

LOCAL GOVERNMENT REORGANISATION PROPOSALS

To: Council, 20 November 2025

Lead Cabinet Member: Councillor Cameron Holloway, Leader of the Council

Report by: David Kidston, Strategy Lead, david.kidston@cambridge.gov.uk

Wards affected: All

Director Approval: The Chief Executive confirms that the report author has sought the advice of all appropriate colleagues and given due regard to that advice; that the equalities impacts and other implications of the recommended decisions have been assessed and accurately presented in the report; and that they are content for the report to be put to Council for decision.

1. Recommendations

1.1 It is recommended that Council:

- notes this report, including the options appraisal which scores Option B the highest against government criteria for Local Government Reorganisation (LGR), as well as the annexes which include relevant Council motions
- debates the City Council's LGR proposal, Option B, and other proposals and provides feedback for Cabinet to consider
- supports submission of Option B to the Secretary of State on behalf of the council.

2. Purpose and reason for the report

2.1 To provide Council with an update on Local Government Reorganisation (LGR) and to present the five current options for new unitary councils being proposed for reorganisation for Cambridgeshire and Peterborough.

2.2 Previous papers and background

- [‘A Unitary Council’ motion](#), Council meeting, 19 October 2023, (annex A)
- [‘Update on Local Government Reorganisation’](#), Council meeting, 17 March 2025
- [‘Update on Local Government Reorganisation’](#), Council Meeting, 24 July 2025

- [Local Government Reorganisation motion](#), Council meeting, 24 July (Annex B)
- [Devolution and Local Government Reorganisation - Cambridge City Council](#), information and frequently asked question, council website.

3. Context

- 3.1 Cambridge City Council passed a motion on 19 October 2023, ‘A Unitary Council’, asking the Leader and Chief Executive of the Council to:

“... initiate discussions... to identify options for a less fragmented and more cohesive model of Government for Cambridge, that best serves the needs of its residents. These discussions should involve and engage with the people of the city in a meaningful way, thereby recognising the need for our governance structures to reflect the wishes of the people we serve.”

- 3.2 The City Council engaged residents about the ‘Future of Local Government for Cambridge’ in summer 2024, including via a survey and public meetings. Nearly 71% of over 500 respondents ‘agreed or strongly agreed’ that a unitary authority would serve their and the city’s interests more effectively; and nearly 83% ‘agreed’ that options for a unitary council for the Cambridge area should be explored. The Council unanimously endorsed recommendations arising from that exercise at a meeting on 28 November 2024.

- 3.3 In December 2024, the Government published its White Paper on English Devolution, which requires all two-tier local government areas to reorganise into unitary authorities. The government’s intention is to create stronger local councils, that are better able to drive economic growth, improve local public services, and empower local communities.

- 3.4 On 5 February 2025, the Minister of State for Local Government and English Devolution invited proposals to establish unitary authorities across Cambridgeshire and Peterborough. Councils wishing to submit proposals to Government must do so by 28 November 2025.

- 3.5 The City Council discussed Local Government Reorganisation at its meetings on 17 March 2025 and 24 July 2025. At its meeting in July, Council passed a motion stating:

“This Council believes that a unitary authority based on the current boundaries of Cambridge City Council and South Cambridgeshire District Council, alongside viable arrangements for the rest of Cambridgeshire and Peterborough, is likely to be the best option for the residents of Cambridge.

This Council resolves to work with other local authorities in Cambridgeshire and Peterborough on a proposal for the whole area that can be submitted to the Government by 28 November 2025.”

