East Herts Council Report

Extraordinary Council

Date of meeting: Tuesday 18 November 2025

Report by: Councillor Ben Crystall – Leader of the Council

Report title: Local Government Reorganisation in Hertfordshire -

Submission of final proposals

Ward(s) affected: (All Wards);

Summary – 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.

On 5 February 2025, the Minister of State for Local Government and English Devolution wrote to the Leaders of all District and Borough Councils in Hertfordshire and Hertfordshire County Council (see appendix A), formally inviting them to develop proposals for a single tier of local government in the county.

Hertfordshire submitted an interim plan to the government in March 2025 setting out the approach to local government reorganisation in the county. Following the submission of the Interim Plan, all authorities across the county have worked with the consultants, IMPOWER, to produce the required full submission, which must be submitted to the government by 28 November 2025.

This submission, which is shown in Appendix B, outlines three unitary authority options that remain under consideration - two, three and four unitary councils for Hertfordshire. When submitted, the submission will indicate which option each council supports.

King's Counsel's opinion has confirmed that the final approval of the proposals to government is an executive decision and as such rests with the Executive. The meeting to review and agree the proposals to be supported will take place at the Executive meeting on 18 November 2025.

Although the decision rests with the Executive, given that the potential changes to the District Council are profound, the purpose of this report to invite council to consider and debate the options before a final decision is taken by the Executive.

RECOMMENDATIONS FOR COUNCIL

It is recommended that Council indicates its support for Executive to agree one of the following as the preferred option

Either

- a) Submit proposal and identify the two unitary (2UA) option as preferred.
- b) Submit proposal and identify modified three unitary option (3UA modified) as preferred and request that Secretary of State formally modify the proposal by agreeing boundary changes, as set out in the proposal.
- c) Submit proposal and identify the modified four unitary option (4UA modified) as preferred and request that the Secretary of State formally modify the proposal by boundary changes as set out in the proposal.

1.0 Proposal(s)

1.1 To recommend its preferred option, as set out above, to the Executive ahead of the final submission being made on 18 November 2025.

2.0 Background

2.1 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

- 2.2 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. The letter to Hertfordshire Leaders is at Appendix A.
- 2.5 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.
- 2.6 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'.
- 2.7 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.
- 2.8 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.
- 2.9 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

- 2.10 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
- 2.11 <u>Government feedback</u> 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.
- 2.12 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.

Development of the full submission

- 2.13 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).
- 2.14 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.
- 2.15 Reflecting this work, a joint submission from the 11 Hertfordshire councils and the Police and Crime Commissioner for Hertfordshire has been prepared. This submission, as 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.
- 2.16 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 2.5 above) alongside specific proposals for each of the different unitary options being considered.

Strategic Vision and Ambitions

2.17 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		

- 2.18 Key to this these ambitions is the desire to deliver devolution alongside local government reorganisation to maximise benefits for residents and businesses in Hertfordshire.
- 2.19 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.

3.0 Reason(s)

3.1 To indicate Council's preference as set out above.

4.0 Options

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.

5.0 Risks

- 5.1 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.
- 5.2 County council services will need to be disaggregated and reestablished across new unitary footprints, while district and borough services will be re-shaped 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.
- 5.3 The council's proposed summary plan for delivering this transition is set out in the proposal. This anticipates delivering the new unitary authorities for Hertfordshire through 3 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.

- 5.4 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.
- 5.5 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.

6.0 Implications/Consultations

- 6.1 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.
- 6.2 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.
- 6.3 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.

- 6.4 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 and 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.
- 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.
- 6.6 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.
- 6.7 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 overfragmentation. 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.

Community Safety

None

Data Protection

None

Equalities

An initial Equality Impact Assessment (see Appendix C) has been carried out on the implications of LGR for Hertfordshire residents, staff and councillors. This assessment, which is appended to Hertfordshire's submission, has identifies a range of potential impacts and implications that the 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.

Environmental Sustainability

The Climate Change Act 2008 requires the UK government to reduce greenhouse gases by 100%, relative to 1990 levels, by 2050. As a local authority, the council is committed to this target, having declared a climate emergency in 2023, building on its previous climate change declaration from 2019.

East Herts Council has chosen to consider sustainability within its decisions, to identify suitable mitigation and adaptation measures to address the impacts of climate change where required and practicable in all the circumstances.

When considering proposals placed before Members it is important that they are aware of and have considered the sustainability implications of the decision that they are taking.

No assessment was undertaken in relation to this submission but implications will need to be closely considered as the development of options progresses.

Financial

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.

The financial modelling of the three unitary options is set out in Appendix B. This has been worked on by all Chief Financial Officers across Hertfordshire and IMPOWER. It should be noted these are for indicative purposes only, with a range of assumptions being used both prior to vesting day and post vesting day. The actual cost and savings from local government reorganisation will be dependent on wide a range of factors, including the option selected by the government, future funding settlements, decisions taken by predecessor councils up to vesting day such as savings and growth items, and decisions by the successor councils on areas such as council tax, council tax support, and service design.

There will be upfront costs to local government reorganisation. The financial modelling currently assumes these are charged to revenue and does not at this stage consider alternative approaches to the financing of these costs, such as capitalisation.

There may be direct implications for this council before the vesting day of the new authorities. Such implications could include increased reliance on agency and consultancy for vacant roles, impacts to contract costs on renewal, and preparatory/transition costs such as system data extracts and migration of data. A review of the councils earmarked reserves will be undertaken during the budget process with a view to managing some of these risks and implications.

Health and Safety

None

Human Resources

Local government reorganisation will have a direct impact on the council's recruitment and retention, and this will continue to be monitored by the council's Leadership Team, along with support from Human Resources team.

Human Rights

None

Legal

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.

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. 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.

As was set out the initial letter from the Secretary of State, "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"

Specific Wards

No

7.0 Background papers, appendices and other relevant material

Appendix A – MHCLG Letter to Hertfordshire Authorities

Appendix B – Final submission

Appendix C – Equality Impact Assessment

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