

Appendix 3.4

Case For Change: Proposal B1

Modification request: Amber Valley being split
between the northern and southern Unitary
Councils

Appendix 3.4: Case for Change Proposal B1

Proposal B1: (Modification request): Amber Valley being split between the northern and southern Unitary Councils

Compliance statement

Proposal B (described above) constitutes the Base Proposal and is based on whole district boundaries, prepared in accordance with Part 1 of the Local Government and Public Involvement in Health Act 2007 and the February 2025 invitation. It is a statutory base proposal and not the final proposal being advanced. Our substantive proposal is Proposal B1 described here.

Summary

Background to the base Proposal B

Proposal B proposes the creation of two Unitary Councils in Derbyshire, using District and Borough Councils as building blocks, with Amber Valley included in the southern Unitary. This proposal meets the Government criteria and offers strong potential for sustainable growth, alignment with local needs, and is the favoured proposal from consultation respondents.

Economically, Proposal B aligns with existing Housing Market Areas in both the northern and the southern unitary and therefore supports strategic housing growth. It also allows Derby City to expand without constraints, enhancing employment, skills, and housing opportunities.

Public consultation confirmed that Proposal B had strong support from respondents and was the preferred proposal for both Derbyshire overall and the Derby City Council area and five out of eight District and Borough Council areas. 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 respondents compared with 32% for Proposal A and 21% for Proposal A1 (consulted as Option C), Proposal B stands out as the most popular choice. This reflects a clear preference and a shared sense of identity within the communities in the two proposed Unitary Councils.

The size of the two Unitary Councils has been carefully developed to meet all the criteria set out by MHCLG including establishing Unitary Councils with a population of around 500k population. Proposal B achieves this for both Unitary Councils with the North being 456k and the South 622k.

Proposal B creates two financially viable Unitary Councils that achieve breakeven after 3.55 years, with the lowest transition costs of the proposals (alongside Proposal A).

Service delivery would benefit from utilising existing boundaries to avoid service fragmentation and well-balanced social wellbeing across the two Unitary Councils. Service demand indicators are well balanced with deprivation (0.12 vs. 0.12), unemployment (3.5% vs. 3.9%) and a recognition that where there is a small imbalance (such as children in relatively low income: 22% v 26%) the potential higher demand is matched against the higher tax base in the southern unitary,

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Strategically, Proposal B is well-positioned to support devolution. It fits naturally within the geography of the East Midlands Combined County Authority (EMCCA), enabling the creation of four equal constituent members.

Importantly, Proposal B also reflects the functional requirements of residents by ensuring that those residents who travel into Derby City in the south or Chesterfield in the north (for work and/or leisure) from surrounding areas have a say in the running of Derby or Chesterfield and the services they deliver, as well as contributing to the costs of the Unitary Councils through their Council taxes. 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.

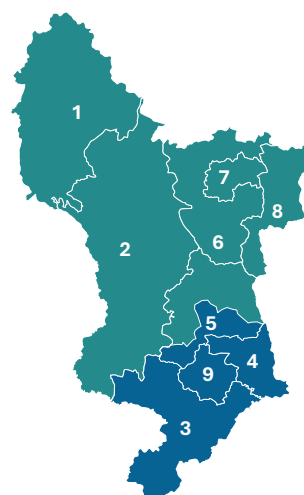
Suggested modification – Proposal B1

Proposal B1 is a request for a modification to the base case of Proposal B, re-drawing the boundary through Amber Valley, using parish councils as the building blocks, but compared with Proposal A1 it includes a different configuration of parishes between north and south:

Parish Council split for Proposal B1 and comparison with A1

North	South
Aldercar and Langley Mill	Belper (in the north for A1)
Alderwasley	Denby (in the north for A1)
Alfreton	Duffield
Ashleyhay	Holbrook
Codnor	Horsley
Crich	Horsley Woodhouse
Dethick, Lea and Holloway	Kedleston
Hazelwood	Kilburn (in the north for A1)
Heanor and Loscoe	Kirk Langley
Idridgehay and Alton	Mackworth
Ironville	Mapperley
Pentrich	Quarndon
Ripley	Shipley (in the north for A1)
Ravensdale Park (in the south for A1)	Smalley
Shottle and Postern	
Somercotes	
South Wingfield	
Swanwick	
Turnditch (in the south for A1)	
Weston Underwood (in the south for A1)	
Windley (in the south for A1)	

Proposal B1



Unitary 1: High Peak, Derbyshire Dales, North East Derbyshire, Chesterfield, Bolsover (539k)

Unitary 2: Derby city, Erewash, South Derbyshire, part of Amber Valley, (538k)

A north/south split, with Amber Valley being split between the northern and southern unitary.

Appendix 3.4: Case for Change Proposal B1 (cont.)

