

Appendix 3.3

Case For Change: Proposal B

Amber Valley being part of the southern
Unitary Council

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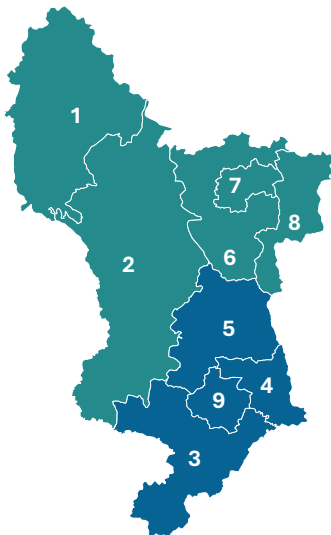
Summary

Proposal B proposes the creation of two new Unitary Councils using the District and Borough Councils as building blocks, with Amber Valley in the southern Unitary.

This proposal offers Derbyshire residents and businesses sustainable growth in both northern and southern unitary authorities, with opportunities to maximise employment, skills and housing.

Fundamental to this, Proposal B will allow Derby City to grow in all directions, unlike Proposal A which constrains the northern boundary of the City.

The population levels under Proposal B will meet the Government's criteria for establishing two balanced and sustainable Unitary Councils. This alignment with Government criteria is further strengthened by the consultation findings. Across both weighted and unweighted data within the consultation, there is a correlation between respondents who prefer either Proposal A or Proposal B and respondents who agree with reducing the number of councils in Derbyshire and wider Government plans for the reorganisation of local government. However, the correlation is stronger for Proposal B. For Proposal A, 45% of the respondents (unweighted) or 41% (weighted) agree with proposal to reduce the number of councils, whereas with Proposal B it is 51% (unweighted) and 58% (weighted).



Unitary 1: High Peak, Derbyshire Dales, North East Derbyshire, Chesterfield, Bolsover (456k)

Unitary 2: South Derbyshire, South Derbyshire, Erewash, Amber Valley, Derby City (622k)

A north/south split of the county, with Amber Valley being part of the southern unitary.

Proposal B has emerged as the preferred proposal overall among all consultation respondents with 39% favouring Proposal B (when weighted to ensure fair representation of all respondents¹) compared with 32% for Proposal A and 21% for Proposal A1 (consulted as Option C), Proposal B stands out as the most popular choice. It is important to note that Proposal B1 has not been subject to public consultation.

Note: 1. Weighting is routinely used to adjust for differences in population size or response bias so that the whole of the population is fairly represented.

Appendix 3.3: Case for Change Proposal B (cont.)

Support for Proposal B has been particularly strong in individual council areas as well as across Derbyshire overall with Proposal B being the preferred proposal of respondents from the city council and five of the eight district and borough councils. This reflects a clear preference and a shared sense of identity within the communities in the two proposed Unitary Councils. Notably, analysis of the consultation findings indicated that residents within the proposed boundary of the southern and northern Unitary Councils access services for work or leisure within the northern and southern Unitary Councils as proposed in Proposal B. This indicates that Proposal B represents the optimum balance in meeting resident's preferences and their work and leisure requirements.

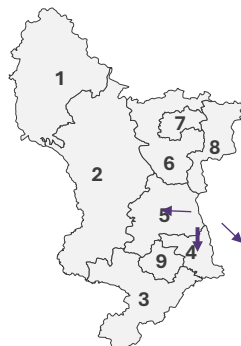
We envision a future where two councils will operate in harmony, each robust and financially sound. These councils are not rivals, but rather complementary allies, both resilient and capable, dedicated to serving and uplifting their communities.

By strategically balancing population and economic growth, Proposal B will equip both Unitary Councils with the necessary tools and resources for residents to thrive. The new councils will naturally align with the community infrastructure connections that people depend on and the economic landscapes that drive opportunity, embodying the character of their local regions.

