

Local Government Reorganisation 17/11/2025

POLICY AND RESOURCES COMMITTEE
17 November 2025

PART I

**Local Government Reorganisation
(CEO)**

1. Summary

- 1.1 The [English Devolution White Paper](#), published on 16 December 2024, set out the government's plans to devolve greater power and funding to local areas and to deliver local government reorganisation in all 'two tier' areas.
- 1.2 On 5 February 2025, the Minister of State for Local Government and English Devolution wrote to all leaders of two-tier councils to formally invite them to develop proposals for a single tier of local government in their counties. Following the submission of an interim plan in March 2025, county areas were required to submit final proposals by 28 November 2025.
- 1.3 Following the submission of the Interim Plan, a Local Government Reorganisation (LGR) programme team was established in Hertfordshire. Leads and support from across the county and district and borough councils have worked with the consultants, IMPOWER, to produce the required full submission.
- 1.4 This submission, which is at Appendix A, outlines three different unitary authority options that remain under consideration - two, three and four unitary councils for Hertfordshire. This was agreed by Herts Leaders Group and the Police and Crime Commissioner. When submitted, the submission will indicate which option each council supports.

2. Recommendation

- 2.1 That Policy and Resources Committee notes the indicative resolution of Full Council on 21 October 2025 and agrees the following:

Either:
 - 2.1.1 To submit the proposal and identify the two unitary option (2UA) as preferred option.
 - 2.1.2 To submit the proposal and identify modified three unitary option (3UA modified) as preferred and request that SoS formally modify the proposal by agreeing boundary changes as set out in the proposal.
 - 2.1.3 To submit the proposal and identify the modified four unitary option (4UA modified) as preferred and request that the SoS formally modify the proposal by boundary changes as set out in the proposal.

3. Details

- 3.1 The [English Devolution White Paper](#) was published on 16 December 2024. This set out the government's plans to deliver local government reorganisation in 'two tier' areas.

- 3.2 On 5 February 2025, the then Minister of State for Local Government and English Devolution, Jim McMahon, wrote to all leaders of two-tier councils to formally invite them to develop proposals for a single tier of local government in their counties. The letter to Hertfordshire Leaders is at Appendix B.
- 3.3 A formal statutory invitation, included as an appendix to the letter, set out the government's expectations including the criteria against which proposals will be assessed:
- a) **Proposals should seek to establish a single tier of local government.** 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) **Proposed unitary councils must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.** New councils should aim for a population of 500,000 or more (although it is recognised there may be certain scenarios where a lower figure could be considered).
 - c) **Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.** Proposals should show how new structures will improve service delivery and avoid unnecessary fragmentation of services.
 - d) **Proposals should show how councils in the area have sought to work together in coming to a view.** Proposals should consider issues of local identity and cultural and historic importance and include evidence of local engagement.
 - e) **New unitary structures must support devolution arrangements.**
 - f) **New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment**
- 3.4 The Minister indicated he expected *"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 ... rather than developing competing proposals"*.
- 3.5 County areas were required to submit an interim plan by 21 March 2025, setting out progress on developing proposals which are to be submitted by 28 November 2025.
- 3.6 It is anticipated that the Government will conduct a formal public consultation on reorganisation proposals for the county early in 2026. The Secretary of State's decision on which option is to be implemented in Hertfordshire would then be anticipated in summer 2026.
- 3.7 The Government's expectation is that new unitary authorities will then be delivered by April 2028, with shadow elections for the new unitary authorities taking place in May 2027.

Hertfordshire's response

- 3.8 Hertfordshire councils, with the Police and Crime Commissioner for Hertfordshire, jointly submitted to Government its [Interim Plan](#) on 20 March 2025. This indicated that four options were being developed:

- A single unitary for Hertfordshire
- Two unitaries for Hertfordshire
- Three unitaries for Hertfordshire
- Four unitaries for Hertfordshire

3.9 [Government feedback](#) on this plan was received on 15 May 2025. This feedback did not seek to approve or discount any option put forward. Key areas covered included:

- Each council must commit to a clear single option and geography for Hertfordshire as a whole in its final proposal.
- Proposals must address the Government's criteria and be supported by data and evidence. Councils were encouraged to collaborate on a consistent evidence base and financial analysis.
- Having unitary councils of a population size of 500,000 or more was referred to as a guiding principle, not a hard target.
- Councils should prioritise the delivery of high quality and sustainable public services to citizens and communities above all other issues.
- Engagement with those who may be affected by the disaggregation of services is encouraged. Final proposals should demonstrate how local ideas and views have been incorporated.
- New unitary structures must support devolution arrangements.

