COUNCIL - WEDNESDAY, 19 NOVEMBER 2025

Late Item(s)

2. LOCAL GOVERNMENT REORGANISATION IN CAMBRIDGESHIRE AND PETERBOROUGH(Pages 3 - 8)

The Council is invited to note and comment on the options presented in the Local Government Reorganisation in Cambridgeshire and Peterborough. The Council is also to note the criteria and process established by Government and that the Secretary of State will be the end decision maker. The Council is invited to record its support for one or none of the options presented in order to inform the decision to be taken by Cabinet on 24th November 2025.

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LOCAL GOVERNMENT REORGANISATION IN CAMBRIDGESHIRE AND PETERBOROUGH

8.0 OVERVIEW AND SCRUTINY COMMENTS

8.4 The Overview and Scrutiny Joint Group discussed the Local Government Reorganisation in Cambridgeshire and Peterborough Report at its meeting on 12th November 2025.

8.5 Following an enquiry from Councillor Chapman, it was clarified that Huntingdonshire District Council would be submitting one proposal to the Government. There had been some discussion as to whether neighbouring Councils would be submitting multiple preferences, however it was established that this was no longer the case. In response to a further question on the process from Councillor Gardener, it was clarified that each Council within the region would submit their preferred outcome option and that this would then be presented forwards on behalf of the region.

8.6 It was clarified to the Group following a query from Councillor Alban, that the Cabinet recommendations from F onwards referenced the action taken in recommendation E rather than the Business Case Option E.

8.7 Following an observation from Councillor Pickering on the differences between Options C and E, and the resulting creation of 2 or 3 new unitary authorities, the Group were assured that the current advice was to put forward one preferred option only or risk not having an option on the table. It was clarified that there would be opportunity for the Secretary of State to adjust submitted options but not to suggest entirely new business cases, it was also noted that a statutory consultation would be held following the option submission and that the district council would be able to submit further information at this point as a statutory consultee. The Group heard that the legislation being used for the LGR process was fully tested and is considered robust by Government.

8.8 In answer to a question from Councillor Bywater, the group heard that attention had initially been focussed on Option C and that the dataset for this had also been used when the addition of Options D and E were requested by Peterborough City Council. It was understood that the proposed split of Huntingdonshire in Option D had been hinted at in an open letter written by the two Peterborough Members of Parliament however any further detail on the reasoning for this would need to be requested from partners. This proposal was one that HDC had not put forward. It was clarified that scoring criteria had been

awarded against the criteria set by the Government to allow for a best judgement approach to be taken.

8.9 The Group heard from Local Partnerships colleagues, who, in response to a question from Councillor Hassall, confirmed that Option E implied a recurring financial pressure of £1million however when the overall new unitary budget was taken into consideration this would be a minimal figure. It was noted that, in comparison, Option C has a recurring net saving of £3million. However it was noted that these pressures would need to be taken into context of the larger budgets at play and the many benefits that the new unitaries would bring.

8.10 Following questions from Councillor Jennings, the Group heard that scores weighting within the agenda pack were based upon Government guidance (with no indication from Government about individual weighting) but that it was very much to allow Councillors to make an informed decision on which option they would prefer to support. It was acknowledged that initial summaries for scoring were succinct however following the addition of multiple layers of detail became more in depth. This was due to the development of the guidance throughout the process. It was noted that the resulting unitary authority would need to be sustainable so options which supported longevity should be sought and supported and to inform the decision of Councillors, the report looked to highlight strengths and robustness for the Options. It was noted that in weighing up the policies and the background papers, it may be prudent to take a more rounded approach when choosing an option to ensure it provided the best or better fit for Huntingdonshire and its residents.

