

A meeting of the **OVERVIEW AND SCRUTINY JOINT GROUP** will be held in **CIVIC SUITE (LANCASTER / STIRLING ROOMS), PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON PE29 3TN** on **WEDNESDAY, 12 NOVEMBER 2025** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

AGENDA

APOLOGIES

1. MEMBERS' INTERESTS

To receive from Members declarations as to disclosable pecuniary, other registerable and non-registerable interests in relation to any Agenda item. See Notes below.

Contact Officer: B Buddle
01480 388008

2. ELECTION OF CHAIR

To elect a Chair of the Overview and Scrutiny Joint Group.

Contact Officer:

3. APPOINTMENT OF VICE-CHAIR

To appoint a Vice-Chair of the Overview and Scrutiny Joint Group.

Contact Officer:

4. LOCAL GOVERNMENT REORGANISATION IN CAMBRIDGESHIRE AND PETERBOROUGH (Pages 3 - 682)

The Group is invited to note and comment on the options presented in the Local Government Reorganisation in Cambridgeshire and Peterborough. The Group is also to note the criteria and process established by Government and that the Secretary of State will be the end decision maker.

Executive Councillor: S J Conboy

Contact Officer: M Sacks
01480 388116

4 day of November 2025

Michelle Sacks

Chief Executive and Head of Paid Service

Disclosable Pecuniary Interests and other Registerable and Non-Registerable Interests.

Further information on [Disclosable Pecuniary Interests and other Registerable and Non-Registerable Interests is available in the Council's Constitution](#)

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The District Council also permits filming, recording and the taking of photographs at its meetings that are open to the public. Arrangements for these activities should operate in accordance with [guidelines](#) agreed by the Council.

Please contact Mrs Beccy Buddle, Democratic Services Officer (Scrutiny), Tel No: 01480 388008/e-mail Beccy.Buddle@huntingdonshire.gov.uk if you have a general query on any Agenda Item, wish to tender your apologies for absence from the meeting, or would like information on any decision taken by the Committee/Panel.

Specific enquiries with regard to items on the Agenda should be directed towards the Contact Officer.

Members of the public are welcome to attend this meeting as observers except during consideration of confidential or exempt items of business.

Agenda and enclosures can be viewed on the [District Council's website](#).

Emergency Procedure

In the event of the fire alarm being sounded and on the instruction of the Meeting Administrator, all attendees are requested to vacate the building via the closest emergency exit.

Public*
Key Decision – Yes

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter:	Local Government Reorganisation (LGR) in Cambridgeshire and Peterborough
Meeting/Date:	LGR Overview and Scrutiny Joint Group – 12th November 2025 Extraordinary Council – 19th November 2025 Extraordinary Cabinet – 24th November 2025
Executive Portfolio:	Executive Leader of the Council – Councillor S J Conboy
Report by:	Chief Executive – Michelle Sacks
Ward(s) affected:	All

Executive Summary:

In line with the Government's commitment to reform local government in England, the English Devolution White Paper (December 2024) and the subsequent Community Empowerment Bill set out a clear ambition to replace two-tier structures with unitary authorities by April 2028.

This report presents a comprehensive, well-evidenced and robust overview of the five main options for Local Government Reorganisation (LGR) in Cambridgeshire and Peterborough. Developed collaboratively by all seven councils, each option has been rigorously assessed against national criteria, local priorities, and independent expert evidence.

The options include North/South Split (Option A), Horseshoe (Option B), East/West Split (Option C), Three Unitary Authorities (Option D), and Huntingdonshire Three Unitary Authorities (Option E). Each option presents distinct strengths and challenges, particularly around financial resilience, service quality, and local identity. The report includes a comparative assessment and detailed appraisal of each option.

The report provides particular detail on the two options (C & E) which the Council is responsible for the preparation of. Members are invited to review the evidence and indicate their preferred option (if any) to inform the future decision of the Cabinet over which option (if any) should be put forward as part of the single proposal for Cambridgeshire & Peterborough, ensuring the region's submission is both robust and aligned with local and national objectives.

Recommendations:

The LGR Overview and Scrutiny Joint Group is RECOMMENDED to:

- A. Note the various options that have been presented relating to Local Government Reorganisation for Cambridgeshire & Peterborough.
- B. Note the criteria and process established by Government and that the Secretary of State will be the end decision-maker.
- C. Consider and comment on the various options against the criteria identified, to inform consideration by the Council and final approval by the Cabinet.