In recognition of the advice offered by MHCLG in relation specifically to requests for a modification, Proposal B1 continues to demonstrate financial sustainability and delivery of strong public services. It is a better fit to the Government criteria because it builds on the strengths of the base proposal B, whilst enhancing it further. The key benefits of this modification include:

- A near perfect balanced population between the northern and southern Unitary Councils with more equal Council Tax bases.
- Greater parity of Gross Value Added with sustainable growth opportunities for both Unitary Councils, including key aspects of housing development
- More closely aligned geographical areas for north and south, yet still allowing Derby City to grow in all directions
- A fair distribution of need across key demographics such over 65 population, homelessness and low-income families across north and south Unitary Councils
- This proposal would also allow those residents in the south of Amber Valley who travel to Derby City (for work and/or leisure) to have a say in the running of the City and contribute to the costs of the southern Unitary through Council Tax, whilst allowing those Amber Valley residents who feel a closer affinity to the north of Derbyshire to have their say in the Northern Unitary.

Proposal B1 demonstrates a commitment to reflecting actual social and geographical realities and helps to ensure that communities remain connected to the areas they naturally gravitate toward, preserving a sense of belonging and shared purpose into the future.

This proposal will also allow those residents in the south of Amber Valley who gravitate towards Derby City for work, recreation, or leisure, to benefit from and have a say in the running of the southern unitary. Similarly, residents with a stronger affinity to northern Derbyshire will be able to do likewise in the northern unitary. This proposal recognises that effective governance is not just about efficiency; it's about fostering belonging, pride, and connection to place.

Overall, this Proposal Addresses specific community concerns without undermining the overall structure and intent of the Proposal B base proposal. In doing so, it enhances the base proposal's credibility, demonstrating responsiveness, with a more rounded, people-centred modification that presents a compelling case for a bright future for decades to come.

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

Proposal B1 meets MHCLG's requirement for a minimum of 500k population for both Unitary Councils with a near perfect balance of populations between the North (539k) and the South (538k). GVA has a better balance than in Proposal B (North: £12.6bn; South: £14.2bn), as does the Council Tax base which has the best balance of all the proposals under consideration (North: 180k; South: 162k). The functional geography is more balanced than Proposal B (North: 2,012 sq. km; South: 617 sq. km).

Appendix 3.4: Case for Change Proposal B1 (cont.)

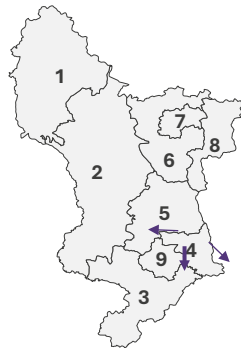
Evidence suggests this Proposal Aligns more closely with established commuter flows, housing market areas, and natural business clusters, enabling each new council to design targeted strategies for investment. In particular, Proposal B1 offers the opportunity for growth around Derby City, with the City able to grow in all directions, and provides greater potential to meet housing requirements. As with Proposal A1, by splitting Amber Valley the southern Unitary does not become a significantly larger authority than the northern one.

Suggested visits for work and/or leisure by respondents to the LGR consultation:

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%)



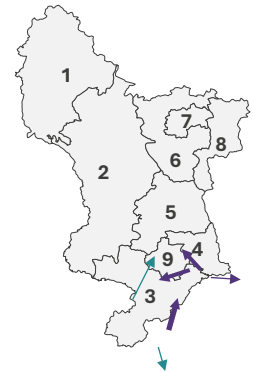
Movement across Derbyshire — Erewash and South Derbyshire

Erewash residents

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

South Derbyshire residents

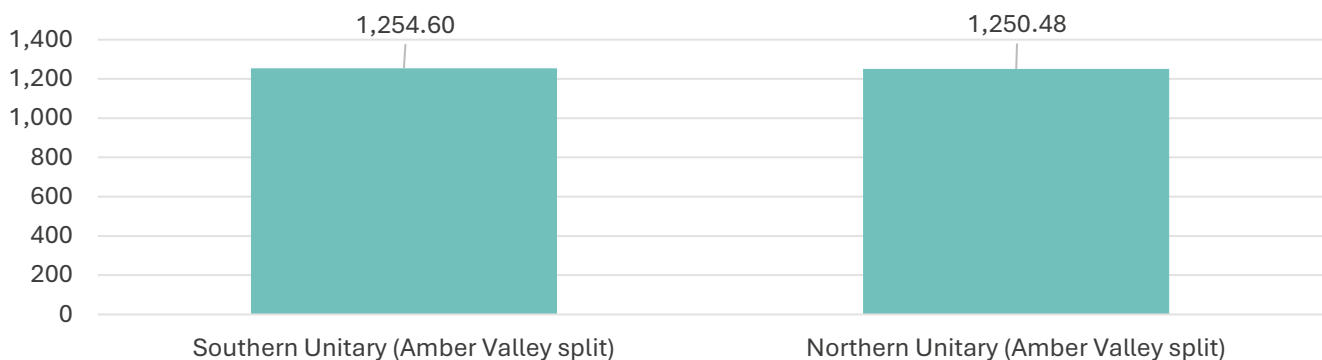
- South Derbyshire (89%)
- Derby (56%)
- Outside Derbyshire (28%)
- Amber Valley (16%)



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

Under this proposal each of the Councils will be closely balanced in terms of 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

Appendix 3.4: Case for Change Proposal B1 (cont.)

