variety of approaches. Nevertheless, it is not in council taxpayers' interest to devote public funds and your valuable time and effort into the development of multiple proposals which unnecessarily fragment services, compete against one another, require lengthy implementation periods or which do not sufficiently address local interests and identities.

The public will rightly expect us to deliver on our shared responsibility to design and implement the best local government structures for efficient and high-quality public service delivery. We therefore expect local leaders to work collaboratively and proactively, including by sharing information, to develop robust and sustainable unitary proposals that are in the best interests of the whole area to which this invitation is issued, rather than developing competing proposals.

This will mean making every effort to work together to develop and jointly submit one proposal for unitary local government across the whole of your area. The proposal that is developed for the whole of your area may be for one or more new unitary councils and should be complementary to devolution plans. It is open to you to explore options with neighbouring councils in addition to those included in this invitation, particularly where this helps those councils to address concerns about their sustainability or limitations arising from their size or boundaries or where you are working together across a wider geography within a strategic authority.

I understand there will be some cases when it is not possible for all councils in an area to jointly develop and submit a proposal, despite their best efforts. This will not be a barrier to progress, and the Government will consider any suitable proposals submitted by the relevant local authorities.

Supporting places through change

It is essential that councils continue to deliver their business-as-usual services and duties, which remain unchanged until reorganisation is complete. This includes progress towards the Government's ambition of universal coverage of up-to-date local plans as quickly as possible. To support with capacity, I intend to provide some funds for preparing to take forward any proposal, and I will share further information later in the process.

Considering the efficiencies that are possible through reorganisation, we expect that areas will be able to meet transition costs over time from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.

The default position is that assets and liabilities remain locally managed by councils, but we acknowledge that there are exceptional circumstances where there has been failure linked to capital practices. Where that is the case, proposals should reflect the extent to which the implications of this can be managed locally, including as part of efficiencies possible through reorganisation, and Commissioners should be engaged in these discussions. We will continue to discuss the approach that is proposed with the area.

I welcome the partnership approach that is being taken across the sector to respond to the ambitious plans set out in the White Paper. My department will continue to work closely with the Local Government Association (LGA), the District Councils Network, the County Councils Network and other local government partners to plan how best to support councils through this process. We envisage that practical support will be needed to understand and address the key thematic issues that will arise through reorganisation, including managing service impacts and opportunities for the workforce, digital and IT systems, and leadership support.

Timelines and next steps for interim plans and full proposals

We ask for an interim plan to be submitted on or before 21 March 2025, in line with the guidance set out in the attached Annex. My officials will provide feedback on your plan to help support you to develop final proposals.

I will expect any full proposal to be submitted **by 28 November**. If I decide to implement any proposal, and the necessary legislation is agreed by Parliament, we will work with you to move to elections to new 'shadow' unitary councils as soon as possible as is the usual arrangement in the process of local government reorganisation.

Following submission, I will consider any and all proposals carefully before taking decisions on how to proceed. My officials are available throughout to discuss how your reorganisation and devolution aspirations might work together and what support you think you might need to proceed.

This is a once in a generation opportunity to work together to put local government in your area on a more sustainable footing, creating simpler structures for your area that will deliver the services that local people and businesses need and deserve. As set out in the White Paper, my commitment is that clear leadership locally will be met with an active partner nationally.

I am copying this letter to council Chief Executives. I am also copying this letter to local Members of Parliament and to the Police and Crime Commissioner.

Yours sincerely,

A handwritten signature in blue ink that reads "Jim McMahon". The signature is written in a cursive style with a large initial 'J'.

JIM MCMAHON OBE MP

Minister of State for Local Government and English Devolution

LOCAL GOVERNMENT AND PUBLIC INVOLVEMENT IN HEALTH ACT 2007**INVITATION FOR PROPOSALS FOR A SINGLE TIER OF LOCAL GOVERNMENT**

The Secretary of State for Housing, Communities and Local Government, in exercise of his powers under Part 1 of the Local Government and Public Involvement in Health Act 2007 ('the 2007 Act'), hereby invites any principal authority in the area of the county of Staffordshire, to submit a proposal for a single tier of local government.

This may be one of the following types of proposal as set out in the 2007 Act:

- Type A – a single tier of local authority covering the whole of the county concerned
- Type B – a single tier of local authority covering an area that is currently a district, or two or more districts
- Type C – a single tier of local authority covering the whole of the county concerned, or one or more districts in the county; and one or more relevant adjoining areas
- Combined proposal – a proposal that consists of two or more Type B proposals, two or more Type C proposals, or one or more Type B proposals and one or more Type C proposals.

Proposals must be submitted in accordance with paragraphs 1 to 3:

1. Any proposal must be made by **28 November 2025**.
2. 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.
3. 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.

Signed on behalf of the Secretary of State for Housing, Communities and Local Government.



F KIRWAN

A senior civil servant in the Ministry of Housing, Communities and Local Government

5 February 2025

SCHEDULE

Guidance from the Secretary of State for proposals for unitary local government.

Criteria for unitary local government

- 1. A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.**
 - a) Proposals should be for sensible economic areas, with an appropriate tax base which does not create an undue advantage or disadvantage for one part of the area.
 - b) Proposals should be for a sensible geography which will help to increase housing supply and meet local needs.
 - c) Proposals should be supported by robust evidence and analysis and include an explanation of the outcomes it is expected to achieve, including evidence of estimated costs/benefits and local engagement.
 - d) Proposals should describe clearly the single tier local government structures it is putting forward for the whole of the area, and explain how, if implemented, these are expected to achieve the outcomes described.