The Council is RECOMMENDED to:

- A. Note the various options that have been presented relating to Local Government Reorganisation for Cambridgeshire & Peterborough.
- B. Note the criteria and process established by Government and that the Secretary of State will be the end decision-maker.
- C. Note that the responsibility for providing the Council's feedback and position on the proposals rests with the Executive.
- D. Consider and comment on the various options against the criteria identified, noting that the various options will be incorporated into a single submission made on behalf of all Councils in Cambridgeshire & Peterborough.
- E. Confirm, by recorded vote, its support for one or none of the options presented (noting that the Council can only support a single option), to inform the decision to be taken by the Cabinet.

The Cabinet is RECOMMENDED to:

- A. Note the various options that have been presented relating to Local Government Reorganisation for Cambridgeshire & Peterborough.
- B. Note the criteria and process established by Government and that the Secretary of State will be the end decision-maker.
- C. Consider and comment on the various options against the criteria identified, noting that the various options will be incorporated into a single submission made on behalf of all Councils in Cambridgeshire & Peterborough.
- D. Consider the comments provided by the Overview and Scrutiny Joint Group and Full Council in respect of the proposals and the vote by Council to support any or none of the options presented.
- E. Determine which, if any, of the options the Council wishes to support (noting that the Council can only support one option).
- F. Delegate authority to the Chief Executive, in consultation with the Executive Leader of the Council, to write to the Secretary of State and other Leaders & Chief Executives within Cambridgeshire & Peterborough to communicate the Council's decision (rec E).
- G. Delegate authority to the Chief Executive, in consultation with the Leader of the Council, to complete and finalise a Foreword for the final business case in support of any chosen option (rec E).
- H. Based upon the final decision (rec E), to delegate authority to the Chief Executive, in consultation with the Executive Leader of the Council, to liaise with other Leaders and Chief Executives to make any final

amendments to the single submission for Cambridgeshire & Peterborough in advance of submission to the Government.

- I. Delegate to the Chief Executive, in consultation with all Group Leaders and non-group aligned Members, to formulate and submit a response to any formal consultation on proposals for Local Government Reorganisation in Cambridgeshire & Peterborough.

RECOMMENDATION

Given the significance of the matter, combined with the criteria established by Government, no formal recommendation on an option is presented.

This report does identify the merits and challenges of the various options, along with other key factors for consideration, so that Members may make informed decisions.

1. PURPOSE OF THE REPORT

- 1.1 This report seeks to provide an overview of proposals for Local Government Reorganisation (LGR) in Cambridgeshire & Peterborough and seeks to enable Members to make an informed decision over what, if any, response the Council wishes to make within the timescales and processes established by Government.
- 1.2 Members are reminded that:
- There will be a single submission for the entire Cambridgeshire & Peterborough region.
 - The Council can only choose to support one option/business case.
 - The criteria against which proposals will be judged have been set by the Secretary of State and it is the Secretary of State who will make the final decision following a formal, statutory consultation next year.
 - The Secretary of State also has powers to direct areas to re-consider options or to modify them, but there is no explicit power for them to develop alternative options – this is because of the nature of the existing legislation.
- 1.3 Given the significance of the matter, combined with the criteria established by Government, no formal recommendation is presented in respect of any given option. This report does include an options appraisal which has been undertaken by Officers, supported by our retained consultants. This seeks to correlate a scoring matrix to the established Government criteria. The report does not seek to critically analyse each of the business cases presented but does seek to identify the merits and challenges of the various options, along with other key factors for consideration, so that Members may make informed decisions.
- 1.4 Members are encouraged to clearly identify which, if any, option is preferred, in light of the business cases and in recognition of the Government's criteria.
- 1.5 Linked from the report as background papers are versions of the business cases which are being developed by other parties. Whilst Officers have had some input into option B, we have not been involved in other options to any significant degree – beyond working in a collaborative way through workstream groups and development of shared databases and reports. As far as practicable, Officers have sought to provide Members with the latest iteration of those cases; however, as we are not responsible for them, we are unable to guarantee that amendments have not been made since this report was made available.
- 1.6 This is clearly an evolving and time limited issue, given the submission date, and thus, Officers have sought to provide information to Members which is the most up-to-date available.

It is also likely that there may be further updates given at the formal meetings in respect of decisions/recommendations made by the other

Councils in the region, who are all beholden to their own timescales and programmes for decision-making based upon their constitutions.