- 3.6 Following submission of local government reorganisation proposals, the Secretary of State will consult on all valid proposals in early 2026 (i.e. proposals that meet the government’s criteria, as set out in correspondence from the [Minister for Local Government and English Devolution](#) – Annex C). There will be a formal consultation with statutory consultees, other stakeholders and members of the public.
- 3.7 A final proposal will then be selected by the Secretary of State, likely to be in summer 2026. Based on the Government’s timetable, shadow elections for the new unitary councils would take place in May 2027. New unitary councils would become operational from April 2028 and existing councils, including Cambridge City Council, would be abolished.
- 3.8 Cambridgeshire has complex local government arrangements, comprising:
- One County Council (Cambridgeshire)
 - Four District Councils (South Cambridgeshire, East Cambridgeshire, Huntingdonshire, and Fenland)
 - One City Council (Cambridge City Council)
 - One existing Unitary Authority (Peterborough, also a city council)
 - One Mayoral Combined Authority (Cambridgeshire & Peterborough)
 - The Greater Cambridge Partnership (a joint committee)
- 3.9 Under current eligibility criteria, from March 2026 the existing Mayoral Combined Authority for Cambridge and Peterborough will have the opportunity to transition to Established Mayoral Strategic Authority status. This would confer enhanced powers, including for aspects of transport and infrastructure, skills and employment, strategic planning, economic regeneration, public safety, and public service reform.

4. Overview of All Options

- 4.1 Five proposals have been developed to reorganise local government across Cambridgeshire and Peterborough. These proposals are referred to in this report as Options A, B, C, D and E. Each Council can only submit one proposal.
- 4.2 The geography of the five proposals is set out at 4.3 and 4.4 below. The full proposals are included separately with the agenda for this meeting. The documents are working drafts and will be updated prior to submission including formatting for publication.

Option A – Two unitary proposal

Unitary 1 Peterborough City Council, Huntingdonshire and Fenland District Councils along with County Council functions

Unitary 2 Cambridge City Council, East Cambridgeshire and South Cambridgeshire District Councils along with County Council functions

Option B – Two unitary proposal

Unitary 1 Peterborough City Council, Huntingdonshire and Fenland District Councils along with County Council functions (**North Cambridgeshire & Peterborough**)

Unitary 2 Cambridge City Council, East Cambridgeshire and South Cambridgeshire District Councils along with County Council functions (**Greater Cambridge**)

Option C – Two unitary proposal

Unitary 1 Peterborough City Council, East Cambridgeshire, Fenland and Huntingdonshire District Councils along with County Council functions

Unitary 2 Cambridge City Council and South Cambridgeshire District along with County Council functions

Option D – Three unitary proposal

Unitary 1 Peterborough City Council, parts of Huntingdonshire District Councils along with County Council functions

Unitary 2 Parts of Huntingdonshire District Council, Fenland, and East Cambridgeshire along with County Council functions

Unitary 3 Cambridge City Council and South Cambridgeshire District along with County Council functions