- 2. Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.**
 - a) As a guiding principle, new councils should aim for a population of 500,000 or more.
 - b) There may be certain scenarios in which this 500,000 figure does not make sense for an area, including on devolution, and this rationale should be set out in a proposal.
 - c) Efficiencies should be identified to help improve councils' finances and make sure that council taxpayers are getting the best possible value for their money.
 - d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.
 - e) For areas covering councils that are in Best Value intervention and/or in receipt of Exceptional Financial Support, proposals must additionally demonstrate how reorganisation may contribute to putting local government in the area as a whole on a firmer footing and what area-specific arrangements may be necessary to make new structures viable.
 - f) In general, as with previous restructures, there is no proposal for council debt to be addressed centrally or written off as part of reorganisation. For areas where there are exceptional circumstances where there has been failure linked to capital practices, proposals should reflect the extent to which the implications of this can be managed locally, including as part of efficiencies possible through reorganisation.

3. Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.

- a) Proposals should show how new structures will improve local government and service delivery, and should avoid unnecessary fragmentation of services.
- b) Opportunities to deliver public service reform should be identified, including where they will lead to better value for money.
- c) Consideration should be given to the impacts for crucial services such as social care, children's services, SEND and homelessness, and for wider public services including for public safety.

4. Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views.

- a) It is for councils to decide how best to engage locally in a meaningful and constructive way and this engagement activity should be evidenced in your proposal.
- b) Proposals should consider issues of local identity and cultural and historic importance.
- c) Proposals should include evidence of local engagement, an explanation of the views that have been put forward and how concerns will be addressed.

5. New unitary structures must support devolution arrangements.

- a) Proposals will need to consider and set out for areas where there is already a Combined Authority (CA) or a Combined County Authority (CCA) established or a decision has been taken by Government to work with the area to establish one, how that institution and its governance arrangements will need to change to continue to function effectively; and set out clearly (where applicable) whether this proposal is supported by the CA/CCA /Mayor.
- b) Where no CA or CCA is already established or agreed then the proposal should set out how it will help unlock devolution.
- c) Proposals should ensure there are sensible population size ratios between local authorities and any strategic authority, with timelines that work for both priorities.

6. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.

- a) Proposals will need to explain plans to make sure that communities are engaged.
- b) Where there are already arrangements in place it should be explained how these will enable strong community engagement.

Developing proposals for unitary local government

The following matters should be taken into account in formulating a proposal:

Boundary Changes

- a) Existing district areas should be considered the building blocks for your proposals, but where there is a strong justification more complex boundary changes will be considered.
- b) There will need to be a strong public services and financial sustainability related justification for any proposals that involve boundary changes, or that affect wider public services, such as fire and rescue authorities, due to the likely additional costs and complexities of implementation.

Engagement and consultation on reorganisation

- a) We expect local leaders to work collaboratively and proactively, including by sharing information, to develop robust and sustainable unitary proposals that are in the best interests of the whole area to which this invitation is issued, rather than developing competing proposals.
- b) For those areas where Commissioners have been appointed by the Secretary of State as part of the Best Value Intervention, their input will be important in the development of robust unitary proposals.
- c) We also expect local leaders to engage their Members of Parliament, and to ensure there is wide engagement with local partners and stakeholders, residents, workforce and their representatives, and businesses on a proposal.
- d) The engagement that is undertaken should both inform the development of robust proposals and should also build a shared understanding of the improvements you expect to deliver through reorganisation.
- e) The views of other public sector providers will be crucial to understanding the best way to structure local government in your area. This will include the relevant Mayor (if you already have one), Integrated Care Board, Police (Fire) and Crime Commissioner, Fire and Rescue Authority, local Higher Education and Further Education providers, National Park Authorities, and the voluntary and third sector.
- f) Once a proposal has been submitted it will be for the Government to decide on taking a proposal forward and to consult as required by statute. This will be a completely separate process to any consultation undertaken on mayoral devolution in an area, which will be undertaken in some areas early this year, in parallel with this invitation.

Interim plans

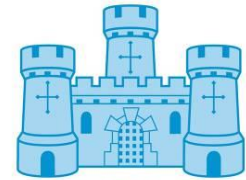
An interim plan should be provided to Government on or before **21 March 2025**. This should set out your progress on developing proposals in line with the criteria and guidance. The level of detail that is possible at this stage may vary from place to place but the expectation is that one interim plan is jointly submitted by all councils in the area. It may be the case that the interim plan describes more than one potential proposal for your area, if there is more than one option under consideration. The interim plan should:

- a) identify any barriers or challenges where further clarity or support would be helpful.
- b) identify the likely options for the size and boundaries of new councils that will offer the best structures for delivery of high-quality and sustainable public services across the area, along with indicative efficiency saving opportunities.
- c) include indicative costs and arrangements in relation to any options including planning for future service transformation opportunities.
- d) include early views as to the councillor numbers that will ensure both effective democratic representation for all parts of the area, and also effective governance and decision-making arrangements which will balance the unique needs of your cities, towns, rural and coastal areas, in line with the Local Government Boundary Commission for England guidance.
- e) include early views on how new structures will support devolution ambitions.
- f) include a summary of local engagement that has been undertaken and any views expressed, along with your further plans for wide local engagement to help shape your developing proposals.
- g) set out indicative costs of preparing proposals and standing up an implementation team as well as any arrangements proposed to coordinate potential capacity funding across the area.
- h) set out any voluntary arrangements that have been agreed to keep all councils involved in discussions as this work moves forward and to help balance the decisions needed now to maintain service delivery and ensure value for money for council taxpayers, with those key decisions that will affect the future success of any new councils in the area.