- 1.7 It is recognised that in many ways, this is a deeply emotive subject, for Councillors, communities and staff. It is recognised that there may be views regarding disengagement with the process and a lack of desire to partake at all.

It is clear however, that Government has established this process, set the criteria, and intends to move forward, including making the final decision over implementation.

- 1.8 The advice is that the Council should continue to engage with the process and identify its preferences over the option to move forward by choosing a single option to support; in that way, Huntingdonshire can ensure it is meaningfully engaged in the process. This will be the first stage of formal submissions on the matter to Government.

- 1.9 There will, in 2026, be a formal statutory consultation and consideration of the options by the Secretary of State who will take the final decision. It is anticipated (based on examples such as Surrey) and feedback from MHCLG, that proposals which are compliant with the criteria will go forward for consideration.

- 1.10 Recent advice from the District Council Network (DCN) and that of other areas which have been through reorganisation has reiterated the need for careful consideration of the language used in commenting on options and reorganisation. For example, advice that there cannot be 'winners' and 'losers', and consideration should be given to language when expressing preferences as Councils will still need to work together in partnership, irrespective of the various submissions and their outcomes; there will be a need to continue business as usual and seek to continue joint projects, whilst decisions are made and during the implementation phase.

- 1.11 Members will also recognise that all proposals taken forward will be subject to further formal statutory consultation and at that stage, there will be scope for further recommendations and opinion to be shared with the Government. This includes any additional perspectives or further opinion as to opposition and support of options or for example on more detailed matters such as warding arrangements. This would be a later stage of the reform journey.

- 1.12 The report and the delegations sought seek to make provision for the future requirement for the Council to respond to the statutory consultation, with the outcomes of Members' deliberations forming the basis for and informing that response.

- 1.13 Members are encouraged to consider the options presented and determine which option(s) if any, represent the most appropriate solution for the region.

Recognising that of the Government criteria, “**Criterion 1: A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government**” establishes the need for a whole region solution across Cambridgeshire & Peterborough as opposed to what is best for the future of local government in Huntingdonshire.

2. BACKGROUND

- 2.1 On the 16th December 2024, the Government published its English Devolution White Paper setting out its plans for both devolution and reorganising local government.
- 2.2 Following this, the former Deputy Prime Minister and Secretary of State for Housing, Communities and Local Government, Angela Rayner, exercised her powers under Part 1 of the Local Government and Public Involvement in Health Act 2007, which allow her to invite any principal authority in the county of Cambridgeshire and the neighbouring Peterborough to submit a proposal for a single tier of local government.
- 2.3 A letter was received on the 5th February 2025 to this effect, inviting the Council to submit proposals for local government reorganisation. The letter includes six criteria the Government will consider proposals against and a range of guidance. The link to a copy of this letter is provided in the list of background papers for this report.¹ This letter commenced the process of local government reorganisation under the legislation.

What is devolution?

- 2.4 Devolution is the transfer of powers and funding from national to local government. Through the Government’s White Paper, it has set out a strong preference to see new ‘strategic authorities’ created in all regions across England. These authorities, led by an elected Mayor and covering an area of at least 1.5 million population, would be responsible for setting the key strategic vision for a region as well as having powers and responsibilities for areas such as transport, economic development and skills and employment support. These are predominantly policy making authorities and strategic scale decision makers, rather than local service providers.
- 2.5 The Council is already part of a devolved arrangement with powers being devolved to the Mayor of the Cambridgeshire & Peterborough Combined Authority. It is anticipated that further powers and requirements will be placed upon the Combined Authority in coming years. All of the Councils in the region have representation on the Combined Authority and its component boards.

¹ [Original Letter to two-tier areas invited to submit LGR proposals](#)

What is local government reorganisation?

- 2.6 In the White Paper, the Government also set out its vision for local government reorganisation. Local government reorganisation is the process in which the structure and responsibilities of local authorities are reconfigured.

The Government asked the local authorities within Cambridgeshire (including the neighbouring Peterborough City Council) to propose option(s) for a single tier of unitary authorities across the area. A unitary council is a type of local authority in England that is responsible for all local government services within its area, combining the functions of both county and district councils.

- 2.7 The Government's view is that unitary councils make it clearer for residents and businesses, who is responsible for all local government services in an area and allows a more holistic and joined up approach to service provision, with the aim of ensuring better outcomes for local people.

