

Local Government Reorganisation

Update from Cambridgeshire County Council Friday 19 September 2025



LGR Background

- The Government wants to reduce the number of councils and simplify the way residents can access and receive services.
- In February 2025 Government sent out a statutory invitation to all 21 twotier areas in England asking for Local Government Reorganisation (LGR) proposals for their areas by 28 November 2025.
- LGR will create new 'unitary authorities', which will provide all council services in the areas they serve, replacing the existing county, city and district councils across Cambridgeshire and Peterborough from April 2028.
 Town and Parish Councils are not affected.
- As part of this invitation the Government set a number of key criteria or tests, against which proposals for Local Government Reorganisation need to be developed.
- Government has set a very challenging timescale in which to achieve these changes means that we are not able to consider properly all the alternatives we may have wanted to.



Development of options

- Earlier this year, councils across Cambridgeshire and Peterborough worked collaboratively to identify viable options for new unitary authorities using a shared evidence base.
- There are currently three different preferred options being developed by these councils. Each option is being led by a different council.
- Cambridgeshire County Council is leading on the development of Option A. Cambridge City Council is leading the development of Option B and Huntingdonshire District Council is leading the development of Option C.
- A first phase of public engagement was held over summer which invited general feedback from residents/stakeholders about what matters most to them
- The County Council is currently leading a second phase of engagement focussed on Option A - a survey is live until Friday 3 October.

















Government's Criteria

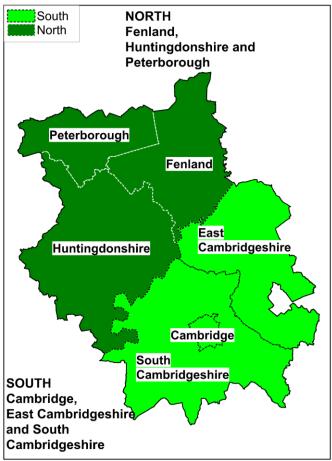
- 1. The creation of a single tier of local government for the whole area concerned.
- 2. New unitary councils that are of the right size to achieve efficiencies, improve capacity and withstand financial shocks.
- 3. New unitary councils that must prioritise the delivery of high quality and sustainable public services to citizens.
- 4. Plans for new unitary councils should be developed collaboratively and demonstrate how they meet local needs and are infirmed by local views.
- 5. New unitary councils must support devolution arrangements.
- 6. New unitary councils should enabler stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.





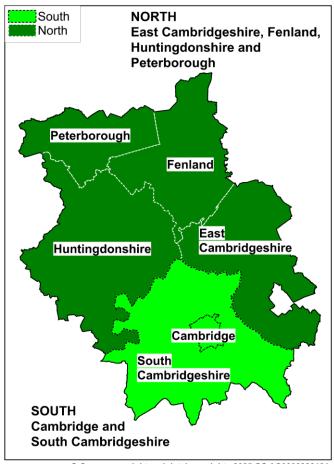
Overview of Options

Option A



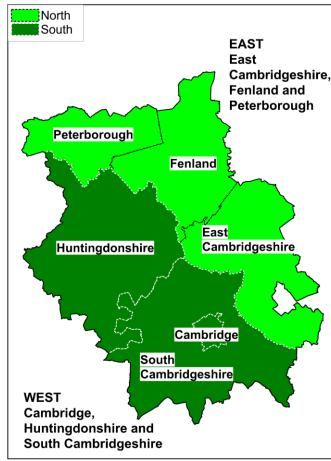
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Option B



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Option C



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Cambridgeshire County Council's '5 Principles'



Size

 Unitary council proposals should target a 500k population base and recognise future population growth



Sustainability

 Unitary council proposals should be sufficiently large to deliver future financial stability and sustainability



Safety

 Unitary council proposals should limit disruption to care services for the most vulnerable residents



Simplicity

 Unitary council proposals should be consistent with existing district council boundaries to limit the complexity of reorganisation



Synchronicity

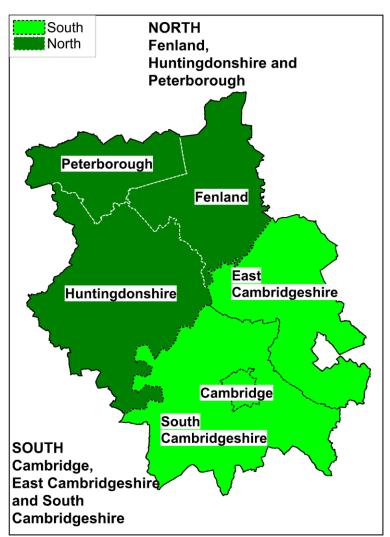
 Unitary councils should be conterminous with other public sector boundaries

Safe & Legal then Transformation





Option A – North / South: Overview



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North – Fenland, Huntingdonshire and Peterborough.