Our ref: CST/cor8/2801a

Date: 28th January 2025

Rt. Hon Angela Rayner MP
Deputy Prime Minister & Secretary of State for Housing, Communities
& Local Government
Rt Jim McMahon OBE MP, Minister for Local Government
& English Devolution
2 Marsham Street
London
SW1P 4DF



**NEWCASTLE
UNDER LYME**
BOROUGH COUNCIL

Castle House
Barracks Road
Newcastle-under-Lyme
Staffordshire
ST5 1BL

Dear Angela Rayner MP & Jim McMahon MP

English Devolution White Paper: Newcastle-under-Lyme

I am writing further to the resolutions of Newcastle-under-Lyme's Cabinet in response to the release of the English Devolution White Paper just before the Christmas holidays.

As you will be aware, the Loyal and Ancient Borough of Newcastle-under-Lyme has a long, distinguished and proud identity, dating back to its first Royal Charter of 1173, when Henry II had granted a charter to the town and gave strong support to the early borough over the next decade. Further royal charters have been granted to the borough by Kings Henry III, Edward I, Edward II, and Richard II, Queen Elizabeth I, Kings Charles II, James II and Queen Victoria. The late Queen Elizabeth II granted a charter following the 800th anniversary of the borough, a moment recorded by the statue of the late Queen which now stands at the heart of the town.

In 1995, North Staffordshire governance arrangements were changed with the creation of the unitary authority of Stoke on Trent. Through this change, Newcastle-Under-Lyme retained its borough status. The city subsequently trialled an elected mayoral model of governance, later abolished. There was significant strength of feeling that Newcastle-under-Lyme should remain outside a North Staffordshire model, and I firmly believe this remains the case.

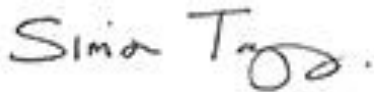
In my reports to Cabinet and our Full Council, I set out the recent achievements and issues within the borough that we as a Borough Council have been able to focus on in a way I believe would not be the case in a larger, more remote authority. I have enclosed a copy of this report, including our vital work on the odour blight at Walleys Quarry Landfill, our town centre regeneration in Newcastle and Kidsgrove, investment in our culture and leisure, including a community-owned facility (genuine devolution) and moving ahead innovatively and at pace on our net zero plans. In 2023, we celebrated our 850th anniversary as a borough.

In September 2024, Ministers asked that regions prepare devolution plans. As a Staffordshire Leaders Board (made up of the eight district and borough Councils working with Stoke-on-Trent City Council and Staffordshire County Council), we set out a devolution approach which embedded partnership working, the priorities for Staffordshire and applied these to the Government's missions. To date, unfortunately, we have received no feedback and I understand that we may not now have any response to this work. That is concerning as local authorities are being asked to again provide information on short timescales in what appears to be a rapidly changing landscape.

The Minister for Local Government and English Devolution, in a response to questions raised by MPs from our areas, dismissed concerns as local disputes. To be clear, I have said that we work well with our neighbours in Stoke-on-Trent – this is not about that neighbour relationship and to say so fundamentally misunderstands concerns. Newcastle-under-Lyme does not wish, however, to be subsumed into a city-led council which moves focus away from its residents and businesses. To be clear, this is the core of our concerns – we would be happy to engage with your officials on plans for the wider strategic authority at a 1.5 million level but cannot accept a merger and loss of the borough.

I would like to invite you to visit Newcastle-under-Lyme to see first hand our loyal and ancient borough and discuss these matters further.

Yours sincerely,

A handwritten signature in black ink that reads "Simon Tagg". The signature is written in a cursive style with a large 'S' and a long tail on the 'g'.

Cllr. Simon Tagg
Leader of the Council

Cc: Adam Jogee MP, Member of Parliament for Newcastle-under-Lyme
Gordon Mole, Chief Executive, Newcastle-under-Lyme Borough Council

Contacting the Council: Telephone 01782 717717
E-mail customerservices@newcastle-staffs.gov.uk · www.newcastle-staffs.gov.uk



Ministry of Housing,
Communities &
Local Government

Jim McMahon OBE MP

*Minister of State for Local Government and
English Devolution*
2 Marsham Street
London
SW1P 4DF

Your reference: CST/cor8/2801a
Our reference: MC2025/02864

Cllr Simon Tagg
Newcastle under Lyme Borough Council
Castle House
Barracks Road
Newcastle-under-Lyme
Staffordshire
ST5 1BL

13 February 2025

Dear Simon,

Thank you for your letter of 28 January, regarding local government reorganisation for Newcastle-under-Lyme and the Staffordshire area. I am replying as the Minister responsible for this policy area.

I wrote to all leaders of councils in Staffordshire on 5 February to invite you to work together to develop a proposal for local government reorganisation, and to set out further detail on the criteria, guidance for the development of proposals, and the timeline for this process.

This is a once in a generation opportunity to work together to put local government in your area on a more sustainable footing, creating simpler structures for your area that will deliver the services that local people and businesses need and deserve. As set out in the White Paper, my commitment is that clear leadership locally will be met with an active partner nationally.

Thank you again for writing to me on this important matter.

Yours sincerely,

JIM MCMAHON OBE MP

Minister of State for Local Government and English Devolution

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Appendix 3 – Draft Interim Plan for Submission

Newcastle-under-Lyme Borough Council strives to work for the best interests of all of those who live in, work in and visit the borough. In demonstrating its effective working together with other authorities, the Borough Council has worked extensively with Staffordshire County Council and fellow district and borough councils in identifying working arrangements that provide good value for money where these partnerships make sense. These arrangements are locally agreed, dictated by need, not by blanket application. They are not limited by immediate proximity, and in some cases extend beyond local authority partnerships.