What is the current position and next steps for Local Government Reorganisation?

- 2.8 The Government issued a letter on the 5th February 2025 inviting the councils in Cambridgeshire and the neighbouring Peterborough City Council to submit proposals for local government reorganisation.

- 2.9 The letter required councils to submit an interim plan for unitary councils to replace the existing structure of county and district councils in Cambridgeshire and Peterborough to the government by the 21st March 2025. **A final proposal must be submitted to the Government by the 28th November 2025.**

- 2.10 The letter set out six criteria the Government will assess proposals against:

- A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.
- Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.
- Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.
- 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.
- New unitary structures must support devolution arrangements.
- New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.

- 2.11 The letter also set out a range of guidance for councils to consider when

developing proposals. This specifically requested that councils work together where possible to ideally reach consensus on a proposal for new unitary councils for each county area, rather than submit competing proposals.

- 2.12 Since the English Devolution White Paper was first published, the Council has participated in several workshops for council leaders and chief executives across Cambridgeshire and Peterborough to consider how we can work together and the possible ways forward.

Was agreement reached over the Interim Plan?

- 2.13 Councils in Cambridgeshire and Peterborough worked together to assess the options for unitary councils against the six criteria set out in the letter from the former Minister.

- 2.14 The interim plan was approved by 6 out of 7 councils in the region and submitted to Government on the 21st March. The Government provided feedback on the interim plan which has been used to inform the work carried out to develop the full proposal for submission to Government.²

How have proposals been developed?

- 2.15 Since the interim plan submission in March, the Council has continued to work collaboratively with partner councils from across the region. Within this context, various workstreams were established (financial, democratic and engagement) with input from relevant Officers from across the region. This has also resulted in a series of joint pieces of work being commissioned:

- Pixel (a company who provide financial advice to over 160 local authorities) – to assess the financial viability of 6 initial options proposed in the region, in terms of scale, balance of funding and need and the potential for growth from local taxbases.
- Pixel – the above analysis updated as a result of fairer funding
- Newton (a company who provide consultancy advice across the public sector) – to assess the impact of LGR on people services in the options proposed. The report assesses the demand and caseload for Adults, Children, SEND and Homelessness as well as estimated costs for service delivery.
- Engagement survey – intended to collect feedback from residents to inform business case development, including resident priorities, travel patterns for work, health and shopping and concerns that residents have with re-organisation.
- A piece of work commissioned by Cambridgeshire County Council and Peterborough City Council from PwC (a global professional services firm offering public sector advice) on transformation opportunities through LGR in Cambridgeshire and Peterborough.

² [Local government reorganisation: summary of feedback on interim plans - GOV.UK](#)

2.16 As a consequence of the emerging evidence and data and discussions between the partners, an initial options appraisal was undertaken against the criteria to distil potential options down. This was a high-level appraisal and concluded that:

- **A single unitary for the region was discounted** as Government has indicated that there must be at least 2 principal authorities under each Strategic Mayoral Authority. On this basis, a single unitary was not viable.
- Three new unitaries would have the least alignment with the Government criteria and guidance (most notably the estimated 500k population) and was the least likely to move forward.
- Two new unitaries was considered to have the most alignment with the Government criteria and guidance.
- **A “No change” option was considered** but is unlikely to meet the Government’s ambition for reform and public service transformation.

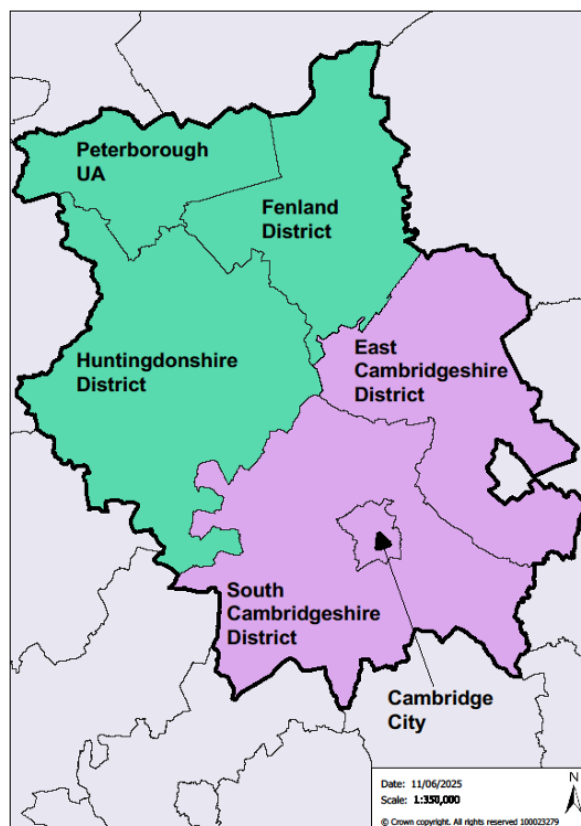
2.17 This identified 3 options that would be taken forward to business case stage, based on different geographic splits – options A, B and C.