8.11 In response to a question from Councillor Hunt relating to the financial modelling of Option D, the Group heard that each Council's MTFS was taken and consolidated together to give a broad picture. The modelling also took into account funding streams such as Council Tax and how this would look for residents with the changes brought by LGR. It was noted that this brought significant challenges as more affluent areas of the region would generate different income to others and that the demands of a new unitary in funding demands including social care and special educational needs may vary geographically across the region as a whole thus affecting the income and expenditure of the new unitaries. Following a further question from Councillor Gleadow, it was further advised that the financial modelling had also aimed to forecast financial viability and sustainability.

8.12 Further to a question on risks to residents from Councillor Catmur, the Group heard that analysis showed greater financial savings with Options A and C but that it should be noted that this would need to be proportional across the region and take social requirements into consideration. The analysis undertaken showed that financial risks varied across the options but that this was a

relatively minor consideration in the bigger picture for the new unitaries with the bigger picture of what is best for the region to be considered.

8.13 Councillor Alban expressed concern that should Huntingdonshire make its decision based on the Government's criteria residents may be disadvantaged by other neighbouring Councils who had voted in a more tactical manner. The Group were assured that the decision should be made against the Government's guidelines and criteria, however it would be prudent to be mindful of the decisions already made by neighbouring Council's as once submitted the Secretary of State is unable to introduce a new business case but is able to amend proposed and preferred options. It was clarified that the legislation in play is tried and tested and that it could be challenged by judicial review if necessary. It was also noted that following the decisions by the Secretary of State, elections would be held to appoint Councillors to the new shadow board for the new unitary, with it being observed that the political make up of these boards may be very different to the current political representation of the Councils affected.

8.14 Further concern was expressed by Councillor Alban in relation to the anticipated number of Councillors representing the current Huntingdonshire district being a vast reduction from the current number of District and County Councillors. The Group observed that the amount of work and time the new Councillors would encounter with both Council business and parochial work on behalf of residents would prohibit those who were employed and would instead require significant time dedication thus skewing the representation of residents to either the wealthy or retired rather than the spectrum of ages and occupations who current represent residents. It was further clarified to the Group that the membership of the new unitary would be based upon the current boundaries set by the Electoral Commission, whilst the concerns of Councillors were noted, a further boundary review could not be requested until after the first term of officer for the new body. The Group were assured that the best fit for the area would be considered and presented as part of the development of the chosen business case but that ultimately the Government remained the decision maker on this and that Councillors needed to remain mindful of the looming deadline for submission.

8.15 Councillor Pickering queried the population figures referenced in Option E as varying from 213,000 to 300,000 and additional enquired about the potential for a boundary review to include Tempsford. The Group were advised that population guidance from the Government had evolved and that this was to be considered as part of the option criteria. The opportunity with the Tempsford development was acknowledged and that in the event of the business case moving forward, a boundary review could be requested as part of that.

8.16 Concern was expressed by Councillor Chapman in relation to statements within the report relating to the proportion of residents employed within the district, when local knowledge informed that many travelled outside of the district for employment. Councillor Chapman felt this painted a conflicting picture and referenced the data used to inform the St Neots Master Plan. The Group were advised that the data was drawn from the 2021 census and due regard should also be given to the passage of time and the purposes of the respective reports and analysis. Officers took an action to further check the validity of the data. It was acknowledged that due to the geography of the district, residents may travel to another district for employment, especially for those residing in towns and villages near to the district boundary.

8.17 Councillor Gardener queried the validity of Option D due to the Government criteria stipulating that the existing district councils should be the building blocks of the new unitiaries. The Group heard that this was an iterative process and a moving challenge, the nuance of the criteria has shifted from the original clear guidance and as a result there had been different interpretations and clarifications as a result. It had therefore been clarified that a business case could be made based on criteria to support and provide justification as to why the proposal could deviate from the guidance in splitting an existing district.