Locally-determined arrangements have included co-location of office premises with Staffordshire County Council and Staffordshire Police at Castle House, bringing financial and other benefits including a reduction in carbon emissions, a significant annual revenue saving through a reduction in running costs.

Joint working arrangements include those with the County Council – internal audit, communications and legal support, and with other Councils including Stoke-on-Trent City Council in areas such as out of hours response, community safety and building control. The Borough Council has had a strong collaboration with the County Council on regeneration and economic development, bringing in over £55 million into the Borough of UK Government Levelling Up funding.

This interim plan starts from a position which **affirms that the existing two-tier local authority system works, and works well, in Newcastle-under-Lyme**. Local government reorganisation has asked that all Principal authorities respond to the call from the Secretary of State for Housing, Communities and Local Government, via the Minister for Local Government's statutory invitation to submit a proposal for local government reorganisation in Staffordshire. This plan represents an assessment of all options, confirms those which the Borough Council supports the investigation of, and which it does not.

1. The lessons of the past inform the context of our future

The Loyal and Ancient Borough of Newcastle-Under-Lyme's long history, over 850 years, was recognised by the late Queen Elizabeth who granted its most recent borough charter in 1974, following the Local Government Act of 1972. This was the latest charter in an unbroken line dating back to 1173, when records show that Henry II had granted a charter to the town and gave strong support to the early borough over the next decade. Further royal charters were granted to the borough by Kings Henry III, Edward I, Edward II, and Richard II, Queen Elizabeth I, Kings Charles II, James II and Queen Victoria.

This history of mercantile trade has spanned from Newcastle-under-Lyme's position – on trading and economic routes to and from all points on the compass, the link point between the great cities of the industrial age (particularly London to Liverpool, Manchester to Birmingham) with important county borders and strong economic links to Cheshire and Shropshire, connectivity to the Greater Manchester and wider East and West Midlands regions, and local synergies with Staffordshire. One of the first great industrial places, Newcastle today represents the positive transition from industrial economy to a knowledge based, higher skilled economic geography, seen as a model of innovative regeneration and adept investment by the Industrial Communities Alliance and wider local authority peer networks.

2. A well-connected, outward-looking place centred on its people

The two junctions of the M6 within the borough, and east-west links via the A50/500 and more widely routes to the M54, show that Newcastle remains today, as in the past, a geographically and economically important strategic location for investment and trade.

Newcastle's identity is built on an outward-looking and self-confident sense of place, one in which it is proud of its history and traditions, but embracing of innovation and thinking differently, from being the home of one of the UK's foremost universities to being a place which leads with pride on sustainability and biodiversity.

Central to this delivery is a local authority close to the needs and wishes of residents, businesses and visitors – outward-looking and locally focused. Newcastle-under-Lyme Borough Council has shown that it can respond to these needs, from safer places to live, work and visit to ensuring that this is a place fit for the future:

- Civic Pride – from its award-winning Britain and Newcastle in Bloom achievements, to the introduction of the Civic Pride campaign to work with partners, residents, voluntary organisations and businesses, local people have demonstrated their desire to get behind borough-focused activities which support making our places cleaner, safer and friendlier.
- Net Zero and Sustainability – the Council has been able to adapt its working practices, investment and service delivery to ensure it meets its ambitious targets set out when it declared a climate emergency, including tree planting, planning, fleet and assets, and has worked with the private and academic sectors in developing borough-level initiatives. The ability to control these changes at a local level have been a near 70% reduction in our controlled carbon emissions.
- The Local Government Peer Challenge reported in 2023 that Newcastle-Under-Lyme Borough Council was delivering quality services for its residents, and that particularly it had strengths in the following areas:
 - Strong pride of place and Newcastle-under-Lyme has a distinct identity
 - Partnership working is particularly strong and the role it has in bringing others together to collaborate is highly valued
 - Clear leadership from the Cabinet and senior officers
 - Finances are healthy, and actively managed, which places it in a stable position
 - Officers are recognised as important assets for us and they are committed and keen to deliver for the communities.
- The Borough Council has demonstrated that it can focus and influence actions and decisions at a local level, close to residents, across areas which matter to them. This has recently included a number of key interventions.
- Regeneration & Planning – developing working partnerships with developers and investors, our local social landlord and community interest groups, delivering a town centre regeneration programme in both Newcastle and Kidsgrove supported by Levelling Up funds which is responsive to both local need and investor opportunity. Forging and maintaining partnerships with national and local bodies has been both possible, and through nimble decision making has seized investment opportunities where a greater level of bureaucracy, a greater number of priority areas and more remote decision making may have stalled progress.

- The Borough Council's dedicated focus on supporting the community with the extensive and ongoing issues at Walleys Quarry would likely not have been a priority for a larger, more remote authority with multiple demands. This included the Council being bold in using its powers and pressing for permission to pursue legal action against the operators when other agencies were not doing so.
- The increased attraction to visitors of the Brampton Museum, attracting investment and greater footfall, expanded facilities and usage by local groups. As the Borough Council's primary cultural facility, efforts have been focused on supporting growth and a heritage-led cultural offer for the borough. These advantages may be lost if the Borough is submerged into a larger Council.
- A strong leisure offer, built on local partnerships. Recognising that differing models of delivery work better in local places, the Council has both invested in the Jubilee 2 centre, working with the healthcare sector, local users and groups, but has also supported and secured investment for the community-run Kidsgrove Sports Centre, both facilities providing a complimentary offer across our two towns and the wider borough.

