

NORTH HERTFORDSHIRE DISTRICT COUNCIL



5 November 2025

Our Ref Council 13 November 2025
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To: The Chair and Members of North Hertfordshire District Council

NOTICE IS HEREBY GIVEN OF A

MEETING OF THE COUNCIL

to be held in the

**COUNCIL CHAMBER, DISTRICT COUNCIL OFFICES, GERNON
ROAD, LETCHWORTH, HERTS, SG6 3JF**

on

THURSDAY, 13TH NOVEMBER, 2025

at

7.30 PM

Yours sincerely,

Isabelle Alajooz
Director – Governance

****MEMBERS PLEASE ENSURE THAT YOU DOWNLOAD ALL AGENDAS AND REPORTS VIA THE MOD.GOV APPLICATION ON YOUR TABLET BEFORE ATTENDING THE MEETING****

Agenda

Part I

Item	Page
1. APOLOGIES FOR ABSENCE	
2. NOTIFICATION OF OTHER BUSINESS Members should notify the Chair of other business which they wish to be discussed at the end of either Part I or Part II business set out in the agenda. They must state the circumstances which they consider justify the business being considered as a matter of urgency. The Chair will decide whether any item(s) raised will be considered.	
3. CHAIR'S ANNOUNCEMENTS <u>Climate Emergency</u> The Council has declared a climate emergency and is committed to achieving a target of zero carbon emissions by 2030 and helping local people and businesses to reduce their own carbon emissions. A Cabinet Panel on the Environment has been established to engage with local people on matters relating to the climate emergency and advise the council on how to achieve these climate change objectives. A Climate Change Implementation group of councillors and council officers meets regularly to produce plans and monitor progress. Actions taken or currently underway include switching to green energy, incentives for low emission taxis, expanding tree planting and working to cut food waste. In addition the council is a member of the Hertfordshire Climate Change and Sustainability Partnership, working with other councils across Hertfordshire to reduce the county's carbon emissions and climate impact. The Council's dedicated webpage on Climate Change includes details of the council's climate change strategy, the work of the Cabinet Panel on the Environment and a monthly briefing on progress. <u>Ecological Emergency</u> The Council has declared an ecological emergency and is committed to addressing the ecological emergency and nature recovery by identifying appropriate areas for habitat restoration and biodiversity net gain whilst ensuring that development limits impact on existing habitats in its process.	

The Council has set out to do that by a) setting measurable targets and standards for biodiversity increase, in both species and quantities, seeking to increase community engagement, b) to work with our partners to establish a Local Nature Partnership for Hertfordshire and to develop Nature Recovery Networks and Nature Recovery Strategy for Hertfordshire and c) to investigate new approaches to nature recovery such as habitat banking that deliver biodiversity objectives and provide new investment opportunities.

Declarations of Interest

Members are reminded that any declarations of interest in respect of any business set out in the agenda, should be declared as either a Disclosable Pecuniary Interest or Declarable Interest and are required to notify the Chair of the nature of any interest declared at the commencement of the relevant item on the agenda. Members declaring a Disclosable Pecuniary Interest must withdraw from the meeting for the duration of the item. Members declaring a Declarable Interest, wishing to exercise a 'Councillor Speaking Right', must declare this at the same time as the interest, move to the public area before speaking to the item and then must leave the room before the debate and vote.

4. PUBLIC PARTICIPATION

To receive petitions, comments and questions from the public.

5. LOCAL GOVERNMENT REORGANISATION IN HERTFORDSHIRE - 5 - 18 SUBMISSION OF FINAL PROPOSALS REPORT OF THE CHIEF EXECUTIVE

This report sets out the proposed submission to Government, developed by all eleven Hertfordshire local authorities and the Police and Crime Commissioner, for the future organisation of Local Government in Hertfordshire. Given the importance of the issue this report is being presented to Full Council to facilitate a debate on the options, prior to Cabinet's meeting on 19 November 2025 at which the decision will be taken as to which option is preferred by the Council.