Movement across Derbyshire — Amber Valley residents

Mani places visited by residents during day-to-day activities

- Amber Valley (93%)
- Derby City (54%)
- Derbyshire Dales (50%)
- Erewash (26%)



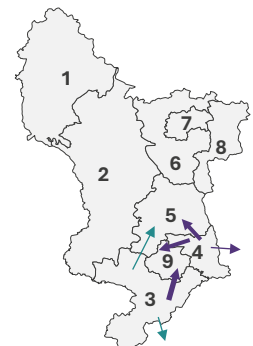
Movement across Derbyshire — Erewash and South Derbyshire

Erewash residents

- Erewash (88%)
- Derby (56%)
- Amber Valley (37%)
- Outside Derbyshire (28%)

South Derbyshire residents

- South Derbyshire (89%)
- Derby (56%)
- Outside Derbyshire (28%)
- Amber Valley (16%)



For example, this proposal will specifically allow those residents that travel to Derby City (for work, study and/or leisure) to have a say in the running of Derby City and contribute to the costs of the southern Unitary through Council Tax.

In evaluating all proposals, Proposal B was assessed as being the best proposal, (equal with Proposal B1) for the following reasons:

- By respecting the existing district boundaries, it is a less complex and deliverable route to reorganisation.
- It was the preferred proposal from the consultation.
- It offers significant growth opportunities for both Unitary Councils, without constraining the city of Derby.
- It supports closer functional ties for local residents with existing travel to work, study and leisure opportunities in the north and south

Appendix 3.3: Case for Change Proposal B (cont.)

Criteria 1: The establishment of a single tier of local government for the whole area

Proposal B meets the MHCLG criteria of around 500k population for both authorities and although the two Unitary Councils' populations are not perfectly balanced with the North (456k) and the South (622k), they do represent the best balance in relation to the functional requirements of residents, partners and businesses. Within this proposal population is expected to grow relatively evenly across the North (4.2%) and the South (4.8%) which provides a better balance than Proposal A with North (5.2%) and South (3.8%).

The geography (North: 1,838 sq. km; South: 791 sq. km), is more balanced in Proposal B than with Proposal A (North: 2103 sq. km; South: 526 sq. km). However, given that the north of Derbyshire contains large rural areas (particularly in High Peak and Derbyshire Dales), the geography remains unequal for all the proposals considered.

This proposal has the best alignment to existing Derbyshire Housing Market Areas, with the North Derbyshire HMA and the Peak Sub-Region HMA (Chesterfield, Bolsover, North East Derbyshire, High Peak and Derbyshire Dales) aligning with the northern unitary proposed in this Proposal And the Derby HMA (Amber Valley, Derby City, South Derbyshire) aligning with the southern unitary.

Proposal B also offers the greatest opportunity for housing growth around Derby City by building on the Derby Housing Market Area (HMA) collaboration and enabling Derby City to grow in all directions without constraint or additional administrative complexity. Derby City is the economic centre for the southern unitary and this will support its continued growth by helping to increase housing supply and meet local needs, including the future housing growth plans set out within the existing Derby Housing Market Area (HMA).

Amber Valley's inclusion in the Derby HMA reflects real-life functional relationships, particularly housing markets and travel-to-work patterns. Amber Valley has strong commuting and housing ties with Derby, especially in towns like Belper, Ripley, and Heanor, which are closely connected to Derby's urban area.

A single Local Plan in the southern unitary which encompasses the entirety of the Derby HMA and which in future would also include Erewash, would be mirrored by a single Local Plan in the northern unitary encompassing the entirety of the High Peak, Derbyshire Dales and Northern HMAs that would articulate a coherent spatial strategy for Derbyshire and a shared vision for housing growth, infrastructure, environment, and economic growth across the respective HMAs.

Removal of the existing Local Planning Authority boundaries within the existing HMAs which can only be achieved through base Proposal B would eliminate the need for formal cross-boundary agreements such as Statements of Common Ground and Duty to Cooperate. Planning Applications and Local Plans could be processed more quickly under these single governance structures accelerating housing delivery.