3. A suitable economic area, with room to grow

The people of Newcastle, Kidsgrove and our villages and rural settlements identify with their place in a number of ways, within the context of the places that they are proud to call home, earn a living, gain a meaningful education at school, college and university in the borough and spend their leisure time. At a local level, the first identification is with their local community – from Talke and Kidsgrove in the north of the borough to the Town ward as one of our key urban centres, to Keele and onwards to Westbury Park and Northwood, each with its own unique identity and sense of place.

Secondly, as the recent celebrations of the borough's 850th anniversary demonstrated, the people of Newcastle-under-Lyme identify with the borough itself, its rich history and strong sense of place.

Thirdly, we absolutely recognise our place within a wider geography – the positive effect of a strong containment in Staffordshire means that residents can choose to live, seek learning and leisure and work in the same county, retaining spend within our county geography. This is a positive, community wealth feature of Newcastle and Staffordshire more widely.

We also reflect that with its expansive geography, some of our communities naturally look to other places – from Mow Cop with its split conurbation between Newcastle and Cheshire East, to Madeley at the border with rural Shropshire and the Westlands bordering Stafford, with Wolstanton and May Bank bordering our neighbours in Stoke-on-Trent, our well-connected place can and should look to have a cohesion with not one geography but exploit and maximise each and every one of its economic links. The Borough Council continues to use funding to invest in connectivity, including its strong partnership in bringing forward the K bus route, linking Keele, Newcastle town centre and key transport infrastructure.

For this reason, we believe that both the Strategic Authority area and any new council arrangements should reflect a population size and geography that makes sense first and foremost to our residents, businesses and anchor organisations.

The Borough's emerging Local Plan, currently due for examination, seeks to reflect the desire to have a sustainable level of housing growth to meet local needs, whilst retaining green space, biodiversity and above all quality of development, fitting with what residents and businesses expect in a twenty-first century place. In this, the Borough Council has been careful to allow time for comprehensive consultation, beyond the statutory minimum. This development of what we hope is a cohesive, joined up and thought through place for housing and economic growth has been enhanced by its local focus, not by regional imperatives.

We know that Newcastle has housing stock which does not fit with local demand – and the Local Plan sets out a path to creating the right homes, in the right places, with the right amenities and connections to local infrastructure.

Above all, our locality is defined by what it is – a proud, ancient borough, but also by what it is not – an extension of another place, a dormitory, a suburb. In this regard, we have considered the options available which can be additive, not reductive, of Newcastle's identity.

This assessment is not to talk down any part of our region – economically, we will strive for and all gain from economic investment in our region at all scales – from local businesses starting up and growing across Staffordshire and Stoke and beyond, to established global advanced manufacturing and world class service industries, with innovative regenerators of our town and city centres together with cutting edge spin-outs from our great academic institutions – all have a part to play at attracting and retaining investment, and the higher-skilled, higher-paid jobs we all aspire to be available to those who live and work here.

With this in mind, we need to be clear on a number of factors:

- A majority of support from our residents to move to a new structure of local government;
- A balanced economy where places which invest and manage finances with strong fiduciary responsibility are not placed at disadvantage in 'plugging gaps' in areas which are struggling;
- A level of governance which demonstrates the true objective of devolution – having decisions made at the most appropriate local level, closest to those the decisions will affect;
- A geography which has meaning for investors, businesses, residents and anchor organisations (including co-terminus delivery where this makes sense)
- A population size which broadly aligns to broader objectives but has a local rationale – not so distant as to be remote governance, not an arbitrary level which confuses geography and population.
- A solution which will ensure that we continue to deliver quality services at the **highest possible standard**, not to the lowest common denominator or on a reduced basis to address historic financial troubles.

4. Defining a Strategic Authority

The Government has set out that, in addition to the creation of new local authority structures to unlock devolution, it wishes to establish new Strategic Authorities (SAs) at a wider geography to provide the basis of greater levels of regional representation and investment. The primary models set out by the Government are:

- Foundation SAs (these include non-mayoral combined authorities and combined county authorities automatically, and any local authority designated as a Strategic Authority without a Mayor).

- Mayoral SAs and Established Mayoral SAs (such as the Greater London Authority, all Mayoral Combined Authorities and all Mayoral Combined County Authorities will automatically begin as Mayoral Strategic Authorities. Those who meet specified eligibility criteria may be designated as Established Mayoral Strategic Authorities. This unlocks further devolution, most notably an Integrated Settlement).

We are supportive of the creation of a new Strategic Authority to serve the collective needs of Staffordshire and Stoke. Given its connection along council boundaries and the M6 as our point of economic linkage, we believe it makes sense to also consider a Strategic Authority area which includes Shropshire (and if appropriate Telford & Wrekin) which would have the additional advantage of ensuring no area is 'orphaned' within the SA process. We anticipate that these areas will work collectively in the shaping of an SA which meets the needs of our collective geography and builds on our collective devolution ambitions, as set out to the Government in Autumn 2024, where we noted that our devolved region should have the following key features:

- Devolution must work for all: plans must reflect and respond to a deep understanding of local needs and opportunities. That is what our authorities have been working hard at over the summer.
- Form must follow function: if we are to accept another layer of governance in the county, at additional cost to the people of Staffordshire and Stoke-on-Trent, then the prize in terms of devolved functions, powers and resources has to be significant.
- Governance has to be inclusive: our Leader's Board works because all local authorities get to participate and contribute, and we want to ensure that this is also the case in any devolved arrangements.
- Commitment to subsidiarity: devolution should be to the most appropriate level of governance for the function in any question, and that should mean a combination of county-wide, local authority level and, perhaps most importantly, community level. We seek a devolution deal that gives us flexibility to make those judgements together.