South – Cambridge City, East Cambridgeshire and South Cambridgeshire.

More Equal

- Most balanced land mass.
- Most balanced population and both areas over 500k by 2041.

More Empowered

- North/South preserves the historically grounded local identities across Huntingdonshire/Peterborough and Cambridge/East Cambridgeshire.
- North/South reflects the lifestyles of residents, with a higher percentage living, working and accessing hospital services within the new unitary authority areas.

More Effective

- The key cities of Cambridge and Peterborough would be well placed within the new authority areas to anchor effective service delivery, economic and housing growth.
- North/South provides for greater financial resilience of future councils, safeguarding important public services.
- North/South aligns to the existing NHS place-based footprints which will enable easier system-wide working with the NHS to progress the integration opportunities presented by the Long-term Plan.



More Equal

Most balanced land mass			
Option	Unitary 1	Unitary 2	Difference
Option A North/South	47%	53%	6%
Option B Horseshoe	72.2%	27.8%	44.3%
Option C East/West	45.4%	54.6%	9.2%

Most balanced population and both areas over 500k by 2041

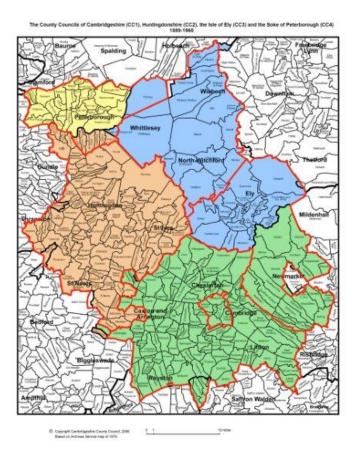
Proposal A	2025	2041
North Unitary	520,140	581,110
North Unitary (%)	55.3%	53.4%
South Unitary	420,100	507,680
South Unitary (%)	44.7%	46.6%

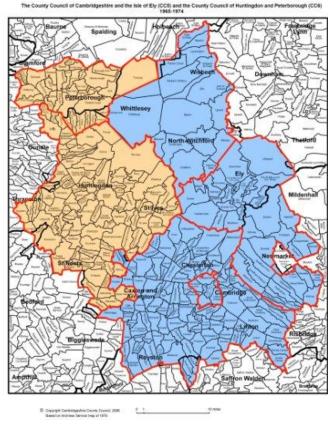
Option	2025 Difference in population	2041 Difference in population
Option A North/South	10.6%	6.8%
Option B Horseshoe	30.6%	26.2%
Option C East/West	9.8%	12.8%



More Empowered

North/South preserves the historically grounded local identity between Huntingdonshire/Peterborough and Cambridge/East Cambridgeshire.



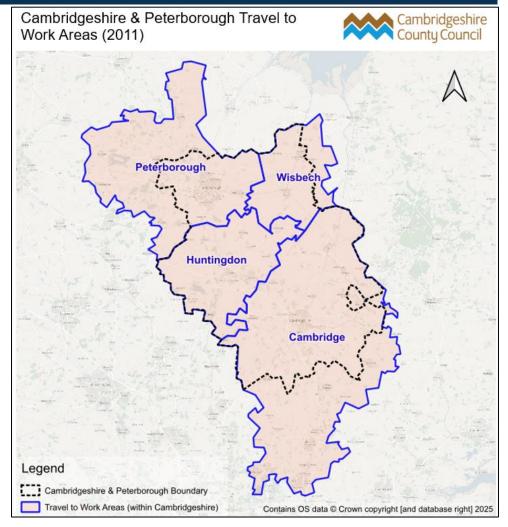


- From 1889-1974 at least parts of East Cambridgeshire have consistently been under the same authority as Cambridge City.
- From 1965-74 Huntingdonshire and Peterborough were under same authority and Cambridge and East Cambridgeshire were under the same authority.

More Empowered

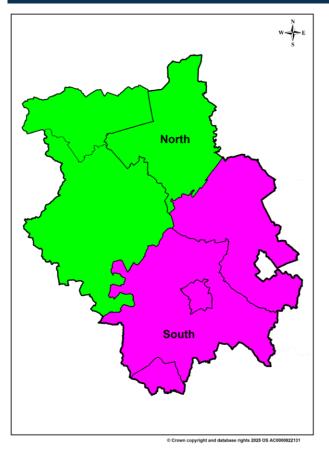
North/South reflects the lifestyles of residents, with a higher percentage living and working within the new unitary authority areas.

