

25 July 2007

Chief Executive
Ipswich Borough Council

Our Ref:
Your Ref:

BY EMAIL

Dear Chief Executive,

PROPOSALS FOR FUTURE UNITARY STRUCTURES

In response to the Invitation to councils in England issued by the Secretary of State on 26 October 2006, your council submitted on 24 January 2007 a proposal for future unitary structures. I wrote to you on 8 February 2007 informing you that your council's proposal conformed to the terms of the Invitation and on 27 March 2007 informing you that your proposal, together with the further information that you provided to explain and clarify it, would be proceeding to stakeholder consultation.

I am now writing to inform you that, in the Secretary of State's judgement, there is a reasonable likelihood that, if implemented, the proposal would meet the outcomes specified by each of the criteria set out in the Invitation. However, the Secretary of State recognises that there are risks to your proposal achieving the outcomes specified by the affordability criterion. You will therefore be invited to undertake further work and to submit additional information on the financial viability of your proposal. The Secretary of State will have regard to this information, together with any other relevant information, before taking a final decision if and when the Local Government and Public Involvement in Health Bill is enacted.

This decision was reached having regard to your council's proposal, the further information that you have submitted, the responses to the stakeholder consultation

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and all other relevant information available. In relation to each of the five criteria the Secretary of State reached the following views on your council's proposal.

Strong, Effective and Accountable Strategic Leadership

She considers that the strong overarching role for the local strategic partnership and an enhanced scrutiny function with scope for community involvement will enable a clear strategic focus on Ipswich's urban priorities. She recognises that there are concerns about Ipswich's appreciation of its and the wider county's interdependence. However, on balance, she concluded that there was a reasonable likelihood of the proposal achieving the outcomes specified by this criterion.

Neighbourhood Flexibility and Empowerment

She considers that the proposals for neighbourhood empowerment based around Area Committees and Area Forums and the proposed Youth Council mean that local residents will be given a real opportunity to influence neighbourhood affairs. She concluded that there was a reasonable likelihood of the proposal achieving the outcomes specified by this criterion.

Value for Money and Equity on Public Services

She considers that the service priorities of any new unitary council, together with proposals for the integration of back office functions and a strong centralised customer services plan, will deliver effective and efficient public services focussed on the urban needs of Ipswich's citizens. She recognises that there may be some diseconomies of scale for both Ipswich and the County Council. She also recognises doubts about the ability to achieve the proposal's forecast savings in Children's Services, and concerns about the loss of knowledgeable staff and possible disruption to service delivery during transition. However, she recognises that a council can enhance its capacity and take measures to overcome any skills shortage. Accordingly, she concluded that there was a reasonable likelihood of the proposal achieving the outcomes specified by this criterion.

Affordability

On balance, she considers that if implemented the proposal would be reasonably likely to be affordable, but considers there are a number of risks to the financial case set out in the proposal. These relate to the potential diseconomies of scale inherent in disaggregating county services and the identified potential savings that a new unitary council could achieve. As set out above you will therefore be invited to undertake further work and to submit additional information on the financial viability of your proposal.

Supported by a Cross Section of Partners and Stakeholders

She considers that, if implemented, the proposal would command a cross-section of support from a range of stakeholders, both public and private sector, as well as some support from the general public. She concluded that there was a reasonable likelihood of the proposal achieving the outcomes specified by this criterion.

Conclusion

If you have any queries about the substance of the decision you should write in the first instance to Terry Willows at terry.willows@communities.gsi.gov.uk .

Yours sincerely,

P Rowsell