3.10 On 12 June 2025, the Leaders of Hertfordshire's 11 councils agreed to rule out the option of a single unitary authority for the county. This reflected a shared view that a single unitary council covering Hertfordshire's 1.2 million residents would be too remote from the county's diverse communities. This was also later confirmed by the Full Council meeting of the County Council on 22 July 2025.

3.11 Full details of each of the proposals are included in the appendices, however, for ease, the maps for each of the proposed areas are included at Appendix C.

Development of the full submission

3.12 Following the submission of the Interim Plan, a Local Government Reorganisation (LGR) programme team was established in Hertfordshire. This work has been led by the Hertfordshire Chief Executives Co-ordinating Group, with strategic oversight and political steer provided by the Hertfordshire Leaders Group (HLG),

3.13 Leads and support from across the county and district and borough councils have worked with the consultants, IMPOWER, to produce the required full business case for submission on 28 November. Significant work has been undertaken to develop a shared evidence base to enable a robust of potential options for the county. Work on transition planning is also underway with a series of service design teams being set up to model proposals for disaggregation and merging of services as required.

3.14 Reflecting this work, a joint submission from the 11 Hertfordshire councils and the Police and Crime Commissioner for Hertfordshire has been prepared. This submission, which is at Appendix A, outlines their shared commitment to reshaping local government to deliver simpler, more accountable and more sustainable services for Hertfordshire's 1.2 million residents.

- 3.15 The submission comprises of a 'spine' document with sets out in overall terms how the county's proposals meet the government's LGR criteria (as set out in paragraph 3.3 above) alongside specific proposals for each of the different unitary options being considered.

Democratic Representation

- 3.16 To develop the set of proposed councillor numbers for the models described in the submission, colleagues from all councils came together to develop a methodology for modelling these numbers. The methodology was based on guidance set out by The Local Government Boundary Commission for England (LGBCE), alongside professional judgement of the requirements each of the three models described would need to be effectively run and serviced.
- 3.17 Full details can be found in the spine document, but a summary of the proposed councillor numbers and the ratio of electors per councillor are detailed in the below table.

Option	Electors	3x Cllrs per County division			3 and 2 Cllrs -1		3 and 2 Cllrs -1 + manual changes	
		No. divisions	No. cllrs	Ratio	No. Cllrs	Ratio	No. Cllrs	Ratio
2b.1 – WEST: Dacorum, Hertsmere, St Albans, Three Rivers, Watford	450,302	39	117	3,849				
2b.2 – EAST: Broxbourne, East Herts, North Herts, Stevenage, Welwyn Hatfield	440,094	39	117	3,761				
2b TOTAL	890,396	78	234	3,805				
3gx.1 – WEST Dacorum, Three Rivers, Watford <i>PLUS Bushey North & Bushey South County Electoral Divisions</i>	279,959	24	72	3,888				
3gx.2 – CENTRAL Hertsmere, St Albans, Welwyn Hatfield <i>MINUS as above</i>	253,875	23	69	3,679				
3gx.3 – EAST Broxbourne, East Herts, North Herts, Stevenage	356,562	31	93	3,834				
3gx TOTAL	890,396	78	234	3,805				
4ax.1 – N WEST Dacorum, St Albans	227,573				68	3,347	82	2,775
4ax.2 – S WEST Hertsmere, Three Rivers, Watford	222,729				73	3,051	79	2,819
4ax.3 - CENTRAL North Herts, Stevenage, Welwyn Hatfield <i>MINUS as below</i>	227,679				80	2,846	85	2,558
4ax.4 – EAST Broxbourne, East Herts <i>PLUS Royston Heath, Royston Palace, Royston Meridian, Ermine,</i>	212,415				61	3,482	79	2,819

<i>Weston & Sandon, Arbury wards from NHDC AND Northaw & Cuffley Ward from WHDC.</i>							
4ax TOTAL	890,396				282	3,157	325 2,740

Strategic Vision and Ambitions

- 3.18 The submission sets out an agreed strategic vision and ambitions for the county, recognising that local government reorganisation presents a once in a generation opportunity to rethink how services are delivered, making them more connected, more responsive and more focused on what matters most to people.