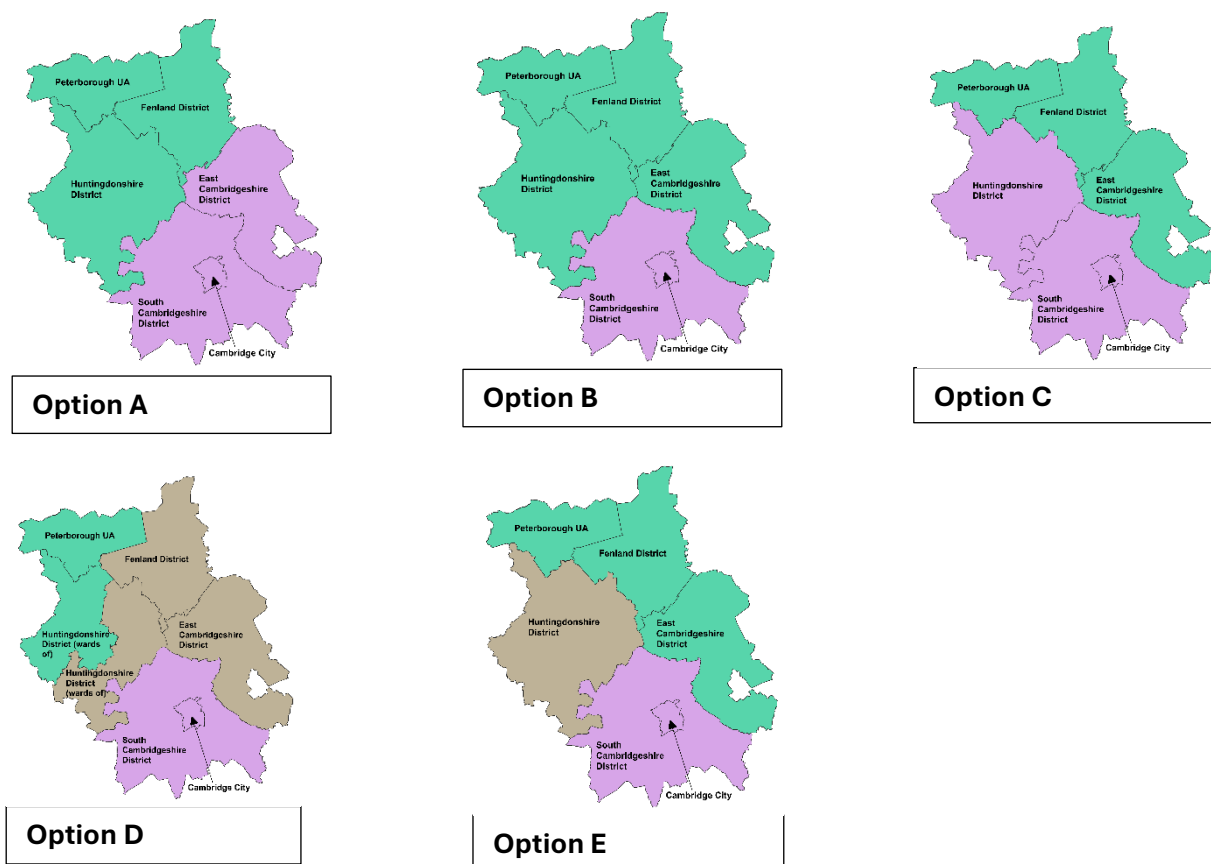
Option E – Three unitary proposal

Unitary 1 Peterborough City, Fenland, East Cambridgeshire District Councils with County Council functions

Unitary 2 Huntingdonshire District Council with County Council functions

Unitary 3 Cambridge City Council and South Cambridgeshire District along with County Council functions

4.4 Maps showing options A, B, C, D and E are shown below:



4.5 Each proposal has been written by different councils, as set out below:

Option	Lead Council(s)	Contributing Councils
A	Cambridgeshire County Council	-
B	Cambridge City Council, East Cambridgeshire District Council, South Cambridgeshire District Council	Huntingdonshire District Council, Fenland District Council, Peterborough City Council
C	Huntingdonshire District Council	-
D	Peterborough City Council	-
E	Huntingdonshire District Council	-

4.6 Shared data and analysis was commissioned by all councils, covering the financial implications of LGR proposals, the service impacts (Adult and Children's Social Care, SEND, Housing, Homelessness), and stakeholder feedback. Each lead council has also undertaken further analysis or commissioned research to refine their individual proposals.

- 4.7 On 11 June 2025, council Leaders announced that they had identified three preferred options to establish new unitary councils across Cambridgeshire and Peterborough: Options A, B and C. All three options would create two unitary councils.
- 4.8 Independent financial analysis by Pixel demonstrates that three-unitary options would be more costly to establish, would generate lower savings, and result in longer payback periods. At the point when the Pixel report was issued, the Leaders decided not to take forward three unitary options that were being considered at that time. Subsequently options D and E were brought forward by Peterborough City Council and Huntingdonshire District Council respectively.

5. Options Appraisal

- 5.1 Each proposal contains some form of options appraisal. These all differ, reflecting the different councils' perceptions or judgements about the various criteria set by the government and how each option may meet those criteria.
- 5.2 Cambridge City Council has carried out a full balanced, objective appraisal of all options. The full version of this appraisal is included in the Option B proposal.
- 5.3 As illustrated by the potential scoring of generic one, two and three unitary proposals in the summary table below:
- a single unitary for Cambridgeshire and Peterborough would not be viable.
 - **two unitary councils would meet the Government's criteria.**
 - three unitary councils are likely to only partially meet the Government's criteria, as they would not be financially resilient, or cover sensible economic and housing market areas, and they would be less capable of delivering sustainable public services.