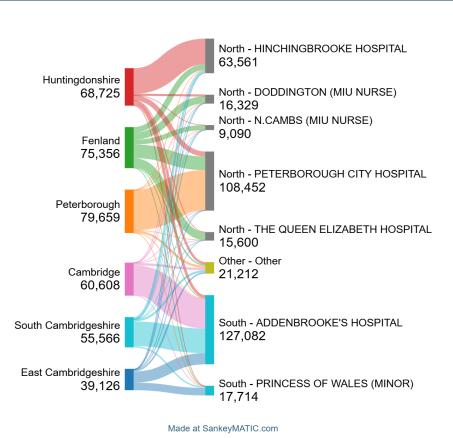
A: North / South	Workplace			
	North	South	Outside Cambs	
North	77%	8%	15%	
South	5%	81%	15%	
Outside Cambs	51%	49%		
B: Horseshoe				
	North	South	Outside Cambs	
North	75%	10%	15%	
South	7%	80%	13%	
Outside Cambs	60%	40%		
C: East / West	C: East / West			
	East	West	Outside Cambs	
East	71%	14%	15%	
West	6%	79%	14%	
Outside Cambs	46%	54%		



More Effective

North/South aligns to the existing Integrated Care Board footprints which will enable system-wide working on already established boundaries to be more effective sooner.





- Hospital discharge flows align well to North (Peterborough and Hinchingbrooke) and South (Addenbrookes) supporting effective service delivery and partnership working within new authorities.
- Other services, such as SEND will be supported by strong links to the ICB and opportunities to redesign services around smaller geographics such as Integrated Neighbourhoods as per the Government's 10 Year Plan for health.

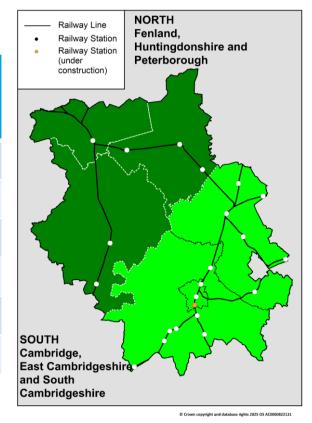
Integrated Care System Boundaries (as of July 2022)
Cambridgeshire & Peterborough Integrated Care System | CPICS Website

More Effective

Cambridge and Peterborough would be well placed within the new authority areas to anchor effective service delivery.



Option	Unitary Area	Average Distance (miles) to 'Anchor City'
Α	North	17.01
Α	South	11.14
В	North	23.28
В	South	12.68
С	East	23.88
С	West	6.69



Railways lines with stations

Cambridge for the South and Peterborough for the North are well placed geographically and provide good connectivity through public transport and road networks to enable efficient service delivery.

Finances

			Business				
		Council Tax	Rates			Children's	Environmental
		Total Income	Total Income	Debt	Net assets	Social Care	and Planning
		(0002)	(0003)	per head £	per head £	Spend (£000)	Spend (£000)
Ontion A	North	342,353	327,918	1,418	6,329	116,298	60,155
Option A	South	327,238	310,607	2,305	8,159	49,324	74,512
Ontion P	Horseshoe	414,374	397,253	1,626	8,571	128,224	78,834
Option B	Greater Cambridge	255,217	241,272	2,331	5,917	37,398	55,833
Ontion C	East	264,591	255,753	1,807	6,462	101,459	52,994
Option C	West	405,000	382,772	1,916	8,027	64,163	81,583





More Effective

Finances

- Local income levels Option A provides the best balance/ratio for council tax receipts and business rates total income
- **Tax harmonisation:** Average initial council tax bills have a good alignment within the two new authorities in Option A
- **Diversified income and relative need** taking a long-term view of changeable fiscal climates, Option A offers diversification of income
- **Financial scale** smaller authorities can face reduced buying power and lesser economies of scale; Option A creates authorities of appropriate financial size and diversity.
- **Investment potential** population and economic growth requires public investment. Option A provides two authorities with sufficient size tax base as well as balanced debt and asset distribution

Expected Council Tax Amou 2026-27	ınt Band D in
Cambridge ¹	£2,029
South Cambridgeshire	£1,970
East Cambridgeshire	£1,935
Huntingdonshire	£1,960
Fenland	£2,053
Peterborough	£1,837



Public Engagement – Phase 1

- 3,174 total responses across a four-week period (19 June to 20 July 2025).
- Broad geographic representation across all seven authorities.
- Public support for structural change is overwhelmingly positive (net +77) but support for change is conditional on service improvements.
- Concern about areas being overlooked, with this most apparent in rural districts like East Cambridgeshire and Fenland (81% concern)
- Public preference centres on unitary councils serving 400-500,000 residents with 500,000 being the most selected single option
- Top three priorities for future:
 - 1. Investing in council services (education, social housing, roads, waste)
 - 2. Improving response capabilities (speed and effectiveness)
 - 3. Ensuring councillor local area knowledge