COMMUNITIES	PLACE	SERVICES
Empowered, connected and inclusive	Unlocking growth and opportunity	Integrated, efficient and people-centred
A STRONGER, SMARTER, MORE SUSTAINABLE HERTFORDSHIRE THROUGH DEVOLUTION AND LOCAL GOVERNMENT REORGANISATION		

- 3.19 Key to these ambitions is the desire to deliver devolution alongside local government reorganisation to maximise benefits for residents and businesses in Hertfordshire.
- 3.20 This includes securing a Mayoral Strategic Authority (MSA) for Hertfordshire at the earliest opportunity. It is felt that Hertfordshire is of sufficient scale to warrant devolution and would be larger than many existing and planned devolution arrangements. By forming an MSA, it is felt that Hertfordshire can ensure that critical decisions about its economy, infrastructure, and public services are made locally, closer to the communities it will serve and therefore able to deliver better outcomes for its residents.
- 3.21 Hertfordshire Growth Board is made up of the County Council, the 10 district and borough councils, the NHS Hertfordshire & West Essex Integrated Care Board (ICB), Homes England, Hertfordshire Futures and the Police and Crime Commissioner. Working together is how we continue our 'joint' success, create opportunities for everyone, now and in the future, and make Hertfordshire a better place to live, work and thrive.
- 3.22 The Leader of the County Council, with the support of the Hertfordshire Growth Board, wrote to the Secretary of State for Housing, Communities and Local Government on 4 November to outline the county's desire to form an MSA in line with Local Government Reorganisation timeline.

Stakeholder and public consultation

- 3.23 To ensure the county's proposals are informed as much as possible by stakeholder and residents views, the following process of engagement has been undertaken.
- 3.24 **Phase 1: Engagement on principles and opportunities (July-August 2025):** This phase focused on establishing trust and shared understanding among key stakeholders and exploring the principles and opportunities for Hertfordshire's future governance. Engagement activity included roundtables with NHS, police, education leaders and businesses and webinars and meetings with voluntary groups, parish councils, and major employers.
- 3.25 The Consultation and Engagement section of the submission provides an overview of the feedback received. Overarching messages were retain what works, simplify governance and ensure change leads to better services and increased public confidence. Transformation was viewed as an opportunity to

modernise, while remaining firmly rooted in local responsiveness and partnership working.

- 3.26 **Phase 2: Engagement on proposals (September 2025):** building on from Phase 1, this phase extended participation in order to test the emerging models with a wider range of stakeholders and the public. Public events were held across the county alongside an online survey. A dedicated Hertfordshire-wide microsite was set up hosting all relevant LGR information: <https://www.hertfordshire-lgr.co.uk/>. By the end of the engagement period, over 7,400 people had completed the survey.
- 3.27 The residents' survey and local engagement events provided valuable insight into public attitudes towards local government reorganisation. While views were mixed, residents engaged thoughtfully with the principles of change, identifying clear priorities for local services, accountability, representation and hopes for greater value, accountability, and coordination.
- 3.28 The Consultation and Engagement section of the submission provides an overview of the feedback received. Overall, the views expressed by residents present a clear and consistent picture. People wanted local government that delivers the basics well, spends public money wisely, and makes it easy to understand who is responsible for what. They saw real opportunity in more joined-up services, clearer accountability, and better coordination across the county, provided this does not come at the expense of local connection or community identity. These insights provided a strong foundation for shaping future work, ensuring that future proposals reflect residents' priorities and the values they most associate with effective local government.
- 3.29 There was no clear consensus on a preferred structure. While survey responses showed a slight plurality for four unitary councils, the two and three unitary models also received significant support. Each option attracted backing for distinct reasons:
- *Two-unitary model:* favoured for efficiency, scale, and strategic coordination; viewed as simple and cost-effective.
 - *Three-unitary model:* seen by some as offering a balanced approach, avoiding both excessive scale and over-fragmentation. Attracted positive comments on the geography.
 - *Four-unitary model:* preferred by those emphasising local identity and representation, with smaller councils viewed as closer and more accountable to communities.