This position was agreed by Leaders and Chief Executives but noting that no council was bound by it and could develop alternative proposals. There was however, continued agreement of a single submission to Government for the region; and an acceptance that Government would be looking for a limited number of options and ideally, local agreement.

The 3 initial options and identified leads for those options are below; all three options are based on a two unitary council model and are based on district boundaries:

Option A – Lead Cambridgeshire County Council (CCC)

Option A

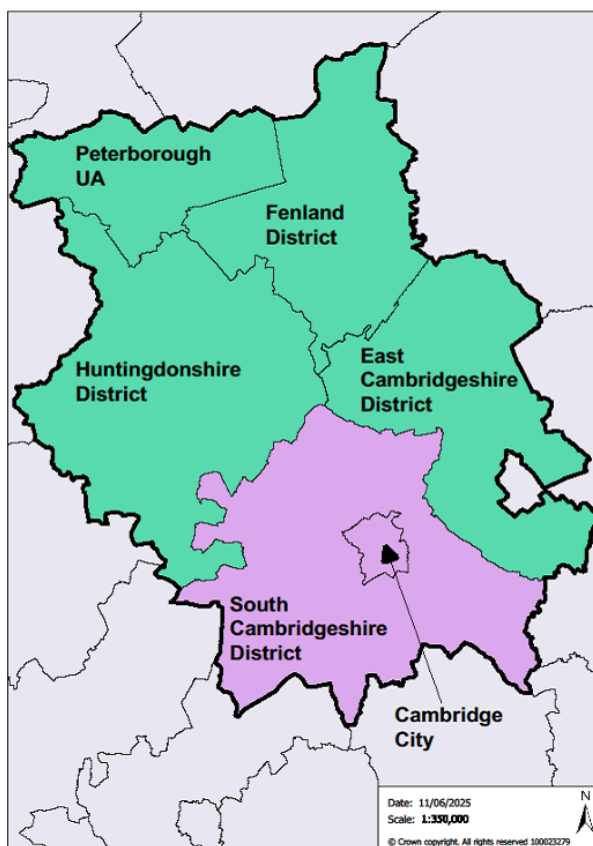


Unitary 1 – Huntingdonshire District Council, Peterborough City Council and Fenland District Council with County Council functions

Unitary 2 - East Cambridgeshire District Council, South Cambridgeshire District Council and Cambridge City Council with County Council functions.

Option B – Lead Cambridge City Council (CC)

Option B

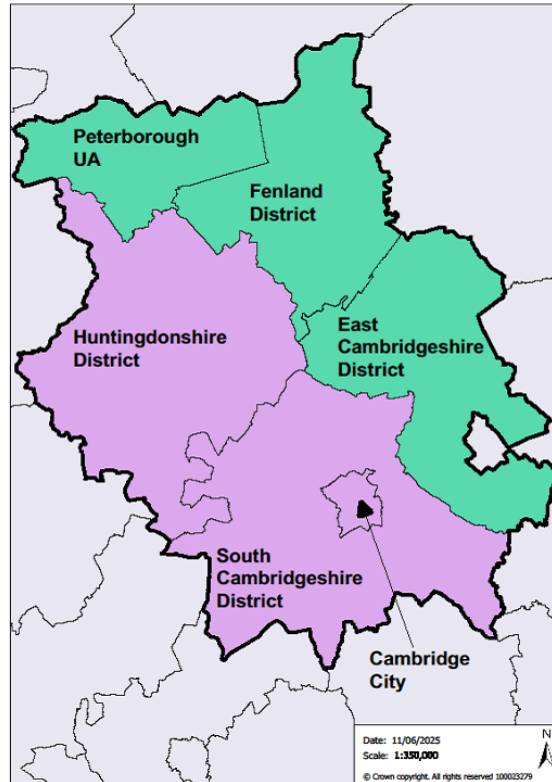


Unitary 1 – Huntingdonshire District Council, Peterborough City Council, Fenland District Council and East Cambridgeshire District Council with County Council functions