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FULL COUNCIL

13 NOVEMBER 2025

*PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: LOCAL GOVERNMENT REORGANISATION IN HERTFORDSHIRE – SUBMISSION OF FINAL PROPOSALS

REPORT OF: CHIEF EXECUTIVE

EXECUTIVE MEMBER: LEADER OF THE COUNCIL AND EXECUTIVE MEMBER FOR LOCAL GOVERNMENT REORGANISATION/DEVOLUTION

COUNCIL PRIORITY: THRIVING COMMUNITIES / ACCESSIBLE SERVICES / RESPONSIBLE GROWTH / SUSTAINABILITY

1. EXECUTIVE SUMMARY

This report sets out the proposed submission to Government, developed by all eleven Hertfordshire local authorities and the Police and Crime Commissioner, for the future organisation of Local Government in Hertfordshire. Given the importance of the issue this report is being presented to Full Council to facilitate a debate on the options, prior to Cabinet's meeting on 19 November 2025 at which the decision will be taken as to which option is preferred by the Council.

2. RECOMMENDATIONS

- 2.1. That Council note the content of this report and the draft Hertfordshire submission document at Appendix A which forms the proposed collective submission to Government on Local Government Reorganisation.
- 2.2. That Council indicates its support for a preferred option, to be considered by Cabinet as part of its deliberations on 19 November 2025:-

Either:

- a) Submit the proposal and identify the two unitary option as preferred;
- b) Submit the proposal and identify the modified three unitary option as preferred and request that the Secretary of State formally modify the proposal by agreeing boundary changes, as set out in the proposal;
- c) Submit the proposal and identify the modified four unitary option as preferred and request that the Secretary of State formally modify the proposal by agreeing boundary changes, as set out in the proposal;
- d) Submit the proposal without identifying a preferred option.

Note: Each of the 4 options shall be put to the vote in succession and Councillors may vote for only one option or may abstain.

3. REASONS FOR RECOMMENDATIONS

- 3.1. 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. Cabinet is legally required to make the decision as to this Council's response to the Minister's request, but the recommendations allow all councillors to consider and debate this important issue before an indicative non-binding vote, which will be considered by Cabinet as part of its decision making on 19 November 2025.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. The Hertfordshire authorities agreed at an early stage to work together on a single submission, with several options contained within it. An alternative approach, seen in many other areas of the country, could have been for different groups of authorities to develop competing proposals for submission to Government. This was felt to be a sub-optimal approach, with risk of duplicating work and expense and a risk of fragmenting relationships between authorities, which would then need to be repaired to make reorganisation a success.
- 4.2. A single unitary option was contained within the interim plan submitted to Government in March 2025, however all Hertfordshire Leaders agreed to discontinue working on this option as the single unitary would have been too large.
- 4.3. In theory Hertfordshire could have refused to submit a proposal for reorganisation, as under existing legislation local areas have to request that Government commence the reorganisation process. However this would have required all authorities to take that approach, as just one making a submission would have been enough to trigger the process (and the others would have lost the opportunity to influence the outcome). The Government's position is clear, they want reorganisation, and the English Devolution Bill contains a clause that would close this loophole and allow Government to impose reorganisation if necessary. Therefore this option was discounted.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1. All Members received a briefing during the stakeholder engagement that took place during September 2025. Additionally Overview and Scrutiny Committee received a presentation on the process at its meeting on 9 September 2025. The Area Forums all received a presentation on the emerging proposals at their meetings in September 2025. The same presentation was delivered by the Chief Executive to three Staff Conference sessions in September, followed by an opportunity to ask questions and discuss the options.
- 5.2. Public engagement also took place in September, promoted across social media and in person events by all eleven existing Hertfordshire Councils. Additionally we promoted it via the Council website, E:Newsletters, posters in council-owned buildings and the Summer edition of Outlook magazine. Feedback was collated via a dedicated Hertfordshire website www.hertfordshire-lgr.co.uk
- 5.3. As part of the early stakeholder engagement, the Leader and Chief Executive met with key organisations including the Letchworth Garden City Heritage Foundation, Business

Improvement Districts and Veolia on 25 July 2025 to discuss the options being considered and ask that feedback be submitted to inform the developing proposals. The report setting out the findings from the stakeholder engagement can be seen at Appendix E of the Submission Document.

- 5.4. Regular updates on progress have been provided to the Political Liaison Board (the informal meeting of Cabinet and Leadership Team) and monthly briefings have been held with the Executive Member for Local Government Reorganisation/Devolution and the two opposition shadows. Regular updates have also been provided to staff and councillors via email updates and updates to a dedicated page on the Council's internal Hub, plus an update at every monthly staff briefing and the Staff Consultation Forum. The Council's website has also been updated at all key stages in order to keep the public informed – see [Devolution and Local Government Reorganisation | North Herts Council](#).