Transition

- 3.30 Transition to new unitary councils will be the largest programme of organisational change Hertfordshire has undertaken in living memory. It will need to be managed in a way that ensures organisations are safe and legal from day one, but also in a way that lays the foundations for public sector reorganisation, innovation, better services and outcomes in the years ahead.
- 3.31 Parish and Town Councils and other community partners will have a role in shaping future engagement structures. However, it is noted that the proposed changes will not impact on their existing structures.
- 3.32 County council services will need to be disaggregated and reestablished across new unitary footprints, while district and borough services will be aggregated over

wider areas. This will involve creating new statutory roles and governance structures, transferring thousands of staff, migrating complex IT and case management systems, and re-letting or novating hundreds of contracts. The risks, costs and complexities will be significant, especially in relation to critical services such as adult social care, children's social care, education and SEND, and housing and homelessness.

- 3.33 The council's proposed summary plan for delivering this transition is set out in Implementation section of the proposal. This anticipates delivering the new unitary authorities for Hertfordshire through three phases of activity. An initial preparation phase is already underway to ensure a smooth step up of activity into the transition phase in early 2026. This phase will primarily focus on developing safe and legal new councils. A more wide-reaching transformation will be mobilised after vesting day.
- 3.34 It is proposed that this implementation work is overseen by a Member-led Board, with representatives from each authority, ensuring political leadership and inclusive decision making throughout. A central Programme Management Office (PMO) will lead the delivery and be responsible for ensuring that the overall progress is made against the agreed timescales. A Programme Board made up of all Chief Executives, will oversee the work of the PMO to provide strategic direction and managing cross-organisational risks.
- 3.35 A full and detailed risk assessment has been undertaken and is being reviewed and updated on an ongoing basis as work is planned and delivered. The submission outlines current strategic transition risks and planned mitigation.

4. Options and Reasons for Recommendations

- 4.1. Whilst there is a common ambition for change, different partners currently hold different views on the best delivery model. The final business case outlines three unitary authority options that remain under consideration. These options are for two, three and four unitary councils for the county. When submitted, the business case will indicate which options are supported by which councils in the county.
- 4.2 The submission provides an options appraisal of the three shortlisted models which seeks to provide Government with a shared, objective and evidence-led comparison of the proposed options. The case for each of the three options, and how they meet the Government's criteria, are outlined further in individual sections of the submission.
- 4.3 Policy and Resources Committee must select one of the options to support.

5. Legal Implications

- 5.1 The Local Government and Public Involvement Act 2007 provides that proposals for local government reorganisation should be based upon existing district council boundaries. A proposal that is not based on district council boundaries is likely to be non-compliant and may well be rejected by the Secretary of State on this basis.
- 5.2 However, the Secretary of State has also made it clear in the invitation to local authorities to make proposals and associated guidance that he would welcome proposals for unitary government that suggest modified local authority boundaries.

- 5.3 The best way to ensure that a proposal is compliant with both invitation and relevant legislation whilst also achieving the Council's desire to make a proposal that involves boundary changes it to adopt a bifurcated approach. The proposal should first set out the base proposal based on existing district council boundaries and briefly explain why such a proposal would meet the various criteria set out in the Secretary of State's invitation and attached guidance. The proposal should then go on to set out a modified proposal that is not based on such boundaries and explain in detail why such a modified proposal is superior to the base proposal and why it better meets the various criteria. Such an approach is the best way to reduce the risk of either the proposal being rejected by the Secretary of State or, if adopted by the Secretary of State, such a decision being successfully challenged by way of judicial review.

6. Financial Implications

- 6.1 The Ministry of Housing, Communities and Local Government has allocated Hertfordshire councils £387,077 to support the development and delivery of the county's final business case. External consultants, IMPOWER and Connect PA, have been commissioned using this funding to support the 11 councils development of the county's business case.