Phase 2 Engagement – Closing 3rd October

- Web hub for engagement be created on <u>Your Voice -</u> <u>Cambridgeshire County Council - Citizen Space</u>
- Benefits of Option A

- Survey on Option A
- FAQs about LGR





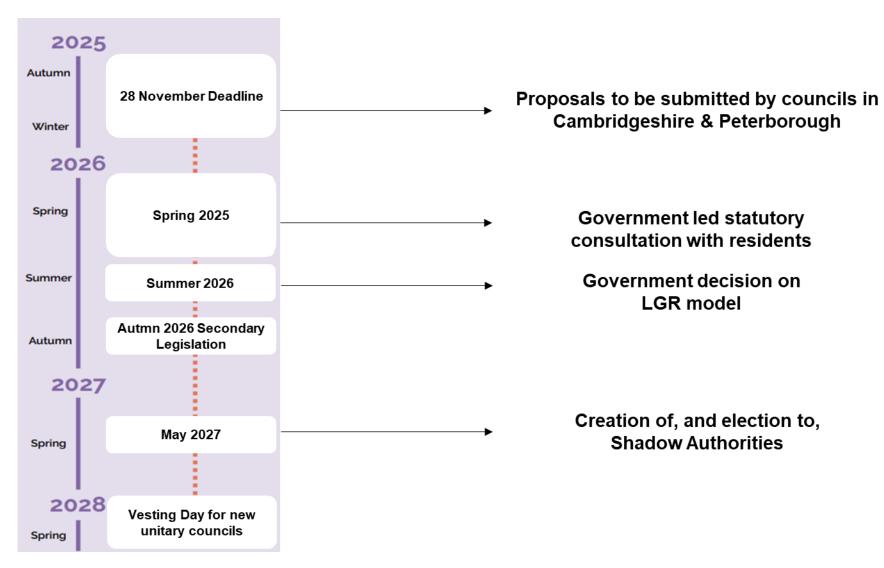
Criteria	Option A
The creation of a single tier of local government for the whole area concerned	 Option A abolishes all existing unitary, district/city and county councils and replaces them with two new unitary councils that reflect functional economic geographies and will support growth. Option A uses existing district boundaries as its building blocks and does not unduly advantage or disadvantage any one part of the region and is supported by a robust evidence base.
New unitary councils that are of the right size to achieve efficiencies, improve capacity and withstand financial shocks	 Option A creates two new unitary councils that will serve populations of 420,000 and 520,000 residents respectively, reflecting the Government's population guidance as closely as possible, and accounts for future population growth. Option A creates councils with population sizes that will secure economies of scale in service delivery, providing both Value for Money and financial resilience.
New unitary councils that must prioritise the delivery of high quality and sustaibale public services to citizens	 Option A is underpinned by a vision for new unitary councils that will ensure a safe and legal transition to new arrangements. The integration of county and district services within each new unitary council will create opportunities to enhance the effectiveness of service delivery, for example bringing Adult Social Care and housing together, whilst our ambitious transformation agenda will drive cross-organisational benefits through a new operating model.



Criteria	Option A
Plans for new unitary councils should be developed collaboratively and demonstrate how they meet local needs and are infirmed by local views	 Councils across Cambridgeshire have worked collaboratively to develop a shared evidence base to support proposals for LGR. Two phases of resident and stakeholder engagement have provided a wide and deep understanding of local peoples views on our LGR proposals and their priorities for the future. This has added to the significant amount of pre-existing resident insight generated through Cambridgeshire's annual Quality of Life Survey
New unitary councils must support devolution arrangements:	 Cambridgeshire and Peterborough already benefits from a devolution agreement with a directly elected Mayor leading our combined authority. Option A will support the combined authority to achieve 'Established Mayoral Strategic Authority' status and access a range of additional devolution benefits. Two unitary councils of more equal size will provide for balanced parity of representation the combined authority board.
New unitary councils should enabler stronger community engagement and deliver genuine opportunity for neighbourhood empowerment	 Option A puts communities and neighbourhoods at its heart. Two new unitary councils for the North and South of our region are grounded in its places historic identities and reflect the daily routines of residents, such as travel to work patterns. Option A is respectful of the regions parish and town councils, and our target operating model recommends delivering more council services closer to communities. The creation of new Area Based/Neighbourhood Area Committees will give residents greater say over what happens where they live and complement the role of locally elected councillors who will be more accountable to residents with responsibility for the full range of local government services



Key milestones





Phase 2 Engagement - Web Hub and Survey

- Web hub for engagement be created on <u>Your Voice -</u> <u>Cambridgeshire County Council - Citizen Space</u>
- Benefits of Option A

- Survey
- FAQs about LGR



