

Public Document Pack



CABINET

WEDNESDAY 12 MARCH 2025

SUPPLEMENTARY AGENDA

PART 1

11 URGENT PART I DECISIONS

LOCAL GOVERNMENT REORGANISATION – INTERIM PLAN SUBMISSION

To outline the Council's position and actions in response to the Government's Devolution White Paper and provide an overview of the proposed approach to the submission of an interim plan to Government.

**This report had not been circulated five clear days before the meeting (nor was it available for public inspection at that time). The Chair will therefore be required to formally accept the business as urgent given the short period of time left before the end of the call-in period on 24 March 2025.*

This page is intentionally left blank

Meeting Cabinet
Portfolio Area Leader of the Council
Date 12 March 2025



LOCAL GOVERNMENT REORGANISATION – INTERIM PLAN SUBMISSION

KEY DECISION

Authors Richard Protheroe/ Daryl Jedowski
Contributors Charlotte Bott / Senior Leadership Team
Lead Officer Matt Partridge
Contact Officer Daryl Jedowski

1 PURPOSE

- 1.1 To outline the Council's position and actions in response to the Government's Devolution White Paper and provide an overview of the proposed approach to the submission of an interim plan to Government.

2 RECOMMENDATIONS

- 2.1 To note the Government's devolution and local government reorganisation requirements and the progress being made to develop options for Hertfordshire.
- 2.2 That delegated authority be given to the Leader of the Council to submit an interim plan for Local Government Reorganisation in Hertfordshire, to the Ministry of Housing, Communities and Local Government by 21 March 2025.

3 BACKGROUND

3.1 On 16 December 2024, the Government published a White Paper on English devolution and reform to local government, setting out the potential for the most significant reforms to local government since the Local Government Act 1972.

3.2 The White Paper covers new transport, employment, housing, business and environmental policies, but also focuses on two aspects of reforming and joining-up public services through:

- Widening and broadening devolution across England through the creation of new Strategic Authorities.
- A programme of local government reorganisation to create new unitary councils across two-tier areas.

Devolution

3.3 The White Paper set the Secretary of State for Housing, Communities and Local Government's (SoS) intentions regarding the roll out of the Mayoral Devolution model across the entirety of the English local government geography, and the future governance architecture for local government.

3.4 The Government is standardising its approach to devolution, moving away from the previous government's approach of agreeing bespoke deals in favour of 'devolution by default'. This has implications for Hertfordshire because the SoS has stated their intention to legislate for a new type of Mayoral Authority.

3.5 The Government will establish a statutory devolution framework that will set out the powers and functions available to three levels of local council groupings known as 'Strategic Authorities' which are as follows:

- a) Foundation Strategic Authorities – which would include all current non-mayoral Combined Authorities (CAs) and Combined County Authorities (CCAs).
- b) Mayoral Strategic Authorities – including all Mayoral Combined Authorities (MCAs), the Greater London Authority and mayoral CCAs.
- c) Established Mayoral Strategic Authorities – MCAs who meet specified eligibility criteria will be able to unlock further devolution including an Integrated Settlements.

3.6 A Strategic Authority will also cover a 'sensible' economic geography with a sense of identity'. It needs to be contiguous for all the constituent authorities. The Government wants local areas to propose plans for devolution, but they will use Ministerial Directives to make this happen if local authorities do not come up with appropriate proposals.

3.7 The Government wants the whole of England to be covered by a strategic authority and has ambitions for all areas to ultimately become Established Mayoral Strategic Authorities in due course. Strategic Authorities should have a combined population of 1.5 million or above although it is acknowledged that in some places, smaller authorities may be necessary.

Local Government Reorganisation

- 3.8 As part of its plans for devolution, the Government has announced a programme of local government reorganisation that will replace all two-tier county and district/borough councils and small or failing unitaries with new unitary councils. These larger unitary structures would then join to form part of the Strategic Authorities.
- 3.9 The Government has stated that new unitary councils must be the right size to achieve efficiencies, improve capacity and withstand financial shocks whilst also effectively delivering local services and representing their communities. For most areas, it has indicated this will mean creating councils with a population of 500,000 or more but the Government recognises there may be some exceptions to be considered on a case-by-case basis.
- 3.10 On 5 February 2025, the Minister of State for Local Government and English Devolution wrote a letter to the Leaders of all District and Borough Councils in Hertfordshire and Hertfordshire County Council, formally inviting them to develop a proposal for local government reorganisation for the area. A copy of the letter can be found in Appendix A.
- 3.11 The Minister has indicated that this is a once in a generation opportunity for local authorities to work together to put local government on a more sustainable footing, creating simpler structures for areas that will deliver the services that local people and businesses need and deserve.
- 3.12 Proposals must be submitted by 28 November 2025. In responding to this invitation an authority must have regard to the guidance from the Secretary of State set out in the Schedule to the statutory invitation, and to any further guidance on responding to this invitation received from the Secretary of State.
- 3.13 An authority responding to the invitation may either make its own proposal or make a proposal jointly with any of the other authorities invited to respond.