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

Option C – Lead Huntingdonshire District Council (HDC)

Option C



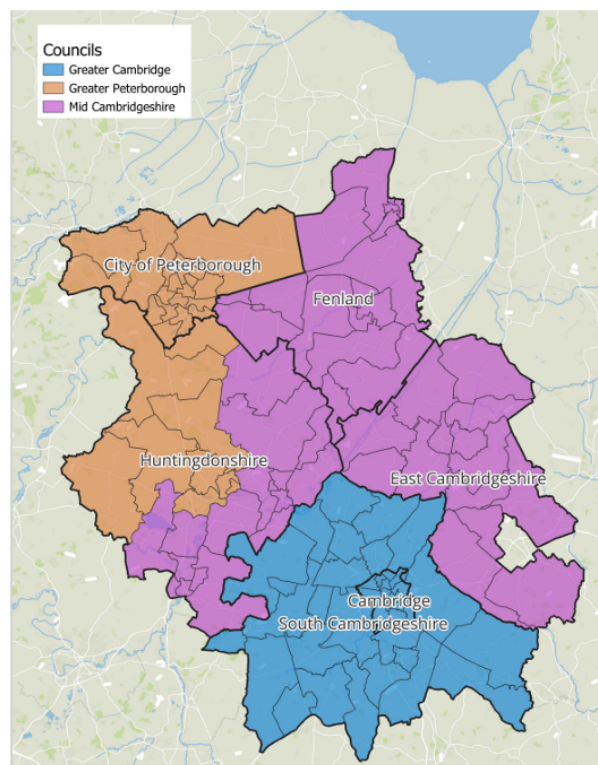
Unitary 1 – Peterborough City Council, Fenland District Council and East Cambridgeshire District Council with County Council functions

Unitary 2 – Huntingdonshire District Council, South Cambridgeshire District Council and Cambridge City Council with County Council functions.

- 2.18 In respect of Option C (being led by HDC), a staged approach to assessment of the option was undertaken. This included two gateways – financial viability and economic analysis; only if these two gateways were passed would the proposals be worked up to a full business case. The Council commissioned Local Partnerships to work alongside council officers, utilise available data and provide independent analysis at the gateways. As these gateways were passed, it was agreed that Local Partnerships would work alongside officers to develop out the full business case.
- 2.19 Throughout the process, regular updates have taken place with HDC Group Leaders and through All Member briefings. An electoral workshop was also held to discuss proposed options for democratic arrangements in the new unitary structure.
- 2.20 A further option proposed by Peterborough City Council has also been developed; a three unitary council model, but notably relies on the existing district (HDC) boundaries being split to create the middle unitary:

Option D – Peterborough City Council

Greater Peterborough Option



Unitary 1 – Peterborough City Council and west Huntingdonshire with County Council functions.

Unitary 2 – Fenland District Council, East Cambridgeshire District Council and east Huntingdonshire with County Council functions.

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

2.21 More recently, (September 25), HDC Group Leaders agreed that the Council should consider developing a further alternative proposal. This would be a three unitary model with Huntingdonshire as a new unitary council, but is based on district boundaries:

Option E – Lead Huntingdonshire District Council (HDC)



Figure [*]:
Option E.

Unitary 1 – Peterborough City Council, Fenland District Council and East Cambridgeshire District Council with County Council functions.

Unitary 2 – Huntingdonshire District Council with County Council functions.

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

2.22 The subsequent detailed business cases which are being developed for each of the options are based upon an agreed structure for the region. They do however, contain a combination of quantitative analysis and data, alongside qualitative information and evaluation. Thus, all of the business cases are different in their approach, their view on the proposal they put forward and their view on those developed by others.

