

# PARLIAMENTARY DEBATES

HOUSE OF COMMONS  
OFFICIAL REPORT

Second Delegated Legislation Committee

DRAFT NORTHAMPTONSHIRE (STRUCTURAL  
CHANGES) (SUPPLEMENTARY PROVISION AND  
AMENDMENT) ORDER 2021

*Tuesday 23 February 2021*

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**Saturday 27 February 2021**

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**The Committee consisted of the following Members:**

*Chair:* †SIR CHRISTOPHER CHOPE

† Amesbury, Mike (*Weaver Vale*) (Lab)  
 Andrew, Stuart (*Treasurer of Her Majesty's Household*)  
 Bradshaw, Mr Ben (*Exeter*) (Lab)  
 † Caulfield, Maria (*Lewes*) (Con)  
 Cummins, Judith (*Bradford South*) (Lab)  
 Duguid, David (*Parliamentary Under-Secretary of State for Scotland*)  
 † Hall, Luke (*Minister for Regional Growth and Local Government*)  
 Henry, Darren (*Broxtowe*) (Con)  
 Hillier, Meg (*Hackney South and Shoreditch*) (Lab/Co-op)  
 Johnson, Dame Diana (*Kingston upon Hull North*) (Lab)

Jones, Mr Marcus (*Vice-Chamberlain of Her Majesty's Household*)  
 † Mann, Scott (*North Cornwall*) (Con)  
 Morris, James (*Lord Commissioner of Her Majesty's Treasury*)  
 Rutley, David (*Lord Commissioner of Her Majesty's Treasury*)  
 Smith, Nick (*Blaenau Gwent*) (Lab)  
 † Western, Matt (*Warwick and Leamington*) (Lab)  
 Young, Jacob (*Redcar*) (Con)

Seb Newman, *Committee Clerk*

† **attended the Committee**

## Second Delegated Legislation Committee

Tuesday 23 February 2021

[SIR CHRISTOPHER CHOPE *in the Chair*]

### Draft Northamptonshire (Structural Changes) (Supplementary Provision and Amendment) Order 2021

9.25 am

**The Minister for Regional Growth and Local Government (Luke Hall):** I beg to move,

That the Committee has considered the draft Northamptonshire (Structural Changes) (Supplementary Provision and Amendment) Order 2021.

It is a pleasure to serve under your chairmanship, Sir Christopher. Laid before the House on 25 January, the order, if approved and made, will make provision in relation to the two new unitary councils in Northamptonshire, which will be fully up and running from 1 April 2021. The order will ensure a smooth transition from the predecessor councils. It relates to two issues: the lord lieutenancy and the Northamptonshire pension fund.

The order that we are considering this morning is intended to be the last statutory instrument implementing local government reorganisation in Northamptonshire. In February 2020, following Parliament's approval, we legislated to abolish the existing county council and the seven district councils in the area and to establish the new unitary councils of North Northamptonshire and West Northamptonshire.

Those local government changes were locally led, having been proposed by councils in Northamptonshire in August 2018, following an invitation from the then Secretary of State in March 2018. We were satisfied that they met our criteria for change—that the change would be likely to improve local government and service delivery in the area and have a good deal of local support, and that the new councils would have a credible geography.

I must pay tribute to all the local leaders and their officers who have worked so collaboratively and hard to implement the restructuring of local government in the area, all while establishing a new children's trust and responding to the pandemic. Those have been significant changes, and the fact that we are now so close to a successful launch of the new councils is testament to the commitment and hard work of the local partners involved.

I also thank hon. Members for the area who have staunchly supported the drive for improved local government in Northamptonshire. Lastly, I offer my thanks to the Secretary of State's commissioners in Northamptonshire, who have done so much to stabilise the position of the existing county council and provide a stable base for the transition to the new authorities.