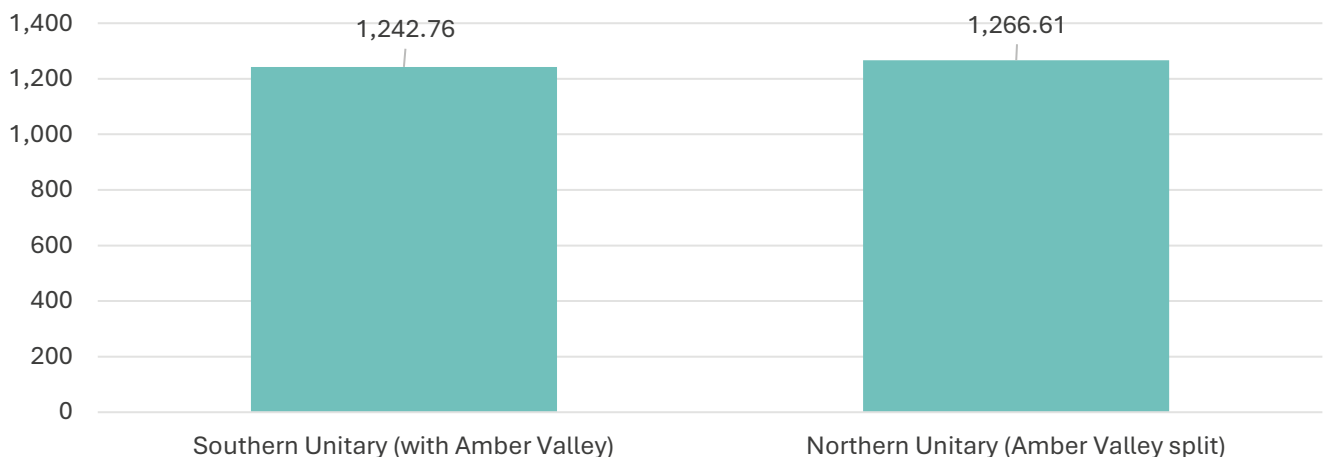
Appendix 3.3: Case for Change Proposal B (cont.)

Skills is a major factor in boosting employment growth for both the northern and southern unitary authorities. Insight from Derby College indicates that access to post 16 learning is consistent with Proposal B. 3,500 students¹, 34% of their 24/25 intake, travel from Amber Valley (13%), Erewash (12%) and South Derbyshire (8%), with only 654 (6%) from Derbyshire Dales or northern areas, suggesting that colleges in Chesterfield and Buxton better serve northern communities. Access to skills is driven by localised industrial needs, relevant employers and transport links, Proposal B provides the most appropriate route for 16- to 24-year-olds and indeed people of all working age in the north and south to maximise their potential.

Criteria 2: the right size to achieve efficiencies, improve capacity and withstand financial shocks

Proposal B will offer a strong foundation for financial stability for both Unitary Councils. Under this proposal each of the Councils will be closely balanced in terms of total resources per head, and each will have sufficient reserves to implement reorganisation and drive transformation.

Total Resources (£ per head)



*data used in 2026/27 forecast funding allocations

The breakeven analysis for Proposal B assesses when cumulative savings from reorganisation outweigh the one-off implementation costs and the analysis indicates that breakeven is achieved in Year 4, after which cumulative savings exceed implementation costs. This represents a payback period of 3.55 years, which exactly mirrors the payback period for Proposal A.

Appendix 3.3: Case for Change Proposal B (cont.)

Proposal B	Unitary 1	Unitary 2	Total
Population	455,846	622,063	1,077,909
	£'000	£'000	£'000
Annual savings (from year 6)	18,606	25,390	43,997
Implementation Costs (one off)	(26,391)	(36,014)	(62,406)
Disaggregation Costs (one off)	(1,269)	(1,731)	(3,000)
District Disaggregation (one off)	0	0	0
Payback (years)	3.55	3.55	3.55

As this proposal does not seek to split a district, it reduces the projected one-off disaggregation costs of implementation by approx. £1 million.

Criteria 3: the delivery of high quality and sustainable public services

Because the two Unitary Councils are of a significant size, we would expect the high-quality services currently delivered by the existing councils to continue. Therefore, we have selected several metrics to give an indication of the likely demands on each of the two new councils, to assess whether there may be an imbalance in the demands on services.

Over 65-year-olds are a cost driver for adult social care, and these populations are balanced in both Councils. For Proposal B the 65-year-olds population is balanced with 108k in the North and 118k in the South, offering a more equal distribution of needs. When looking at a cost driver for Children's Services, we have used the percentage of children in low-income families (North: 22%; South: 25%). These are only 'proxy' indicators of potential demand, but the higher tax base in the south should offset the potential increased costs associated with higher demand for Children's services in the south.