Criteria and Guidance for Unitary Local Government

- 3.14 The Government expects local leaders to work collaboratively and proactively to include sharing information and developing robust and sustainable unitary proposals that are in the best interests of the whole area to which the invitation is issued, rather than developing competing proposals.
- 3.15 A proposal should seek to establish a single tier of local government for the whole area concerned. The new single tier local authorities should be set up for sensible economic areas, with an appropriate tax base which does not create an undue advantage or disadvantage for one part of the area. Proposals should also reflect sensible geographies which will help to increase housing supply and meet local needs.
- 3.16 Proposals should be supported by robust evidence and analysis and include an explanation of the outcomes they are expected to achieve, including evidence of estimated costs/benefits and local engagement.
- 3.17 Any submission to the Government should clearly describe 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.

- 3.18 Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks. As a guiding principle, the Government has indicated that new councils should aim for a population of 500,000 or more. However, it has been acknowledged that there may be certain exceptional scenarios where the 500,000 figure does not make sense for an area, including its plans for devolution. Any such exceptional circumstances should be set out in the proposal which is submitted.
- 3.19 Existing district areas should be considered the building blocks for proposals, but where there is a strong justification more complex boundary changes will be considered.
- 3.20 It is also expected that in developing a proposal local leaders should engage their Members of Parliament, and ensure there is wide engagement with local partners and stakeholders, residents, their workforce and representatives, and businesses.

Government Timetable

- 3.21 An English Devolution Bill also expected to be introduced later this year which will seek to put the Devolution Framework mentioned above into statute.
- 3.22 Hertfordshire did not apply to become a Devolution Priority Place (DPP). A DPP area had to commit to have a Mayoral Strategic Authority, with a plan to have the elections for the mayor in 2026. Therefore, Hertfordshire has more time to develop proposals for a strategic authority. A further update will be provided in this regard once the related proposals are available.
- 3.23 The table below sets out the current Local Government Re-organisation indicative timeline that the Government has set for Hertfordshire and other areas like the county that are not part of the Government’s Devolution Priority Programme:

Status	Date	Event
Confirmed	5 Feb 2025	Statutory invitation received from the government to submit local government reorganisation proposals
Confirmed	21 Mar 2025	Submit interim Local Government Reorganisation proposal
Confirmed	28 Nov 2025	Submit full Local Government Reorganisation proposal
Proposed	May 2027	Elections (Shadow authorities)
Proposed	Apr 2028	Vesting day for new unitary councils

- 3.24 The timeline is ambitious and is based on the Government's current planning assumptions. Actual timings will ultimately depend on what proposals are received in November and how long these take to implement. So the Council will only know once proposals are received and consulted on, when the precise dates of a shadow unitary election or go-live date would be.
- 3.25 Once a proposal has been submitted it will be for the Government to decide whether it should be taken 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 the statutory invitation.
- 3.26 The Government has confirmed that councils must continue to deliver their business-as-usual services and duties, which remain unchanged until reorganisation is complete.
- 3.27 As the Hertfordshire local authorities didn't apply to be part of the Devolution Priority Programme the Hertfordshire County Council Elections will go ahead as scheduled on 1 May 2025. The outcome of the elections could potentially have a bearing on the development of devolution and local government re-organisation proposals within the county.

4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

- 4.1 In accordance with the letter from the Minister dated 5 February 2025, the Council will need to submit proposals for the reorganisation of local government structures in Hertfordshire by 28th November 2025.

Interim Plans

- 4.2 The Government has asked that an interim plan(s) should be provided to MHCLG on or before 21 March 2025. This should set the progress being made 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 an area if there is more than one option under consideration.
- 4.3 The expectation is that interim plans should:
- Identify barriers or challenges where further clarity or support would be helpful.
 - 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, along with indicative efficiency saving opportunities.
 - Include indicative costs and arrangements in relation to any options including future service transformation opportunities.

- Include in early views as to the councillor numbers for democratic representation and also effective governance and decision-making arrangements.
- Include early views on how new structures will support devolution ambitions.
- Include a summary of local engagement that has been undertaken to date, along with future plans for wider engagement.
- Set out indicative costs of preparing proposals and standing up an implementation.
- Set out any voluntary arrangements that have been agreed to keep all councils involved.