1	Does not meet criteria	
2	Slightly meets criteria	
3	Partially meets criteria	
4	Meets criteria	
5	Exceeds criteria	

Government criteria for reorganisation	One Unitary	Two Unitaries	Three Unitaries
Economy and housing	Not viable. Government has indicated there must be at least two principal authorities in Strategic Mayoral Authority.	4	2
Financial resilience		4	1
Sustainable Public Services		4	2
Collaboration		4	3
Devolution		4	4
Democratic representation and community engagement		4	4
OVERALL (out of 30)	N/A	24	16

5.4 As shown by the summary table below:

- **Option B is the highest scoring of all the proposals and would meet each of the Government's key criteria**
- Options A and C would meet some of the criteria and partially meet others
- Options D and E would meet some of the criteria and not meet others

Government criteria for reorganisation	Option A	Option B	Option C	Option D	Option E
Economy and housing	3	5	3	2	2
Financial resilience	3	4	2	1	1
Sustainable Public Services	4	4	3	2	2
Collaboration	3	4	3	2	3
Devolution	4	5	4	4	4
Democracy & engagement	4	4	4	4	4
OVERALL (out of 30)	21	26	19	15	16

6. Option B proposal

6.1 A working draft of the full Option B proposal is included as a separate attachment. It should be noted that:

- before submission to government the content of the proposal will be subject to minor drafting changes, including addition of a foreword and short conclusion, as well as further formatting and design.
- the names of the two proposed unitary authorities (Greater Cambridge and North Cambridgeshire & Peterborough) are indicative at this stage and have been included to help differentiate Option B from the other proposals. Greater Cambridge was the preferred name suggested by residents in Cambridge and South Cambridgeshire who responded to a joint survey. The North Cambridgeshire and Peterborough name was suggested by officers from existing councils that unitary would replace. If option B is selected, names for the new unitary authorities would need to be agreed with relevant local authorities and included in secondary legislation next summer.
- Decisions about the civic headquarters for a Greater Cambridge unitary would be a matter for shadow members elected to that authority from May 2027 to determine.
 - If options A, B, D or E were selected by government it is very likely that the Guildhall would take on that function. Local government for the Cambridge areas has operated from the Guildhall site for over 800 years.
 - It is reasonable to assume that New Shire Hall could provide a viable alternative to the Guildhall for a southern unitary covering Cambridge City, South Cambridgeshire and Huntingdonshire¹.

6.2 Changes to the working draft prior to submission will include the following proposals:

- **Joint Implementation Committees:** Following the Government's decision in 2026 on which LGR proposal should be implemented, Joint Implementation Committees (JICs) will be established for each new unitary council. The JIC for Greater Cambridge should be made up of an equal number of Councillor representatives from Cambridge City Council, South Cambridgeshire District Council and Cambridgeshire County Council; and all JIC member representatives should represent Greater Cambridge wards/divisions.
- **Mayoralty and City Status:** the Mayoralty and city status for Cambridge will not automatically transfer from Cambridge City Council to a Greater Cambridge unitary

¹ The County Council has had a peripatetic existence since it was established in 1889, when it operated from various offices in Cambridge including holding its meetings at the Guildhall. Most recently it moved its civic HQ from Cambridge to a purpose-built building on a business park in Alconbury Weald at a cost of nearly £20m in 2021.

council. The LGR proposal will recommend that the Mayoralty is transferred to the Greater Cambridge successor authority via the Structural Change Order (SCO) creating that new council. With support from the Crown and Government, Cambridge's city status can be transferred to the new council through issuance of fresh Royal Letters Patent, which could be resolved as part of the SCO process.

7. Consultation, engagement and communication

- 7.1 A joint survey of 2,407 residents by all Cambridgeshire and Peterborough councils was carried out from 19 June to 20 July 2025. This was complemented by focus groups in each council area and a separate survey of 231 stakeholders. The surveys asked for views on the future of local government for the whole area, but they did not ask for views on the different options. Feedback from this survey is summarised in Proposal B.
- 7.2 Subsequently, Cambridge City, South Cambridgeshire and East Cambridgeshire Councils carried out further surveys to collect more information about our specific proposal:
- 69% of 890 respondents in Cambridge City and South Cambridgeshire either 'Agreed' or 'Strongly Agreed' with Option B, while 24% either 'Disagreed' or 'Strongly Disagreed'
 - 52% of 249 respondents in East Cambridgeshire expressed support for Option B, while 48% did not support Option B.
 - Across all three local authority areas 63.5% of residents that responded agreed or strongly agreed with Option B, and 29% did not.