Devolution at a Strategic Authority level is not about local service delivery, but rather setting the conditions at a strategic level, making the case for and directing funding towards, for example, areas to develop infrastructure at a local level

With this in mind, we remain of the view that an Elected Mayor model does not fit neatly with the collective aims and ambitions of Staffordshire and Stoke, our approach to date or our collective track record, where initiatives such as We Are Staffordshire are seen by investors as a model of joined up, grown up and equitable partnership delivery. Newcastle would therefore support a model aligned to that of a full, established Strategic Authority, but not the introduction, unless mandated by Government, of a Mayoral model.

5. The financial case for thinking locally

The Government anticipates that the process of reorganisation will create the conditions for addressing the cumulative financial pressures on local authorities. It is useful to note that, as with other local authorities, Newcastle has faced a continued real-terms reduction in spending power, resulting in the need to make significant year-on-year savings. In this, it has

demonstrated an efficiency of approach over as long period of time whilst maintaining quality service delivery for both statutory service provision and investment in local priorities.

The Government further notes in its guidance for councils that for areas covering authorities that are in Best Value intervention and/or in receipt of Exceptional Financial Support, proposals must additionally demonstrate how reorganisation may contribute to putting local government in the area as a whole on a firmer footing and what area-specific arrangements may be necessary to make new structures viable.

As noted by the Chair of the Local Government Association, Government also needs to commit to funding councils to deliver on the reforms set out in the White Paper.

Whilst we firmly support the principle that areas with the greatest need and significant challenges need a funding formula which works in their interests, and that this must be reflected in settlements in the future, this should not in our firm opinion be viewed through the lens of 'one area pays for another'. Residents rightly expect that their funding of local government through council tax, non-domestic rates for the companies they run and work for and through general taxation can clearly be linked to quality service provision at a local level.

In our consideration of options, we are mindful that residents should not be asked to unreasonably contribute to distant and disjointed from their localities. If a unitary model is to be imposed, it must be on the basis of a geography which balances advantaged and disadvantaged areas and continues to deliver the very highest possible level of services, locally. This is separate to the equally important goal of using the levers of power, individually and collectively as authorities, to increase wealth creation and retention across our region.

In order to achieve a balanced and less financially burdensome approach to reorganisation, one option may be for Government, instead of the creation of new unitary councils, to invite the de-unitarisation of Stoke-on-Trent City Council, re-establishing it within Staffordshire as a city district as per the arrangements pre-1997.

Further collective working

As noted above, Newcastle has a strong ethos of, and is recognised for, effective partnership working with the public, private, third and academic sectors. In this, we have collectively fostered an agile and 'can do' approach from community safety to regeneration. In the establishment of new council structures, we must therefore ensure that we are not reductive – that is, taking existing structures delivered at appropriate scales and fitting them into new structures which may be less effective in obtaining outcomes for our residents, or creating in-built inefficiency. We support the goal set out in the White Paper to identify opportunities to deliver public service reform, including where they will lead to better value for money.

With this goal, we believe that – as we currently work – shared services where they make sense above individual unitary councils should be explored for joining up areas including data, waste treatment, net zero ambitions, energy supply, smart systems and processes to maximise efficiency. This is **separate** to the manageable geography of a council area, but must be built into future service design.

6. Local delivery below existing Borough Council level

Existing parish and town councils play an important part in local democracy and accountability, and can deliver focused services which meet needs at the most local level.

However, the creation of a network of parished areas and town councils should not be seen as a direct substitute for existing delivery arrangements, and the following would need to be carefully considered for future arrangements:

- Avoiding artificial structures to fill gaps where these are not responsive to locally identified geographies;
- Ensuring that parish and town councils have the powers and capacity they need to be self-sustaining and not be dependent upon higher tier authorities for funding for service delivery;
- Not to place undue burdens on residents through precepts which have to fill gaps in provision left by the abolition of district and borough councils.

7. An appropriate population size

The options considered below range in population size – some below and some above the Government's indicated figure of c. 500,000 population. This reflects the fact that the options are not of an arbitrary size, but need to consider a broad range of factors, as the Government itself notes may be the case. Across England, existing unitary authorities such as Peterborough, Telford & Wrekin, Torbay and most recently (in respect of creating a combined authority) York fall well below this threshold, as do most London Boroughs and Greater Manchester authority areas. This is not a negative, rather a reflection that there is no one-size-fits-all model for good governance and delivery.

8. Good governance at an appropriate size

The planned forced reorganisation of local government continues a path of reducing numbers of elected members representing local areas. From over 75,000 in the 1960s, the figures have been reduced to some 19,000 nationally today. We do not take a firm view on the appropriate number of councillors in each model, as this remains to be further considered and explored to balance ward/division size and genuine local accountability. As such, our consideration rather assesses the potential to have good governance at a local level. The Government should consider, given the large-scale reorganisation of councils, whether a national formula or guidance for councillor numbers should be developed to prevent inequity and a lack of local representation. This should be through a full boundary review by the Boundary Commission before the creation of any new unitary authorities.

9. Options to be investigated or not taken further

We have considered the below options against a range of factors for consideration firstly by our own Council and then by Government.

In making this assessment, at this stage we consider models which could – with willing partners – be considered ahead of submissions of final proposals in November, should Government not accept our central premise of retaining a two-tier authority model, with an overarching SA acting for us all regionally.

10 A. A New Unitary Council for Newcastle-under-Lyme

In this model, a new unitary council delivering all services currently falling to both county and borough council levels would be created, operating on the footprint of the existing Newcastle-under-Lyme borough council. This new authority would require the transfer in of the staff and assets of both authorities for the Newcastle area. Estimated one-off costs would need to be identified .

