

Local government reorganisation

20 January 2025

Policy Position

The White Paper proposed a programme of local government reorganisation for all two-tier areas as well as for smaller or failing unitary areas. It envisaged that for most areas, unitary councils would have a population of 500,000 or more, but that there may be exceptions to this general position.

The White Paper invited proposals from areas and set an expectation that existing councils would be expected to work together to develop these and bring forward the changes as quickly as possible.

On 5 February the Government announced six areas which are part of the Devolution Priority Programme, four of which are intended to both create a new Combined County Authority and, undertake local government reorganisation (the other two areas already entirely consist of unitary councils coming together to create a combined authority). In addition, it was announced that Surrey would also undertake local government reorganisation on an accelerated timetable.

Proposals for reorganisation in the priority areas are required to be made by 26 September (except Surrey where the relevant date is 9 May), and that shadow elections for the new unitary councils will take place in May 2026, with the new unitaries vesting in April 2027. Elections have been postponed in all the areas which are in the priority group and include local government reorganisation.

In addition, local government reorganisation proposals have been invited from all remaining two-tier areas by 28 November, with an intention to elect to shadow unitaries in May 2027, with new unitaries vesting in April 2028.

All areas (both in and outside the priority areas) are required to submit interim plans by 21 March 2025 which are required to set out progress on developing proposals in an area.

The letter to all areas from the Minister sets out expectations for creation of unitary councils, indicating that where possible joint proposals should be made; that there will be an expectation of stakeholder engagement, and that there is the possibility for boundary changes (although ordinarily it is expected that new unitaries will be created from the 'building blocks' of existing councils). On funding, the expectation is that transition costs will be met over time from existing budgets with flexible use of capital receipts (although where Commissioners are appointed there may be some flex).

Legislative framework

The [Local Government and Public Involvement in Health Act 2007](#) (the '2007 Act') provides the legislative basis for unitisation.

Under section 2 of the 2007 Act, the Secretary of State ('SoS') may invite a 'Principal Authority' (either a county council or district council) in England to put forward a proposal for a single tier of local government. This proposal can comprise:

- A single tier of local government for the whole of the county (Type A proposal);
- A single tier of local government for a district (or more) within the county (Type B proposal);
- A single tier of local government for one of the above that also includes one or more relevant adjoining areas (e.g. all or part of an adjoining county area) (Type C Proposal);
- A combination of the above Types B or C proposals.

Up until 25 January 2008, the SoS was also able to direct principal councils to bring forward a proposal, which meant that the SoS could effectively force unitisation where proposals were not made voluntarily. However, the provision in the 2007 Act expired on 25 January 2008 and so this kind of direction is not currently available to the SoS. The indications in the White Paper are that the Government will reintroduce this power of direction in due course – although the 2007 Act will need to be amended to enable this. This is likely to be done in the English Devolution Bill, which we suspect will be introduced later in 2025, and not come into force until at least early 2026.

Proposals under section 2 of the 2007 Act do not require a consensus from every authority affected by it. However, where a proposal is made jointly by every authority, the requirements on the SoS to consult are reduced to exclude consultation with every authority affected (see below).

Subject to consultation requirements, of a proposal under section 2 of the 2007 Act, the SoS may implement the proposal, with or without modification under section 7 of the 2007 Act. They may also seek advice from the Local Government Boundary Commission ('Commission') who may make an alternative proposal which the SoS may implement with or without modification. However, there is no obligation on the SoS to act on a proposal.

If the SoS seeks advice from the Commission, they may not make an order or decision before six weeks from the advice being requested. There are no other specific timescales to which the SoS must adhere when taking a decision, but the SoS must consult with authorities affected by the proposal (other than those which made it) and such other persons as they think appropriate before reaching a decision.

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