The order that we are considering today makes the following changes in relation to the new councils. First, the order makes amendments to the Lieutenancies Act 1997 and the Sheriffs Act 1887 to insert, in the relevant schedules, references to the new local government areas

of North Northamptonshire and West Northamptonshire in relation to the positions of lord lieutenant and high sheriff respectively. That will ensure the continuation of the positions of lord lieutenant and high sheriff of Northamptonshire. There is no change to the boundary of the ceremonial county of Northamptonshire or to the functions or jurisdiction of the lord lieutenant or high sheriff of Northamptonshire. The important historic and traditional roles of lord lieutenant and high sheriff must be preserved for the ceremonial county of Northamptonshire after the reorganisation. That will be achieved through this order. Such ceremonial roles are rightly important to local leaders and communities. The lord lieutenant and high sheriff are royal appointments supporting Northamptonshire, the Crown and the judiciary.

Secondly, the order makes provision to ensure that the property, rights, assets and liabilities of the Northamptonshire pension fund transfer from Northamptonshire County Council to West Northamptonshire council, which will be the new administering authority of the pension fund for both the new councils, all predecessor councils and other employers who participate in the Northamptonshire fund. That will ensure the continuation of the administration of the pension fund and avoid crystallisation of any pension liability.

The order further provides that the assets and liabilities in the pension fund relating to the pensions of employees or former employees of the councils that are to be abolished transfer to the successor councils in proportions determined by West Northamptonshire council. That will ensure that there is clarity on who is taking over the responsibility for funding existing pensions accrued, and prevent exit payments from arising under the relevant regulations; these would normally be triggered where an employer leaves the scheme. The order provides that, in coming to a fair determination on those matters, West Northamptonshire Council must take advice from an actuary and consult North Northamptonshire Council.

In addition to this order, we have previously made regulations of general application to enable the effective implementation of all unitarisation. In general terms, the regulations ensure that anything that has been done by or to a predecessor council can be continued by or to the successor council. Specifically, they provide that all functions conferred on the predecessor councils are transferred to the successor council, as well as all property rights and liabilities, staffing, specified electoral and governance matters, honorary titles, plans, schemes, statements and strategies, and responsibility for certain functions relating to town and country planning and housing.

**Matt Western** (Warwick and Leamington) (Lab): Is the Minister's Department involved in approving the process that Northamptonshire is going through? At what point are the public involved in approving and agreeing that it is right to have two unitary authorities rather than a single Northamptonshire authority, and what is the cost benefit of doing that?

**Luke Hall:** I thank the hon. Gentleman for that intervention. When we received the locally-led proposals, there was a significant amount of local engagement and support from the councils that put them forward. We certainly deemed that to be the case in meeting the criteria for pursuing the proposals. The order that we are discussing this morning addresses two supplementary

issues following the process, and the remaining incidental issues that were not addressed following the previous existing regulations of generic application. I can assure members of the Committee that we have worked closely with the existing councils and the shadow authorities for north and west Northamptonshire on this order, looking carefully at the numerous issues raised and agreeing that the order's provisions meet local requirements.

The provisions are sensible and necessary consequential changes in the light of the establishment of the new councils, which Parliament has already approved. They ensure a smooth transition to the new arrangements and continued effective local government in the areas. I commend the order to the Committee.

9.32 am

**Mike Amesbury** (Weaver Vale) (Lab): It is a pleasure to serve under your chairmanship, Sir Christopher.

I am happy to join the Minister in supporting the creation of the new unitary authorities. I put on record the Opposition's thanks to the parliamentarians, councillors, officers, residents and indeed the trade unions for their work in going forward to that transition. It is not the most controversial matter before us today, but I have a few questions for the Minister.

We have been waiting quite some time for the publication of the devolution White Paper, which currently does not have a timetable for publication. Given during the pandemic we have seen the serious limitations of over-centralisation on full display, and the Government have worked in partnership with areas that have metro mayors and combined authorities, we have seen the power and benefits of the resources that have been transferred from Westminster to localities up and down the country. Devolution should therefore be a process built from the bottom up, which touches on some of the Minister's comments about the consultation and the evolution of the unitary authority. The Government should not block or delay publication of the White Paper. It was in the Queen's Speech and the Conservative manifesto, so I would certainly welcome an update.

I have a vested interest in my patch of Cheshire and Warrington, for which I have advocated devolution along with other parliamentarians and local council leaders. I would like to know how the Minister sees the overall devolution agenda progressing as we recover from the impact of the pandemic. Will the Government keep their promise to fully fund councils for the costs of the pandemic so that we do not see huge losses of services across the country, and so that we do indeed build better and fairer in the future? I thank the Minister for his comments today.