8. Implications

Financial implications

- 8.1 There will be significant financial implications associated with the implementation of all the local government reorganisation options. These are set out in more detail in each proposal.

Legal implications

- 8.2 Any proposal that is submitted must comply with requirements set out in the Government's White Paper on English Devolution and subsequent guidance. The Secretary of State retains ultimate decision-making authority on which proposals to implement, with implementation requiring parliamentary orders.
- 8.3 Detailed legal due diligence on contracts, assets, liabilities, and staff transfers will be required during shadow authority periods. All new authorities must be 'safe and legal'

from vesting day on 1 April 2028.

Staffing implications

- 8.4 Local Government Reorganisation will affect all local government employees in Cambridgeshire in Peterborough if it goes ahead. With any of the options (A-E), 2 or 3 new unitary councils would be created, and employees would transfer from their existing employer (in our case Cambridge City Council) to a new employer. TUPE legislation would apply.

Equalities and socio-economic impacts

- 8.5 It is expected that all proposals (A-E) will have equalities impacts, as they will involve transferring people services (including social care services providing support for children, older people and disabled people) from existing councils in Cambridgeshire and Peterborough to new unitary councils. The final proposal for Option B will include an Equality Impact Assessment setting out the potential impacts of these changes.
- 8.6 Equality impacts will be assessed in more depth as part of the implementation process, as the councils design new services. If Option B is selected by Government, we will involve service users in co-designing individual services so that they take into account equalities impacts.

9. Background documents

- 9.1
- [English Devolution White Paper](#), HM Government, 16 December 2024
 - [Letter to Cambridgeshire and Peterborough Council leaders from Minister of State, Jim McMahon MP](#), 5 February 2025 (including criteria for LGR proposals; Annex C)

10. Attachments

- 10.1 The following papers are available online as separate documents alongside the agenda:
- Option B - Draft LGR Proposal
 - Option A - Cambridgeshire County Council report
 - Option C – Huntingdonshire District Council proposal
 - Option D – Peterborough City Council proposal
 - Option E – Huntingdonshire District Council proposal
 - Pixel – Cambridgeshire LGR balance sheet analysis
 - Pixel - Cambridgeshire LGR funding disaggregation
 - Newton – LGR people services report

Annex A: Council Motion, 24 July 2025

Resolved (by 33 votes to 0, with 3 Abstentions) to approve the motion

Local Government Reorganisation

Councillor Holloway proposed and Councillor Bick seconded the following motion:

This Council notes:

Cambridge is served by two tiers of local government – Cambridge City Council and Cambridgeshire County Council. Each provides different services over different geographies, with some overlapping responsibilities. The Cambridgeshire and Peterborough Combined Authority also serves this area, as does the Greater Cambridge Partnership.

Unitary authorities combine the functions currently carried out by county councils and district-level councils.

On 19 October 2023, Cambridge City Council passed a motion on ‘A Unitary Council’¹, asking the Leader and Chief Executive of the Council to:

“... initiate discussions... to identify options for a less fragmented and more cohesive model of Government for Cambridge, that best serves the needs of its residents. These discussions should involve and engage with the people of the city in a meaningful way, thereby recognising the need for our governance structures to reflect the wishes of the people we serve.”

In summer 2024, Cambridge City Council carried out an initial engagement exercise on the ‘Future of Local Government for Cambridge’^[1]. Around 60 people attended in-person workshops and over 500 people responded to the online survey. Nearly 83% of respondents thought that a unitary authority for the Cambridge area should be explored.

A report on this engagement exercise was considered at Full Council on 28 November 2024^[2]. Councillors agreed that the Leader should report back about next steps in summer 2025, following discussions with other local leaders and ministers.

In December 2024, the Government announced that local government in England would be reorganised, inviting proposals for new unitary councils from all two-tier areas^[3]. On the current timetable, new unitary councils for Cambridgeshire and Peterborough would come into being in 2028.

Since the Government's announcement, all seven existing councils in Cambridgeshire and Peterborough have engaged in a collaborative process to explore options for local government reorganisation.

Leaders have set out three geographical options for proposals to be worked up.