Proposal B would not involve unnecessary fragmentation of services as it uses the existing District and Borough boundaries as building blocks, allowing resources to be targeted immediately on service continuity and improving long term delivery through avoiding disaggregation of an existing principal authority.

Criteria 4: a view that meets local needs and is informed by local views

Not only does Proposal B represent a strong proposal in terms of population, financial stability and service delivery it also best represents local residents' identity, cultural and functional requirements. The results from the public consultation found that overall, the weighted¹ result of the consultation identified that 39% of respondents favoured Proposal B. This was seven percentage points higher than the percentage of respondents who favoured Proposal A. Proposal B was also favoured by respondents from the City council and five of the eight District and Borough councils (this was true for both the weighted and unweighted results).

Appendix 3.3: Case for Change Proposal B (cont.)

Respondents that favoured Proposal B felt it was a fairer more balanced geographical split with a more equitable division of districts, and a better balance in terms of size, workload and resources. They also recognised the ties around culture, transport, work and administrative links.

The engagement activities with both residents and stakeholders are detailed within the core proposal and although the key stakeholders that were consulted have not expressed a preference for any of the proposals they did recognise the benefits of larger Unitary Councils as equal partners.

Our sub criteria for meeting local needs included the ‘Housing Market Area’ metric that is defined as “Unitaries” have housing that is affordable to meet demand, a supply that is sufficient to match current and future needs, and ability to address specific challenges such as affordability issues or overcrowding.” Proposal B scored higher on this measure as well as significantly higher on the ‘Population Growth’ metric. Proposal B demonstrates evenly balanced population growth across the North and South Unitaries, whereas Proposal A shows a significant difference of population growth between North (5.2%) and South (3.8%) as well as a lower score for the Housing Market Area metric which places the north at a disadvantage in relation to meeting local needs and addressing the challenges of housing affordability and overcrowding.

Additionally in relation to our sub criteria “Alignment with NHS and Fire, and Police Boundaries”, data linked to 9 out of 17 GP practices, provided by Chesterfield Royal Hospital evidences that a greater proportion of Amber Valley residents (from Amber Valley GP Practices) access elective (62.27%) and non-elective (55.07%) healthcare at the University Hospitals of Derby and Burton NHS Foundation Trust rather than Chesterfield Royal Hospital. This indicates that Amber Valley residents are already accessing key public services in the south of Derbyshire.

Criteria 5: support devolution arrangements

The two similarly sized Unitary Councils would be equal partners and constituent members of EMCCA and able to support the elected mayor in the delivery of her missions, the outcomes of EMCCA’s groundbreaking Inclusive Growth Commission, and EMCCA’s recently launched Local Growth Plan.

Streamlining local plans and identifying the infrastructure and funding needed to unlock housing delivery within the Derby HMA in the south and the equivalent HMAs in the north would underpin the development of EMCCA’s emerging Spatial Development Strategy and Transport Strategy and support growth at a regional level.

Appendix 3.3: Case for Change Proposal B (cont.)

Criteria 6: enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment

Proposal B would ensure that those residents who travelled into the City (for work and/or leisure) from surrounding areas had a say in the running of the City and the services it delivered as well as contributing to the costs of the southern Unitary through their Council Tax.

Both Unitary Councils are in a strong position to build on the goodwill of residents to further enhance community engagement and neighbourhood empowerment, for example through the establishment of Neighbourhood Area Committees for local decision making.

Council size

The proposed Council size for the Northern Unitary is 72 councillors and the Southern Unitary is 90 councillors.

Conclusion

Proposal B has emerged as the strongest base proposal for Derbyshire's future governance, offering a robust, evidence-based solution that aligns with the County's strategic needs.

It is the strongest base proposal for Derbyshire because it best meets the needs of communities, delivers on the criteria set out for Local Government Reorganisation, and has enjoyed clear support from consultation and technical analysis. It provides a balanced, forward-looking foundation for sustainable growth, effective service delivery, and empowered local governance.

Appendix 3.3: Case for Change Proposal B (cont.)

Council approving this Proposal as their Final Proposal for Local Government Re-organisation in Derbyshire.

This is proposed by:

South Derbyshire District Council

Signed



Leader: Councillor Robert Pearson