6. FORWARD PLAN

- 6.1 This report contains a recommendation on a key Executive decision that was first notified to the public in the Forward Plan on the 22 August 2025. This report provides Council with an opportunity to debate the issue and indicate its preference, the decision will be taken by Cabinet at its meeting on 19 November 2025.

7. BACKGROUND

- 7.1. 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.
- 7.2. 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 (see <https://www.gov.uk/government/publications/local-government-reorganisation-invitation-to-local-authorities-in-two-tier-areas/letter-hertfordshire>).
- 7.3. 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.*

The Government has confirmed that there is no weighting attributed to any of the criteria and that they are all of equal importance.

7.4 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'. This informed the approach taken in Hertfordshire.

7.5 Two tier areas were required to submit an interim plan by 21 March 2025, setting out progress on developing proposals. A joint interim submission on behalf of the 11 Hertfordshire councils, along with the Police and Crime Commissioner for Hertfordshire, was submitted to Government on 20 March 2025 (see <https://www.north-herts.gov.uk/sites/default/files/2025-03/Hertfordshire%20interim%20LGR%20Submission.pdf>). At that stage the options of one, two, three and four unitary councils were being considered. Government feedback 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

7.6 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 1.2m residents would be too remote from the county's diverse communities.

7.7 Following the submission of the Interim Plan, a Local Government Reorganisation (LGR) programme team was established in Hertfordshire. Leads and support from across the County, District and Borough Councils have worked with the lead consultants, IMPOWER, to produce the required proposal for submission on 28 November.

- 7.8 It is anticipated that the Government will conduct a formal public consultation on reorganisation proposals for Hertfordshire in spring 2026, exact dates to be confirmed. The Secretary of State's decision on which option is to be implemented in Hertfordshire would then be expected in summer 2026, likely in July based upon Government's indications. The required legislation (the Structural Changes Order) would then be prepared and laid in parliament from autumn 2026, to facilitate elections to the new shadow unitary authorities in May 2027. The shadow unitaries would run in parallel to the existing Hertfordshire authorities and be tasked with taking initial decisions to allow the new authorities to operate safely and legally come 'go live' on Saturday 1 April 2028, such as adopting constitutions, budgets, appointing statutory officers etc. If members wish to understand what is contained in a Structural Changes Order, a recent example is [The Cumbria \(Structural Changes\) Order 2022](#).
- 7.9 Members will be aware that local government reorganisation has, in part, been positioned by Government as a way to facilitate more devolution deals across the country. The Government has not committed to a timeline for devolution for areas, like Hertfordshire, that are outside the Devolution Priority Programme. Hertfordshire's ask for devolution, that a Hertfordshire Strategic Authority be created in parallel to the new unitary authorities, is set out within the submission document and is indifferent as to which unitary model is ultimately chosen by government. On 4 November 2025 a letter was sent on behalf of Hertfordshire Growth Board to the Secretary of State setting out Hertfordshire's ambition for a Mayoral Strategic Authority, to be vested on 1 April 2028 alongside the new unitary authorities.
- 7.10 As stated at paragraph 7.5 Government has set out that each Council can only choose one option to support. The submission document will summarise which Councils support which options. Ultimately Government will decide which model for reorganisation to implement and all Hertfordshire authorities have committed to working together to make that model a success.

8. RELEVANT CONSIDERATIONS

Approach to the submission

- 8.1 As stated at paragraph 7.7 above, 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). Leads and support from across the County, District and Borough councils have worked with the consultants, IMPOWER, to produce the required proposal document for submission to Government on 28 November. Significant work has been undertaken to develop a shared evidence base to enable a robust set 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.
- 8.2 Reflecting this work, a joint submission from the 11 Hertfordshire councils and the Police and Crime Commissioner for Hertfordshire has been prepared. This submission, which is at Appendix A, outlines the shared commitment to reshaping local government to deliver simpler, more accountable and more sustainable services for Hertfordshire's 1.2 million residents. The submission contains a spine setting out the shared evidence base and agreed elements that are in common to all the options.

- 8.3 Whilst there is a common ambition for change, different partners currently hold different views on the best delivery model. The final proposal 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 proposal will indicate which options are supported by which councils in the county. It was agreed that these ‘mini-proposals’ would state the positive case for that model, without seeking to undermine the other options. The ambition set was to create three high-quality and compelling mini-proposals, so that whichever model is chosen by Government in due course can be viewed as positive for Hertfordshire residents, businesses, partners, councillors and staff.