- 2.23 It is proposed that the final submission for the region will include all proposals which Councils wish to put forward and promote as their preferred option; along with a covering letter/statement from the collective leaders across the region which invites the Secretary of State to consider the submission in advance of determining next step.
- 2.24 When the Government set out its Local Government Re-Organisation programme, there were multiple phases outlined for the 21 areas invited. Cambridgeshire & Peterborough are in the last phase of submissions and, as such, Surrey and the Devolution Priority Programme have already submitted proposals to Government.
- 2.25 The Council has been engaging with organisations such as the LGA and the DCN to absorb as much learning as possible from previous iterations of LGR and the priority areas. In particular, the areas who sent submissions in the first waves, demonstrate a similar pattern to our own area in that multiple proposals have gone forward to Government, with varying numbers of unitary authorities proposed.
- 2.26 Council officers have attended various workshops including:
- Presentations from MHCLG and the LGBCE (Local Government Boundary Commission for England) on boundary changes and the process of suggesting electoral arrangements in the proposals.
 - Various devolution forums run by the DCN, providing fortnightly updates on the LGR and devolution programme.
 - Workshops carried out by the LGA/DCN on service-specific considerations including workforce considerations, cyber/digital, social care and finance.
 - The LGR Delivery Network, led by the LGA, focused on providing practical advice to those delivering the programme.
 - The Comms and Engagement Network, led by the LGA, designed to support comms professionals through public engagement processes.
 - General lessons learned workshops on submission of proposals and next steps, hosted by councils in areas such as Surrey, North Yorkshire, Cumbria and Somerset.
- 2.27 In addition to the above, the Council has received correspondence from MHCLG on multiple occasions to provide further clarity. This includes the interim plan feedback that we received but also, on the 25th July, further notes on partnership working in service delivery, making major financial decisions before the SCO comes into effect and a summary of the timeline moving forward³.
- 2.28 The above workshops highlighted a number of key points for officers, such as:
- Councils can only support one proposal for submission to Government.
 - District boundaries must be used as the building blocks for any options put forward.
- This applies even if councils are suggesting boundary changes – the proposal should use the district areas as a ‘best fit’ and should request

³ [Update to the LGR process - Letter to areas invited to submit proposals for LGR July 2025](#)

a modification from the minister or a Principal Area Boundary Review for any changes.

- Councils in an area must endeavour to work together and to use shared datasets where possible. Variations must be explained.
- An area should make one submission on behalf of all councils. This may include multiple options/proposals; however, one submission must be made.
- The next steps will include the creation of a Structural Change Order: the statutory instrument that allows the abolition of the current authorities and the creation of the new ones. In the SCO, the Government will ask officers for input to establish the electoral arrangements for the new authorities, the interim arrangements for implementation and the governance arrangements during the shadow period, including the recruitment of key senior officers.

In particular highlighting that the Council can only support 1 option

2.29 This view is confirmed by the letter from the Secretary of State dated 17th June 2025 to the Leaders of Reigate & Banstead Borough and Crawley Borough Council⁴ (linked in background papers). This clearly sets out the Government's position that Councils cannot support more than one option. It is noted that despite a "novel proposal" to pursue multiple options, this would be contrary to the criteria and guidance; that emphasis is placed on adherence to "statutory process" is essential; and that there is a "reasonable expectation" from other Councils that if their proposals are compliant, they should be taken forward promptly. The letter also identifies that at statutory consultation stage, Councils could comment on "one or other" of the proposals submitted, or "contend that the Secretary of State and I should not implement either of the proposals".

2.30 Members may also wish to note that a recent Written Ministerial Statement has advised on the outcome of the decision of the Secretary of State in respect of reorganisation in Surrey, following formal consultation. This announcement and a summary note by the District Councils Network (DCN) have been provided to member. It is noted that the announcement concludes by stating that this decision does not set a precedent for other areas, and that decisions will be taken individually on the merits of each proposal received.

3. THE GOVERNMENT'S CRITERIA

- 3.1 The following provides a summary of the criteria which have been established by Government, alongside typical examples of how such criteria can be met, informed by bids submitted elsewhere and information collected from other sources such as webinars.
- 3.2 What is clear is that there is no consistent approach in respect of any of the business cases that have been submitted elsewhere.

⁴ [Letter - Borough Councils of Reigate and Banstead; Crawley](#)