The breakeven analysis for Proposal B1 assesses when cumulative savings from reorganisation outweigh the one-off implementation costs. There are additional costs for disaggregating the services in Amber Valley, which increases the payback period for Proposal B1 to 3.58 years overall (compared with 3.55 for Proposal B).

Proposal B1	Unitary 1	Unitary 2	Total
Population	539,410	538,499	1,077,909
	£'000	£'000	£'000
Annual savings (from year 6)	21,910	22,086	43,997¹
Implementation Costs (one off)	(31,078)	(31,328)	(62,406)¹
Disaggregation Costs (one off)	(1,494)	(1,506)	(3,000)¹
District Disaggregation (one off)	(660)	(381)	(1,042)¹
Payback (years)	3.59	3.57	3.58

The financial analysis indicates that breakeven is achieved in Year 4 after which cumulative savings exceed implementation costs. This represents a payback period of 3.58 years.

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

Because the two Unitary Councils are similar in size, we would expect the high-quality services currently delivered by the existing councils should 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.

The over 65-year-olds population is imbalanced with 132k in the North and 94k in the South which is a slightly better position than that for Proposal A1. When this is set against the percentage of children in low-income families (North: 22%; South: 26%) it could be argued there is a reasonable balance between the Unitary Councils in terms of demand for social care services. These are only 'proxy' indicators of potential demand, and whilst the geographical area of the north is not quite as large as in Proposal A or Proposal A1, it is still large, and the high number of over 65-year-olds may add additional demand and cost pressures to the northern Unitary.

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

The engagement activities with both residents and stakeholders are detailed within the core document. Stakeholders consulted have not expressed a preference for any of the proposals but recognise the benefits of larger Unitary Councils as equal partners.

Proposal B1 was not included in the consultation and has been developed based on further analysis and deliberations.

Appendix 3.4: Case for Change Proposal B1 (cont.)

Proposal B1 is very similar to Proposal A1, and respondents in agreement with Proposal A1 felt that it made geographical sense, with a fairer division between north and south providing for balanced councils, populations and resources. They also recognised closer alignment with existing patterns of service and amenity use, as well as ties around culture, transport, work and administrative links. The consultation findings indicate that places visited for working or leisure purposes are closely linked to neighbouring areas, for example, 54% of respondents in Amber Valley visiting the Derby City area, 50% Derbyshire Dales area and 26% Erewash area which is consistent with Proposal B1.

Respondents that disagreed with Proposal A1 felt that the division could undermine the culture and history of the region, and the process of division could affect service delivery.

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.

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

Proposal B1 better represents the interests (compared with Proposal A1) of those residents in the south of Amber Valley who travel into Derby City (for work and/or leisure) from surrounding areas. It would give these residents more of a say in the running of the City and the services delivered by the southern Derbyshire unitary as well as contributing to its costs through Council Tax, whilst at the same time allowing those residents in the north of Amber Valley to maintain their links with the north of the county.

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

Proposal B1 would create two Unitary Councils of 83 councillors in the northern Unitary and 79 councillors in the Southern Unitary.

If this proposal is pursued, Government is likely to seek formal advice from the Local Government Boundary Commission on the proposal.

Appendix 3.4: Case for Change Proposal B1 (cont.)

Conclusion

Proposal B1 is the best Proposal Because it builds on all the opportunities offered by Proposal B, yet offers a more balanced population, equal Council Tax base and more functional geography between the northern and southern Unitary Councils i.e., better reflecting how people in Derbyshire live their lives. This pragmatic and people-centred boundary modification would create two financially sustainable councils able to serve local communities in Derbyshire effectively.

The following Councils invite the Secretary of State to use their powers of modification to make the changes to council boundaries as indicated in this Proposal B1 as their Final Proposal for Local Government Re-organisation in Derbyshire. Proposal B is the base proposal for B1.

This is proposed by:

Chesterfield Borough Council

Signed *PT Gilby*

Leader: Councillor Tricia Gilby



High Peak Borough Council

Signed *Anthony McKeown*

Leader: Councillor Anthony McKeown



Erewash Borough Council

Signed *James Dawson*

Leader: Councillor James Dawson



Derby City Council

Signed *Nadine Peatfield*

Leader: Councillor Nadine Peatfield