Vision and Ambitions

- 8.4 Hertfordshire’s proposal 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.
- 8.5 These ambitions are shaped by seven core principles:
- **Resident-first:** Services will be simple to access, responsive and built around the needs of people and businesses.
 - **Prevention-led:** Councils will act early to tackle root causes, not just symptoms - reducing long-term demand and helping people to live more independently.
 - **Inclusive and enabling:** Services will be fair, open and accessible to all, helping communities to thrive while respecting their differences.
 - **Partnership-led:** Councils will work better together - across councils, the NHS, police, businesses and the voluntary sector - to deliver better outcomes.
 - **Powered by data and technology:** Councils will use evidence, data and digital tools to improve and strengthen connections and work more efficiently.
 - **Culturally ambitious:** Councils will empower their diverse and representative workforce, celebrate local identity and build innovation into everything they do.
 - **Strategic and place-based:** Councils will act as strong local partners - investing in the right places with the right infrastructure to help communities thrive and enable neighbourhoods to shape their own future.

The options

- 8.6 The proposed submission document contains ‘mini-proposals’ separately setting out the case for a two unitary model, a three unitary model and a four unitary model. The submission sets out the proposed geographies and the case as to why each of the models should be chosen by Government. In simplistic terms the larger unitary footprints are more financially resilient (two is more resilient than three and three is more resilient than four) and the smaller unitary footprints are closer to the communities they serve. All of the options have their strengths and relative weaknesses and different people will emphasise which elements they consider most important.
- 8.7 Both the three unitary model and four unitary model propose potential boundary changes for Government to consider. In the three unitary model it is suggested that Bushey could move from the Central unitary (where Hertsmeres would be located) to the West unitary, due to Bushey’s close links with Watford. In the four unitary model it is suggested that a number of current North Herts wards could move to the East unitary, for a combination

of place based reasons and to better balance the population numbers. The full explanations are contained within the submission, which has been structured taking account of KC's advice on the Government mechanisms to implement these boundary modifications if they choose to.

Finance and Services

- 8.8 It is important to state that overall all of the three options require significant up-front costs reorganisation but will save money compared to the status quo and that all will payback those initial costs, albeit at different rates. In the four unitary proposal, using current estimates the Unitary Council covering the Central area appears to be unviable without increased funding. This is because the estimated share of County Council costs is greater than the share of funding. This gap is sufficiently large that it can't be covered by forecast savings. This area has higher deprivation, so the Fair Funding review may redirect funding to that Unitary Council. Chief Finance Officers tried to model the impact of the proposed Fair Funding Review, however there is currently too much uncertainty in the potential figures, pending further clarification from Government which is expected too late to be incorporated within the submission. Therefore the submission clearly sets out that these impacts have not been included.
- 8.9 The financial modelling has been undertaken based on the current Medium Term Financial Strategies of the 11 authorities. It looks at the impact of up-front costs to achieve reorganisation and the ongoing costs and savings from the new structures. It also considers future funding and Council Tax.
- 8.10 At the current time detailed modelling of how different services will be delivered has not been undertaken, due to the time pressure of the deadline for submission to Government. A lot of work has been undertaken, without yet coming to a definitive conclusion on the delivery models as in part these might depend on the number of unitaries chosen by Government. These will be explored further during the transition phase. For the purposes of the submission focus has been placed on the critical high risk service areas identified by Government and how these would be delivered initially.
- 8.11 The approach discussed has been to seek to identify the best of what each Council currently does and look to 'right-size' the service delivery models. In the two unitary model this might mean more localised place based services, in the four unitary model this might mean shared service arrangements where delivering at scale would be beneficial. The mini-proposals explore some of the options and thinking around this. The resultant models may result in changes in the ability to generate savings and changes in up-front costs.

Democratic representation

- 8.12 The two unitary and three unitary models are based on County divisions, with three members per division. The four unitary model is based upon district wards, with some proposed tweaks to councillor numbers. The numbers of councillors and ratio to electors are set out within the submission. Government will set out in the Structural Changes Order the basis on which the first election to the Shadow Unitary Councils will take place (ie wards/divisions, number of councillors, election date, electoral cycle etc). This structure will be in place for the first term of the new unitary council, during which it is expected that the Local Government Boundary Commission for England will carry out a

review to address any anomalies that have been identified. Any changes would then be implemented at the next scheduled election.

