

Jim McMahon OBE MP,
Minister for Local Government, Devolution and Regional Growth

Dear Minister,

Review of the Local Government Reorganisation Programme

On behalf of the cross-party County Councils Network (CCN), I am writing following the Government's decision to review the local government reorganisation programme.

At the outset, I want to place on record our appreciation for your decision to undertake this review. When you were previously in post during the development phase of the reorganisation programme, CCN enjoyed a very positive and constructive relationship with you. Working together, we were able to help shape the statutory criteria that commanded significant support across our membership. It provided a clear, balanced and evidence-based framework for reform, recognising that reorganisation should only proceed where there was a compelling case based on sustainability, service improvement, local identity and long-term viability.

As you know from our previous discussions, CCN has consistently supported local government reorganisation where it is locally desired and where it can demonstrably deliver significant savings, protect and improve services, preserve local identity and strengthen the capacity of councils to drive growth and support devolution. Our position on this has remained unchanged.

However, we have also been extremely candid in raising serious concerns on behalf of our member councils regarding the decisions announced in March and July. In our view, many of those decisions departed significantly from the very criteria that Government and the sector had worked together to establish. Most of these decisions involved extensive boundary changes and unprecedented levels of disaggregation, creating additional risks, complexity and imposing substantial transition costs. If implemented, these decisions would create unsustainable costs and undermine the long-term financial viability of many of the proposed unitary councils on which successful devolution can be built out.

CCN has not shied away, for good reason, in questioning the motivations that lay behind the decisions of your predecessors, with many of our councils pursuing or considering legal action over whether proposals had been robustly tested against the statutory criteria and if proper consideration has been given to the long-term resilience of the new councils being created.

For these reasons, CCN called for Government to take ownership of the programme and undertake a review of decisions, implementation arrangements and funding assumptions. We therefore welcome your decision to do so. While we recognise some of our members will have different views on the desirability of reorganisation moving forward, if it is to proceed, we need ensure that the programme is delivered in a way that is consistent with the principles and criteria originally developed in partnership between ministers and local government.

The review presents an opportunity to restore confidence that decisions are being taken transparently, consistently and on the basis of objective evidence. In particular, we believe the parameters of the review should include:

- **Reaffirm the existing statutory criteria for reorganisation and ensure they are applied consistently and transparently across all decisions.** The review should seek to realign the programme with those criteria rather than revise them. This includes the population threshold of 500,000 or more, avoiding unnecessary and disruptive disaggregation and boundary change, and ensuring financial viability.
- **Undertake a transparent, evidence-based reassessment of the decisions and the ministerial advice underpinning these, ensuring the process is legally robust and compliant.** Any reassessment should focus on existing proposals and not seek to invite alternatives that go against the existing criteria.
- **Ensure that evidence and representations submitted by CCN and local authorities is fully reflected in decision-making,** particularly in relation to anticipated savings, disaggregation costs, funding implications arising from boundary change, and the impact on people-based services.
- **Review implementation timescales and phasing** so it is reflective of the scale and complexity of change, concurrent reforms, and the capacity of department and wider sector.
- **Fully fund transition and implementation costs,** ensuring that councils are not forced to divert resources away from frontline services in order to deliver Government-mandated reform. This should include reimbursing councils for any additional costs incurred due to the delays caused by the review.

We also recognise that the uncertainty associated with the review has implications for councils, staff and residents. CCN hope that the government can set out the scope, terms of reference and timescales for the review as soon as possible, including how our councils can engage in the process. While it is important that the subsequent process is thorough and evidence-led, ensuring maximum transparency and engagement with local areas, it should also be completed quickly and feed into the Government's wider devolution agenda. Where existing decisions or proposals command local support, align with the established criteria and are demonstrably sustainable, we would encourage Government to explore ways to provide those areas with certainty at the earliest opportunity.

It is also vital that this pause does not mean the momentum is lost on devolution and rewiring the state, with county councils the vital building blocks for growth. Agreement must be reached by consent, and for areas that want devolution, government should continue with its pledged timescales of establishing strategic authorities in all places by the end of 2028.

CCN greatly values the constructive relationship we developed with you during the development of this reorganisation programme. We share the Government's ambition to create stronger, more sustainable councils that can act as effective strategic leaders of place and support your objectives for growth, public service reform, devolution and rewiring the state.

However, unless this review results in a material change in direction, we will continue to face the prospect of large-scale fragmentation and complex boundary change that will create a pattern of reform that is more costly, less stable and less effective than the current two-tier system. This will ultimately undermine the government's reform and devolution objectives.

We therefore stand ready to work with you throughout this review, providing whatever evidence and practical expertise may assist in ensuring the programme delivers councils that are financially resilient and capable of serving their communities successfully for decades to come.

Kind regards,

A handwritten signature in black ink, appearing to read 'Sean Matthews', with a stylized, cursive script.

Cllr Sean Matthews,
CCN Chair-Elect
Leader, Lincolnshire County Council