8.18 It was observed by Councillor Gardener that the existing Shared Services functions between Huntingdonshire District Council, South Cambs District Council and Cambridge City Council worked well and had proved that collaborative working could work and presumably continue to work should Option E progress. Comments were made by Councillor Gardener in respect of Option D. The Group heard that the comments within the report relating to Option D did not critique other Councils but did give an honest scoring and took logic, place and local identity into consideration with the Shared Services function being covered under the Other Considerations section. It was believed that the existing Shared Services structure could provide a good building block to better deliver services more efficiently and effectively under Option E.

8.19 In response to observations made by Councillor Hassall regarding ICT and the benefits of the existing Shared Services which could be transitioned under Option C, the Group heard that the existing Shared Services could provide a strong base for the future but that it was important to bear in mind that any new unitary would also have to integrate Cambridgeshire County Council and its systems thus acknowledging that there would be significant challenges with all Options.

8.20 Councillor Bywater expressed significant concern that the Schools Forum had not been consulted as part of the process but that education affected or would affect the majority of the region's residents. Clarification on the Newton data as a shared data set, agreed by the relevant, responsible officers in the existing

Unitaries was provided The Group were assured that the challenge of education were real and acknowledged with a White Paper due to provide further clarity and layering to the existing considerations. It was noted that by moving to a unitary system some current geographical challenges may be improved whilst acknowledging that new challenges could be presented. The Group was additionally advised that their would be further opportunity for input and opinions during the statutory consultation later in the process.

8.21 In response to a question from Councillor Jennings relating to the pay back periods quoted in the various options, the Group heard that a 5 year period had been used in order to create a standard comparable between the Options with this period felt to be a reasonable medium term assessment. Following a further query from Councillor Jennings, the Group heard that staffing assessments within the Options were based on the assumption that only one of each senior role would be required within the new unitary with the example of four Section 151 Officer roles being reduced to the one required role. It was also noted that the assumed Member Allowances were taken from an average of existing Member Allowances. The Group also heard that the 5% savings quoted within the report were where duplication between shared third party suppliers for duplicate costs and that further savings could be explored as a business case developed. The Group were assured that best practice was being followed with hindsight learned from other authorities however the overriding aim was to be safe and legal from day one. The meeting was also reminded that the size and nature of any new unitary would be for that new organisation to determine – with new priorities and expectations for service delivery residing with that new authority. Bearing all these factors in mind the assessment of financial returns within the documents were prudent in their forecasts.

8.22 In response to a question from Councillor Gleadow regarding what officers felt to be the greatest risks to the process, the Group heard that the risks were identified within the report, however it was acknowledged that there were financial risks for all Options but that it was important to balance this against the benefits that each Option could bring. The implementation and integration of a new IT system was also identified as a risk with the importance of maintaining business as usual during the transition period which would be managed through programme management. Service Delivery was noted as an additional risk with the merging of district and county services and systems and it was advised that this was reflected in the report scoring. Learnings were being taken from other Councils who had already transitioned to unitary authorities and that the business cases were prudent without over inflation to create a balanced compelling business case to move forward from an operational perspective. The balance of risk versus reward was contemplated with the opportunities that the new unitaries could provide being considered as a

counter to the perceived risks. The Group were also advised that Officers are already doing work on LGR risks, relating to our existing risk register.

8.23 Councillor Hunt observed the role of the Cambridgeshire and Peterborough Combine Authority and the Group heard that the headline of the Review was to support devolution and reference in the guidance to supporting functional economic areas. It was noted that there is existing evidence and understanding of the three functional economic areas of the region, Cambridge, Peterborough and the remaining rural districts/market towns – all 3 areas being interconnected.

8.24 Councillor Catmur observed that he perceived the biggest risk to be not making a decision. This sentiment was echoed by the Group and acknowledged by officers as not a viable option. It was clearly noted that in order to take the district and its residents forward a decision would need to be considered at the following Council meeting and ultimately made by Cabinet.

8.24 Following the meeting it was noted that the comments from the meeting would be compiled and published as a supplement for Council to consider at their meeting to discuss the report.