Community engagement

- 8.13 The submission sets out a number of different options for how the new unitary councils could engage with their communities, accepting that the decision on this will be for the new unitary councils themselves to make. It is also recognised that the two unitary model may need to put more structures in place to compensate for its comparative remoteness to communities, whereas the four unitary model is naturally closer to the communities it serves.

Stakeholder feedback

- 8.14 During September, we asked stakeholders to share their views on proposed changes to local government in Hertfordshire. Around 7,600 people engaged with the survey across Hertfordshire, and it was clear from those who kindly gave us their thoughts that:
- 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 over-fragmentation. 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.
 - These perspectives contrasted with the county wide stakeholder engagement, where the two-unitary option received the greatest number of supportive or cautiously favourable comments. The North Herts stakeholder meeting in July had a preference for smaller unitary councils, closer to the community.
 - There is cautious optimism regarding LGR: People see 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.
 - Peoples' primary concerns are what LGR will mean for their top three priority services: Infrastructure, Waste and recycling and Parks and green spaces; plus, the potential costs involved in reorganisation and whether they could impact council tax.

8.15 North Herts resident feedback

587 North Herts residents responded to the LGR survey and of those who selected a preferred option there was a slight preference for the four-unitary model over the two-unitary model with the three-unitary model clearly less favoured.

Four unitary model	151	38.81%
Two unitary model	144	37.01%
Three unitary model	94	24.16%

Resident feeling with regards to the potential impact of LGR was mixed with 50.73% of respondents feeling that reorganisation would improve things, 15.01% feeling it would have no impact and 34.24% feeling it would have a negative impact.

Improve a little	166	35.09%
Worsen a lot	87	18.39%
Worsen a little	75	15.85%
Improve a lot	74	15.64%
No impact	71	15.01%

The top three potential benefits of LGR highlighted by those North Herts residents who responded were aligned with the feedback from across Hertfordshire, namely:

More joined-up services that work better together	265	22.59%
More coordinated strategic planning and infrastructure decisions	214	18.24%
A clearer understanding of who is responsible for what	189	16.11%

The top three concerns responding North Herts residents had when considering the implications of LGR were:

The cost of making the change might be too high	264	15.77%
The council may be less connected to my community	242	14.45%
Loss of local representation	224	13.38%

- 8.16 As part of the ongoing work since the summer a transition workstream is already underway, looking at how best to navigate the path from the existing 11 authorities to the new unitary councils. An initial plan has been developed, which it has been agreed will be overseen by a central Programme Management Office (as opposed to a PMO for each unitary council). Information has been obtained from previous areas that have been through this process, with a view to learning lessons from their experience. Following completion of the submission document increased focus will be placed on the transition programme and in particular what we are able to progress prior to receiving the Government's decision on the future model for Hertfordshire. It is recognised that we cannot simply wait for the Government decision before progressing this work, as this would mean losing at least eight months of time from the programme (December 2025 to July 2026).

9. LEGAL IMPLICATIONS

- 9.1. The Council's Constitution sets out at paragraph 5.7.28 that Cabinet's responsibility includes "To make decisions where a policy or strategy does not exist." Advice was obtained from King's Counsel on behalf of the Hertfordshire authorities that confirms that a decision about what, if any, full proposal to make to the Secretary of State is an executive decision, and not one for the full council to take. The essential basis for the advice is fundamental principle that all decisions are executive decisions, unless it is possible to point to some specific provision which makes them otherwise (which does

not exist in this instance). Counsel has confirmed that Full Council's role is advisory and non-binding in this regard. Full Council's role is to debate the options and provide a non-binding indicative view to inform Cabinet's decision on 19 November 2025.

- 9.2. The Local Government and Public Involvement in Health Act 2007 provides the legislative framework for local government reorganisation. It is therefore important that any submission is compliant with the requirements of the legislation. Separate King's Counsel advice was obtained on behalf of the Hertfordshire authorities as to how the proposed boundary modifications within the three unitary and four unitary proposals should be presented. How this issue is addressed within the submission document reflects the advice received.
- 9.3. 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 they 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 Councils' desire to make a proposal that involves boundary changes is 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.
- 9.4. The legislation sets out that it is for the Secretary of State to determine which proposal to implement, with or without modification. As with any decision of a public body, there is potential for legal challenge by way of judicial review.
- 9.5. The test for any new authority is that they must be 'safe and legal' on vesting day (in this case on 1 April 2028). That will be the responsibility of the shadow unitary authorities, working in conjunction with existing authorities. This will also be one of the areas of focus of the Governance workstream as part of the Hertfordshire wide programme.
- 9.6. Following Cabinet's decision on 19 November, the Hertfordshire Leaders Group will submit the final version to DLUHC by 28 November 2025. Should Government accept any of the proposals for consultation, a statutory consultation period and Structural Change Order will follow.