9.34 am

**Luke Hall:** I thank the shadow Minister for his comments. I certainly join him in thanking everyone involved in the creation of the two new authorities, including the trade unions. He asked a couple of important questions: first, on the devolution White Paper.

I agree with the hon. Gentleman about the power and benefits, as he described them, of locally-led decision making driving forward the delivery of investment and opportunity in communities. We remain absolutely committed to devolution, which is why we have just delivered the West Yorkshire devolution deal. We look forward to the first mayoral election in May. We will have nearly 50% of the north covered with elected

mayors following that election, so it is an exciting moment for us. We are absolutely excited by the opportunity that that brings to people in Yorkshire.

We are completely committed to the devolution agenda. The White Paper was one of the pieces of work that we had to postpone during the heat of the pandemic, as we asked councils and our Departments to focus their resources on dealing with the impacts of what was before us. Unfortunately, I have not a date today for when we will bring forward the White Paper, but we are completely committed to doing that this year. I can certainly assure the hon. Gentleman that we want to deliver it and see it as a central and important part of our work. We are continuing the work we have already done on locally-led proposals that can be delivered with significant support across communities. The agenda remains at the forefront of so much we are trying to achieve.

The hon. Gentleman asked about our commitment to fully fund councils and the impact of the pandemic. Of course, that absolutely remains. If he looks back at what we have tried to do and the spirit in which we have tried to do it over the last year, first, the work of councils has been absolutely remarkable in responding to the pandemic—they have been front and centre of our response. That is why we have provided them with over £8 billion so far. We have a commitment to £11 billion for councils. If we look at the returns that councils have submitted to my Department, the amount that they are spending and the projected amount that they are likely to spend to the end of this financial year, that comes to a total of £6.9 billion, so we have provided them well in excess of the amount that they have spent. We also have in place the sales, fees and charges and other income loss schemes, which have already started to pay out—we have paid out £500 million already. Of course, we keep that under close review.

My last point on local government finance is that we tried as best we could in the context of a one-year spending review, which that was necessary because of the circumstances, to give councils the certainty with their finances using the tools we had to do so. Alongside the provisional settlement that we published in December, we also published three other important things. First, we published the allocations for each council for the covid support that they will receive from April to the end of June. That was a breakdown of £1.5 billion by local authority. It was a conscious policy decision to do that early on to give councils certainty in the context of the spending review.

Secondly, we published the local council tax support scheme with the details broken down by local authority, and the details of the sales, fees and charges scheme. I assure the hon. Gentleman that that commitment absolutely remains and that we want to support and empower councils and communities to deliver public services efficiently.

**Matt Western:** Specifically on that point, is the Minister aware of the situation in Northamptonshire given it had an issue, I recall a few years ago, with a £53 million brand-new headquarters—as it described it—for the council? Has that impacted on its ability to supply services through the pandemic or, indeed, as we were discussing pension funds, has it had any impact on the future provision of pension funds for staff?

**Luke Hall:** I hope the hon. Gentleman will forgive me: I do not want to opine on private conversations we have had with Northamptonshire. I can assure him that we are working with it very closely as it goes through a period of delivering change and responding to a pandemic. It is certainly the case, as we have seen with many councils around the country, that delivering planned efficiency changes has been much harder this year for all the obvious reasons that we all completely understand. We are trying to best understand the impact of that and its longer-term implications. Indeed, there are longer-term implications of the pandemic on local government finance. It will not be the case that we can carry on as we have done before, because there may well be longer-term scarring impacts on the local government finance system, not just in Northamptonshire, but around the country. We see that crystallising in some areas, such as social care. We keep that closely under review as we move forward.

The order completes the legislative requirements necessary to implement a locally-led proposal for unitarisation in Northamptonshire. It ensures the necessary technical arrangements around ceremonial matters and that local government pension scheme arrangements are in place so that effective local governance continues in those new areas. The new local authorities undergoing reorganisation are making excellent progress towards their go live date. I am confident that the new councils in west Northamptonshire and north Northamptonshire will be successfully launched on 1 April this year, bringing about improved local government and the service delivery that the people of Northamptonshire need and deserve.

*Question put and agreed to.*

9.40 am

*Committee rose.*