This model would ensure the closest delivery to residents of Newcastle-under-Lyme, with few changes to existing governance arrangements (akin to those of the Borough Council). The population size is the smallest of all options listed (summarised in Table A, below). This

is broadly equivalent to existing smaller, well-managed unitary authorities including Torbay and Windsor & Maidenhead.

10 B. The creation of a new unitary council across the existing geographies of neighbouring Newcastle-under-Lyme and Staffordshire Moorlands

A new unitary council could operate across the contiguous existing footprint of Newcastle-under-Lyme and Staffordshire Moorlands. These areas both have borders with other neighbouring authorities, including Stoke and Cheshire, and particularly share the characteristics of towns and rural areas which the two current authorities are experienced and adept at delivering quality services within. This model would also mitigate risks of economic imbalance (i.e. the two existing district/borough areas funding but not necessarily benefiting from, a merger with the city of Stoke).

The population size of the authority would be equivalent to the existing North Somerset council and larger than Telford & Wrekin.

In its Council report of 5th March 2025, Staffordshire Moorlands District Council noted that whilst it was considering options put forward for North Staffordshire and a single Staffordshire unitary authority:

It needs to be supported by robust evidence and analysis and include an explanation of the outcomes it is expected to achieve, including evidence of estimated costs/benefits

- *The new unitary councils both need to be financially sustainable and have appropriate tax bases which do not create an undue advantage or disadvantage for one part of the area – this will be a particular challenge in North Staffordshire given the cost demand pressures in Stoke-on-Trent*
- *It improves local government and service delivery in Staffordshire as a whole*
- *It avoids unnecessary fragmentation of services and mitigates the potential impacts for the disaggregation of crucial upper tier services such as social care, children's services, SEND; public health etc.*

The report further notes that any new model needs to have been tested through robust local consultation.

10 C. The creation of a new 'West Staffordshire' unitary council based on a connected M6 corridor, comprising Newcastle-under-Lyme, Stafford, Cannock, South Staffordshire.

This model of new unitary would cluster a new unitary around Staffordshire's primary connection to the rest of the United Kingdom and beyond – the M6 corridor. Representing authorities bordering this corridor, the authority could support the devolved Strategic Authority in being a particular engine of economic growth and development, and holds a cohesive geography of similar authorities in Staffordshire in terms of economic characteristics, rural and urban mix and a population size close to that of the Government's indicated requirement at just under 500,000 on latest population figures. This would give a unitary of an equivalent population size to Wiltshire and County Durham.

At time of writing, not all of the above authorities have published their preferred models of unitary council, but are understood to favour a two-unitary model in Staffordshire.

10 D. The creation of a new unitary council comprising the existing unitary area of Shropshire and the existing borough geography of Newcastle-under-Lyme

Whilst not historically joined under a ceremonial county structure, Newcastle and the existing unitary council of Shropshire share a long border, extending to Shropshire addresses and

postcodes for many residents in the west of Newcastle. As with Staffordshire Moorlands, Newcastle and Shropshire share a cohesive sense of place – historic market towns with an established and characteristic rural hinterland. The council would also incorporate two sides of the M6 corridor (as noted above) with onward links to the M54 corridor.

Shropshire is an existing unitary council and has not been required to develop interim proposals for reorganisation. This option will be further investigated following County Council elections to test viability.

A Newcastle and Shropshire authority (similar in nature to that of Devon & Torbay and Kent & Medway) would be equivalent in size in population terms to Cheshire East and larger than many existing unitary authorities.

The new unitary would require a Strategic Authority area including both Staffordshire and Shropshire (and possibly including Telford & Wrekin).

10 E. The creation of a new unitary council on the footprint of the existing Staffordshire County Council.

At its Cabinet meeting of Staffordshire County Council of 5th March 2025, the County Council endorsed a submission to its full Council for a whole Staffordshire single unitary council on the footprint of the existing County Council (therefore not including Stoke-on-Trent). It noted that there were a number of perceived advantages to such a model, including a smoother transition from existing arrangements to a new shadow authority and standardisation of services and the removal of any ‘postcode’ lottery of local government service delivery or standards. As well as an opportunity to potentially reduce costs of local government and to divert duplicated costs into frontline services.

The report notes that unitarisation can play its part in solving the current funding crisis in local government. It cannot however in isolation fully solve the problem.

At this stage, concerns would remain as to the functional size of the proposed new unitary (with a population of over 800,000 it would be larger than most existing unitary authorities) and the attendant perceived or actual remoteness of service delivery and decision-making that this may result in. Further work on the model (which has the advantage of mitigating against particular financial risks arising from a merger with Stoke) would need to be explored in significantly further detail for the model to be supported.

We require to be convinced of the local democratic and delivery arrangements if these would necessitate additional costs to residents through new lower-tier town and parish councils.

10 F. The creation of a new North Staffordshire unitary council for Newcastle, Stoke-on-Trent and Staffordshire Moorlands.

At its Cabinet meeting of 25th February 2025, Stoke-on-Trent City Council’s Cabinet agreed its preferred position for a new unitary authority across the footprint of Newcastle-under-Lyme, Staffordshire Moorlands and Stoke-on-Trent. The paper also set out a wider potential footprint to include Stone and Uttoxeter. This detailed analysis set out characteristics of a new authority boundary and economic geography based on a city-region. With this approach, the report sets out the financial advantages to addressing historic financial challenges the city has faced through a new distributive model of balancing lower council tax income from the city with higher band properties in neighbouring areas.

A new unitary of this scale would be equivalent to Bristol and would be based around a city-region model of the city as the centre of the authority, retaining a city identity within the new authority area.