10. FINANCIAL IMPLICATIONS

- 10.1. A summary of the financial modelling is contained within the main body of the report. The 11 Chief Finance Officers in Hertfordshire have been working closely together, alongside specialist consultants, to develop the financial model. The model is based on a number of assumptions and the best information available to us at the current time.

- 10.2. Hertfordshire received a grant of £378,077 from Government to support the development of the submission. Each Council has additionally committed £28,000 each to support the work. This has been spent on consultants to support the delivery of the programme and on specialist external advice when required. Further sums will be required to support the transition programme and this will be considered as part of the 2026/27 budget process. This would include the costs referenced in the HR implications section, as well as our contribution to cross-Hertfordshire work.
- 10.3 At this stage the financial modelling does not fully consider how up-front costs will be funded. Some of those costs would be best incurred when the new Councils are in their shadow year. There may be the opportunity to capitalise transition costs.
- 10.4 If Government proceeds to the next stage of the reorganisation process, it is expected to issue Section 24 Directions under the 2007 Act. These are national financial safeguards that temporarily require councils in affected areas to seek consent before making major new financial commitments, so that no decisions are taken which could prejudice the establishment of any new authorities. While no such Direction currently applies, officers are monitoring national guidance to ensure readiness should these controls come into effect.

11. RISK IMPLICATIONS

- 11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2. The Council's risk register contains an entry in relation to Local Government Reorganisation and Devolution, with the highest overall risk score available of 9, due to the high risk nature of the project. Risks identified include the ability to deliver the programme, the potential impact on staff, the significant scale of the implementation phase, potential impacts on decision making in the short term and the risk to some discretionary district services due to the need to meet rising social care costs. Mitigations include the ongoing commitment for council staff to support and shape the proposals, plus support being put in place for staff (see section 15 below).
- 11.3. In addition to the Council's own risk register entry, a separate risk register is being maintained by the central Programme Management Office (PMO). The Council's Chief Executive is one of four who sit on the Programme Board overseeing and guiding the work of the PMO.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. A joint Equalities Impact Assessment has been completed in relation to the submission and can be found at Appendix C of the submission document. Further assessments will

need to be undertaken as changes to service delivery models are considered in due course.

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and “go local” requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. A joint Sustainability Impact Assessment has been completed in relation to the submission and can be found at Appendix D of the submission document.
- 14.2. Sustainability Impact Assessments will need to be undertaken as implementation plans are further developed and changes to service delivery models considered.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 Developing the submission document has had significant impact on the workload of staff, particularly our most senior officers. It is recognised that the work to support the transition to the new authorities, whilst also ensuring our community see no difference in business as usual and we deliver any legacy projects the Council wishes to prioritise will place significant strain on staff. This will be subject to ongoing monitoring and discussion between officers and councillors to try to ensure the right balance. It may be necessary to employ additional staff to deliver all of this work, including to backfill for any officers who are delivering the transition programme.
- 15.2 It is also recognised that the uncertainty caused by reorganisation will have an impact on staff, at different times. Training and support are already in place to assist with this and a programme will be delivered until April 2028. The Council is developing a new workforce strategy, to ensure that staff are supported and are put in the best possible position to thrive whilst at North Herts Council and in whatever role they undertake in the future. The Leadership Team are providing honest and open updates to staff on a regular basis to help understanding of the process.
- 15.3 There are of course significant workforce implications relating to reorganisation and there is a dedicated workforce workstream as part of the Hertfordshire programme. We need to have the resources to contribute to this process whilst also supporting our current staff. This workstream will consider issues such as (but not limited to) TUPE, equalisation of terms and conditions, HR policies and recruitment processes for the senior roles. The Chief Executive has committed to keeping staff updated on the timelines for when these issues will be addressed and there will be ongoing engagement with staff through the various available forums, as well as with union representatives.

16. APPENDICES

- 16.1 Appendix A – Submission Document: Local Government Reorganisation in Hertfordshire *(to follow as a Supplementary Document)*

17. CONTACT OFFICERS

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18. BACKGROUND PAPERS

- 18.1 See links within report.

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