Hertfordshire Response

- 4.4 On 17 February 2025, the Hertfordshire Leaders Group met to discuss how to respond to the Minister’s request to produce an interim plan. At this meeting, there was agreement to produce and submit a single interim plan response indicating that the following four options are being developed:
- A single unitary for Hertfordshire
 - Two unitaries for Hertfordshire
 - Three unitaries for Hertfordshire
 - Four unitaries for Hertfordshire
- 4.5 Whilst there was agreement that a single submission would be created, this does not mean that there is universal or equal support for each of the four options that have been proposed. As originally outlined in a statement on 20 December 2024, Hertfordshire’s district and borough council Leaders are opposed to the creation of a single unitary council for Hertfordshire. As part of the submission, each individual business case will outline organisational support.
- 4.6 It should be noted that the submission on 21 March is primarily a checkpoint to provide assurance that councils are working together to develop proposals in line with the Government’s criteria. Any response in March does not prevent further options being developed or explored ahead of the formal November deadline.
- 4.7 Recognising the Government’s requirement for all councils in Hertfordshire to work together to develop devolution and local government reorganisation proposals, a White Paper Working Group (WPWG) was established. The WPWG has officer representation from the County Council, each of the county’s District and Borough Councils and the Office of the Hertfordshire Police and Crime Commissioner. Consultants have also been appointed to help with the modelling of options. The WPWG was tasked with producing the interim plan.
- 4.8 As affirmed in a further statement by the Leader of the Council published on 11 February, Stevenage Borough Council remains committed to working together with all Hertfordshire authorities to develop a shared evidence-base to inform the options available to our county. The Council’s priority is to ensure that any changes made as a result of Devolution and Local Government

Reorganisation benefit local residents and businesses, whilst maintaining efficient local government services and ensuring strong democratic accountability to local communities and residents.

- 4.9 To support the submission process, Stevenage Borough Council established its own Cabinet Local Government Reorganisation and Devolution and Officer Working Groups, which meet weekly.
- 4.10 Due to ongoing appraisal work around the various unitary models, it is not anticipated that the interim plan will be ready for formal consideration by the Hertfordshire Leaders Group, until the week commencing 17th March 2025. It is therefore recommended that delegated authority is given to the Leader of the Council to approve and jointly submit to Government the final interim plan for Hertfordshire prior to the 21st of March deadline.
- 4.11 It is not clear at the time of writing this report when MHCLG will provide feedback on the interim plan and the proposals it contains.

Devolution – Strategic Authority Area

- 4.12 Proposals for 2, 3 or 4 Unitary models are being developed on the basis Hertfordshire will be the Strategic Authority Area. The Government has advised that a Strategic Authority Area should cover two or more unitary authorities. A single unitary model therefore would only be possible if the strategic authority area is wider than just Hertfordshire.

Stakeholder Engagement

- 4.13 A countywide engagement plan is being developed that will set out how stakeholders across the county will be engaged in respects to the Government's requirements and emerging options.
- 4.14 Alongside this plan the Council is developing its own local stakeholder engagement plan to ensure key partners, residents, Members and staff are briefed on the Government's requirements and the progress being made on developing options. The Stevenage Together Partnership and Stevenage Development Board have recently been briefed on the steps being taken across the county. Key business leaders will shortly be written to by the Leader of the Council. Dedicated areas on the Council's website and intranet have also been set up to ensure residents and staff are kept informed. A press release is also to be published prior to the interim plan being submitted.

5 IMPLICATIONS

Financial Implications

- 5.1 The submission of the interim plan will be contained within existing budgets.
- 5.2 The Council needs to be mindful that significant resources will need to be directed to prepare for the delivery of the full proposal for submission in November 2025.

Legal Implications

- 5.3 By virtue of Part 1 of the Local Government and Public Involvement in Health Act 2007, the Secretary of State has the statutory power to invite proposals for

a single tier of local government from any principal authority (which is defined as a county council or district council in England). The Councils across Hertfordshire have received such an invitation.

- 5.4 When responding to a request, the Council must have regards to any guidance from the Secretary of State as to what the proposal should seek to achieve and matters that should be taken into account in formulating the proposal. The details of which is set out in the letter received on 5 February 2025.

Risk Implications

- 5.5 A new strategic risk has been placed on the Council's risk register on devolution/local government reorganisation to reflect the challenges the organisation faces currently and in the future.

Human Resources Implications

- 5.6 None directly relating to the preparation of the Interim Plan. However significant resources will need to be made available to prepare for the full proposal in November 2025.
- 5.7 Local government reorganisation is likely to have a direct impact on the council's recruitment and retention. This will continue to be monitored by the council's Senior Management Team, along with support from Human Resources team.

Equalities and Diversity Implications

- 5.8 An EqIA was not completed for the Interim Plan stage, however as plans progress an Equalities Impact Assessment will be developed to inform final local government reorganisation proposals to be submitted to Government in November 2025.

Other Implications

- 5.9 Communication and Engagement Implication(s)
- There is a Communications workstream as part of the County-wide White Paper Working Group, which involves our Communications team. There is an agreed protocol to keep authorities informed, whilst allowing individual authorities to publish their own statement, should they wish to.

BACKGROUND DOCUMENTS

BD1 English Devolution White Paper

English Devolution White Paper December 2024 – Power and Partnership:
Foundations for Growth.

APPENDICES

A 250205 JM LGR invitation to leaders Hertfordshire Final

This page is intentionally left blank



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 in
Hertfordshire

Broxbourne Borough Council
Dacorum Borough Council
East Herts Council
Hertfordshire Couty Council
Hertsmere Borough Council
North Hertfordshire District Council
St Albans City and District Council
Stevenage Borough Council
Three Rivers District Council
Watford Borough Council
Welwyn Hatfield Borough 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 and is enclosed within a thin black rectangular border.

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 Hertfordshire, 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.