A public survey on issues relating to local government reorganisation, agreed by all councils in Cambridgeshire and Peterborough, is running for just over one month, closing on 20 July[4].

The Local Government Reorganisation item in these meeting papers sets out the current situation, including relevant data and context for deciding which geographical configuration of unitary councils might be most appropriate for Cambridgeshire and Peterborough.

This Council believes:

- That a unitary authority based on the current boundaries of Cambridge City Council and South Cambridgeshire District Council, alongside viable arrangements for the rest of Cambridgeshire and Peterborough, is likely to be the best option for the residents of Cambridge.

This Council resolves:

- To work with other local authorities in Cambridgeshire and Peterborough on a proposal for the whole area that can be submitted to the Government by 28 November 2025.
- To continue to collaborate with all councils across Cambridgeshire and Peterborough, including providing information to support proposals that are not its preferred option.
- To launch a further engagement exercise to better understand Cambridge residents' views on their preferred geography for local government reorganisation.

[1] ¹ <https://engage.cambridge.gov.uk/en-GB/projects/cambridge-local-government>

[2] <https://democracy.cambridge.gov.uk/documents/s67343/241119%20Council%20report%20on%20Future%20of%20Local%20Government.pdf>

[3] <https://www.gov.uk/government/publications/english-devolution-white-paper-power-and-partnership-foundations-for-growth/english-devolution-white-paper>

[4] <https://can-campaigns.co.uk/local-councils-in-cambridgeshire-and-peterborough-are-changing/>

Annex B: Council Motion, 19 October 2023

Resolved (by 34 votes to 0) that:

A Unitary Council

Council notes that:

1. There is renewed public interest in how Cambridge is governed.
2. Although many important partnership relationships are in place between this and other councils, that the current fragmentation of responsibilities and decision-making presents an unhelpful hurdle to strategic focus on the big range of issues which bind the city of Cambridge, affecting lives and livelihoods of all our residents.
3. This fragmentation frequently leaves many of our residents confused about the location of responsibilities and accountability.
4. Past doubts about the critical mass required to justify unitary status are being questioned again, as they were in the 1890s, after both World Wars, in the 1950s and again in the 1960s.

Council affirms that:

1. Power should reside as close to people as is possible.
2. For purposeful, democratic government, we should therefore consider whether a single tier council, amongst other options, framed around the urban geography of the city, is the most appropriate model of Government for our city.
3. We support the calls currently being made for deeper devolution of powers from central government and are committed to working with the Mayor to progress those discussions, for the benefit of both Cambridge and the wider region, to ensure we can best support our communities through the cost of living, climate and biodiversity emergencies. Specifically we believe devolution in relation to single funding settlements and fiscal powers, devolved skills and adult education budgets and clearer, transport responsibilities would give power back to local communities.

In addition Council affirms:

1. Its continued commitment to the many, complex partnership arrangements of which it is a part as the best available current means of pursuing joined-up decision-making so long as local government structure remains as it is.
2. Its awareness that whatever model of Governance might emerge, working co-operatively and supportively with our partners and communities is essential to deliver better outcomes for our residents.
3. That the increasing expectations of change and economic growth that face us in this area make it no longer optimal that we have less dedicated local self-government than city areas such as Peterborough, Luton, York, Bedford, Reading or Bath. In particular reference should be made to the structures in Manchester given that this city sits within a Combined Authority.
4. Its belief that an alternative model of local government could better connect our residents to their representatives and local service providers, and facilitate joined-up decision-making, and strengthen our voice in dialogue with central government and improve the life chances, health and wellbeing, and opportunities for our residents.

Accordingly, Council asks the Leader and Chief Executive to initiate discussions with other Authorities in the region and then central Government to identify options for a less fragmented and more cohesive model of Government for Cambridge, that best serves the needs of its residents. These discussions should involve and engage with the people of the city in a meaningful way, thereby recognising the need for our governance structures to reflect the wishes of the people we serve.

Annex C: Detailed criteria set out by the government in 5 February 2025 letter to all leaders in Cambridgeshire & Peterborough

Guidance from the Secretary of State for proposals for unitary local government.

[Letter: Cambridgeshire and Peterborough - GOV.UK](#)

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.