Financial modelling

- 6.2 The proposed unitary options being considered have been assessed using a modelling approach developed collaboratively with Chief Financial Officers (CFOs) from all 11 councils with external consultancy to develop a shared financial model and set of assumptions.
- 6.3 All modelling assumptions have been accepted by all of the 11 councils CFOs and chief executives. This includes the use of higher and lower cost ranges in two key areas:
- the recurring costs from duplication of social care management teams within the new councils; and
 - the one-off costs from disaggregation of the county council's ICT estate and ongoing running costs.
- 6.4 The financial model is based on a range of assumptions and as such there are a number of caveats and limitations. The assumptions are all included within the spine document (Appendix A).
- 6.5 These modelling assumptions have been used to estimate the likely medium-term position of future unitary authorities. The Efficiency and Financial Sustainability Section of the submission outlines the results of this exercise. Headline findings are as follows:

2 unitary proposal	<ul style="list-style-type: none"> • Payback period is 4 years (2031/32) in the higher cost scenario and 3 years (2030/31) in the lower cost scenario. • Total annual recurring savings by year 5 range from £50m from £55m – with a range of £25m to £28m across individual authorities. • Total cumulative savings after 5 years range from £79m to £113m – with a range of £39m to £57m across individual authorities.
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	<ul style="list-style-type: none"> • Total cumulative savings after 10 years range from £366m to £418m – with a range of £182m to £210m across individual authorities.
3 unitary proposal	<ul style="list-style-type: none"> • Payback period is 6 years (2033/34) in the higher cost scenario and 4 years (2031/32) in the lower cost scenario • Total annual recurring savings by year 5 range from £30m from £38m – with a range of £8m to £15m across individual authorities. • Total cumulative savings after 5 years range from a £6m net cost to a £43m saving – with a range of £9m net cost to £22m saving across individual authorities. • Total cumulative savings after 10 years range from £181m to £258m – with a range of £42m to £107m across individual authorities.
4 unitary proposal	<ul style="list-style-type: none"> • Payback period is 11 years (2038/39) in the higher cost scenario and 6 years (2033/34) in the lower cost scenario • Total annual recurring savings by year 5 range from £11m to £23m– with a range of £2m to £7m across individual authorities. • Total cumulative <i>net costs</i> after year 5 range from £15m to £89m– with a range of £0m to £26m net cost across individual authorities. • Total cumulative savings after 10 years range from a £1m net cost to a £124m saving– with a range of £11m net cost to £41m saving across individual authorities.

- 6.5 The potential reallocation impacts of the Fair Funding Review have not at this stage been included within the financial modelling. The County Council have included £50M of Fair Funding savings to be achieved prior to April 2028.

7. Equal Opportunities

- 7.1 When considering proposals placed before Members it is important that they are fully aware of and have themselves rigorously considered the equalities implications of the decision that they are taking.
- 7.2 Rigorous consideration will ensure that proper appreciation of any potential impact of that decision on the council's statutory obligations under the Public Sector Equality Duty. As a minimum this requires decision makers to read and carefully consider the content of any Equalities Impact Assessment (EqIA) produced by officers.
- 7.3 The Equality Act 2010 requires the council when exercising its functions to have due regard to the need to (a) eliminate discrimination, harassment, victimisation and other conduct prohibited under the Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The protected characteristics under the Equality Act 2010 are age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion and belief, sex and sexual orientation. The council's Equality, Diversity and Inclusion Policy 2023-26 states that the council also recognises that there are a range of other communities of identity and circumstance that are vulnerable to disadvantage and discrimination. These include carers, people experiencing domestic and/or sexual violence, substance misusers, homeless people and

rough sleepers, looked after children, (ex)armed forces personnel and people on the Autistic spectrum.

- 7.4 An initial EqIA has been carried out on the implications of LGR for Hertfordshire residents, staff and councillors. This assessment, which is appended to Hertfordshire's submission, identifies a range of potential impacts and implications that 11 councils will need to take into account as the implementation of the new unitary councils progresses. The principle of equality by design will be used in developing these new councils' service offers to ensure that most vulnerable and underrepresented in our communities are not disadvantaged by these changes.

8. Staffing, Environmental, Community Safety, Public Health, Customer Services Centre, Communications & Website, Risk Management and Health & Safety Implications

- 8.1 None specific.

Report prepared by: Joanne Wagstaffe, Chief Executive

Appendix A – The proposed spine submission.

Appendix A.1 – Two unitary proposal.

Appendix A.2 – Three unitary proposal.

Appendix A.3 – Four unitary proposal.

Appendix B – Letter to Hertfordshire Leaders.

Appendix C – Maps of two, three and four unitary proposals.

Appendix D – Equality Impact Assessment