In Newcastle's report of 22nd January 2025, key reasons for resisting a merger with Stoke were set out, primarily around risks of loss of local identity (where, as noted above, Newcastle residents do not consider themselves to be part of the city) and financial resilience (where Newcastle is carrying no debt, Staffordshire Moorlands has limited debt and the city is in receipt of extraordinary financial support).

These factors, taken together, imply that Newcastle would not benefit from a city-region North Staffordshire model.

11. Options Matrix

OPTION							
Councils/sub-Council areas (based on current Council footprint)	Population size (Assumed 500k threshold for new unitary)	Aligns to wider public sector boundaries (Police, NHS, Fire & Rescue etc).	Democratic arrangements	Discussed with relevant authority ²	Strategic Authority arrangements	Economic balance (no advantage/disadvantage)	Notes
Newcastle-under-Lyme	125,404 – equivalent to other existing unitaries as noted	Yes (as part of Staffordshire)	Could retain existing councillor numbers and wards, no boundary changes	Yes	Staffordshire or wider SA	Same levels as currently	Model requires the creation of a new unitary council on the existing Newcastle geography
Newcastle-under-Lyme and Staffordshire Moorlands	221,308 – equivalent to other existing unitaries as noted	Yes (as part of Staffordshire)	No boundary changes required	Yes	Staffordshire or wider SA	Similar levels of economic indices across the two authority areas.	Could work with either Staffordshire or broader SA
Newcastle-under-Lyme and Shropshire	452,582	Crosses two geographies for Police, Fire, ICB	Formed of an existing unitary and a borough council, would require review post-vesting.	Yes	Requires wider SA of minimum Staffordshire and Shropshire	Similar levels of economic indices across the two authority areas	Shropshire is not required to reorganize but may choose, post-elections, to consider relevant

¹ Population size Small Areas England and Wales, NOMIS, 27 February 2025

² Initial discussion held with Councillor/Officer within the relevant authority on a ‘without prejudice’ investigative basis.

Staffordshire Unitary (not including Stoke-on- Trent)	886,284	Yes (police, fire, ICB)	Boundary review required post- implementation . County council has provided initial opinion on councillor requirements. Potential for remote decision	Yes	Requires a minimum Staffordshire- level SA	Same levels as currently	Requires creation of broader SA of Shropshire, Staffordshire, Stoke- on-Trent (and possibly Telford & Wrekin). Stoke-on- Trent remains as existing unitary on existing boundaries.
Staffordshire Unitary (including Stoke-on- Trent)	1,112,249	Yes	Boundary review required post- implementation . Very large and potential for remote decision making	No	Requires wider SA of minimum Staffordshire and Shropshire	Large area crossing all economic indices	Requires creation of broader SA of Shropshire, Staffordshire (with or without Telford/Stoke) and possible de-
West Staffordshire – Newcastle, Stafford, Cannock, South Staffordshire	471,100	Yes (as part of Staffordshire)	Boundary review required post- implementation (assuming no existing geographies are split). Requires consideration of local democracy arrangements	Yes	Requires a minimum Staffordshire- level SA	Likely to be broadly positive	Untested model through Staffordshire Leader Board, to be considered against a North/South two unitary model for Staffordshire – provides a geography which connects places along the M6

North Staffordshire (Stoke-on-Trent, Staffordshire Moorlands, Newcastle-under-Lyme)	481,316	Yes	Boundary review required (assuming no existing geographies are split or added to). Requires establishment of local democracy arrangements to ensure decisions are focused across all geographies (not city-centric). Stoke negotiation paper sets out a heavy weighting to the city in representation.	Yes	Requires a minimum Staffordshire-level SA	Current imbalance across tax take for the city and two district authorities	Preferred model of Stoke-on-Trent City Council, option under consideration for Staffordshire Moorlands. Not supported by Newcastle's full Council of January 2025.
Newcastle-under-Lyme remains a borough within a county system (Status Quo)	125,404 – the same size as some existing unitary authorities	Yes – as current	As current arrangements	Yes	Could work within a Staffordshire or broader SA	As current	Preferred model of Newcastle-under-Lyme proposed at full Council of March 2025

The above table provides a matrix assessing potential options for Local Government Re-organisation only

Labour Group Amendment to Newcastle-under-Lyme Borough Council Response to Local Government Reorganisation Report

Under Recommendations, Page 2 of the Report insert words in bold and remove words/letters with Strike-through.

Item I:

1. **Strongly Supports** investigation of a Unitary Council model covering the current Newcastle-under-Lyme Borough area (Section 10A, Appendix 3 of this report)
2. **Does not Supports** investigation of a Newcastle-under-Lyme and Staffordshire Moorlands Unitary Council (Section 10B, Appendix 3 of this report)
3. **Does not Supports** investigation of a West Staffordshire Unitary Council geography (Section 10C, Appendix 3 of this report)
4. **Does not Supports** investigation of a Newcastle & Shropshire Unitary Council (Section 10D, Appendix 3 of this report)
5. **Does not-Support** ~~currently favour~~ a Staffordshire Unitary Council (section 10E Appendix 3 of this report)
6. **Does not support** a Stoke-on-Trent & North Staffordshire Unitary Council (section 10F, Appendix 3 of this report)

Amended version of Item I for approval:

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5. **Does not-Support** a Staffordshire Unitary Council (section 10E Appendix 3 of this report)
6. **Does not support** a Stoke-on-Trent & North Staffordshire Unitary Council (section 10F, Appendix 3 of this report)

Proposer: Cllr Dave Jones

Seconded: Cllr Andrew Fox-Hewitt