Local government reorganisation criteria	SUCCESS FACTORS - EXAMPLES
<p>Criteria 1: <i>A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.</i></p>	<ul style="list-style-type: none"> • The proposal should demonstrate sensible economic areas, with an appropriate tax base that does not disadvantage any area – the three unitary proposal in Suffolk directly compares council tax bases with an analysis of options for harmonising and the impact that this could have on residents. • Other proposals have used existing research commissioned in their regions to demonstrate alignment with existing economic geographies. For example, the Best4Essex proposal uses transport infrastructure mapping to argue for 4 unitary authorities in line with existing connections. • Most proposals include a comparison of housing need, with future projections used to estimate population sizes for housing supply – see the three unitary proposals for Suffolk. • Most proposals are not calling for boundary changes – where they do so (Hampshire and Solent 5 unitary model), the proposal still uses the districts as building blocks.
<p>Criteria 2: <i>Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.</i></p>	<ul style="list-style-type: none"> • Aim for a population of 500k or more – proposals that haven't met the 500k mark have had to demonstrate a sufficient argument as to why. For example, see Hampshire's 5 unitary model which includes a separate section for why the Isle of Wight is suggested as a single unitary (141k population). • All proposals set out financial efficiencies through LGR and the management of transition costs, as well as any debt implications. See East Sussex's two unitary model and their analysis of implementation costs as well as potential transformation savings. • Whilst the Government has recommended 500,000 as the guiding principle for population size, subsequent guidance has indicated that it is not a hard target and that decisions will be made based on the context of each individual local area.
<p>Criteria 3: <i>Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens</i></p>	<ul style="list-style-type: none"> • Other proposals have identified opportunities for public sector reform through LGR, particularly in high-risk services. See Suffolk's three unitary proposal which highlights the short-

	<p>medium- and long-term opportunities for their option.</p> <ul style="list-style-type: none"> • Most proposals separate the contents into Adults, Children, SEND and Homelessness to directly address the services identified in the Government's guidance.
<p>Criteria 4: <i>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.</i></p>	<ul style="list-style-type: none"> • Submitted proposals have demonstrated how councils engaged locally in a meaningful and constructive way by responding to resident councils. See the five unitary proposal for Sussex and their 'you said, we did' section. • Proposals have considered local identity and heritage when exploring options. The one unitary proposal for Norfolk does this by outlining how a joined-up approach can improve heritage and the visitor economy through strengthened placemaking. • Whilst councils have submitted competing proposals, many areas have sought to work together to share evidence bases. For example, at a recent webinar, Surrey's district councils highlighted the information they received from their county and the agreement on shared sections, such as implementation plans. • Proposals have sought to engage with key partner stakeholders including NHS, Fire, VCSE, and PCC's. See the one unitary Surrey proposal which outlined clearly the extent of its engagement.
<p>Criteria 5: <i>New unitary structures must support devolution arrangements.</i></p>	<ul style="list-style-type: none"> • Many of the areas on the accelerated path have sought to demonstrate how their option facilitates devolution through the creation of new combined authorities – see Surrey as an example. • As a region, we are submitting a proposal for LGR with an existing Combined Authority already in place. Cambridgeshire & Peterborough must therefore demonstrate alignment with the existing arrangements, rather than suggest the creation of anything new.
<p>Criteria 6: <i>New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.</i></p>	<ul style="list-style-type: none"> • Proposals have demonstrated plans to ensure that communities are engaged. • Many proposals have sought to build on existing neighbourhood arrangements. An example is the 4 unitary proposal for Essex which lists the existing partnership arrangements mapped onto the new authorities to demonstrate how their option best facilitates coverage of the area.

4. HDC LED OPTIONS SUMMARY – TWO-UNITARY MODEL

- 4.1 One of the fundamental differences between the options is whether they are a 2 or 3 unitary model, with A/B/C providing a 2 unitary model and D/E providing a 3 unitary model.

It is worth noting that a two unitary model is more in line with the Government's guidance in terms of population size, scale and balance. Therefore, a two unitary model that is well-balanced and can satisfy community engagement needs, will naturally score higher against the criteria – which isn't to say that a three unitary model isn't viable for the region, if the evidence is strong enough to show that a three-council model satisfies the criteria set by Government.

The following table highlights an options appraisal of the two-unitary models in the region. The options appraisal in the cover report and the proposals have been pulled together by Huntingdonshire District Council with the support of Local Partnerships and are intended to highlight the high level perspective of HDC officers on the options being put forward.

RAG Status Explanation (relevant to all tables):

GREEN – assessed as a strong level of compliance against the Government’s criteria

AMBER – satisfies Government criteria, but with a number of areas of challenge

RED – does not reconcile against Government criteria and cannot be recommended as acceptable

Criteria	Option A - led by Cambridgeshire County	Option B - Led by Cambridge City / South Cambridgeshire	Option C - Led by HDC
Lead authority	Cambridgeshire County Council	Cambridge City Council	Huntingdonshire District Council
Other councils in support of the option	None	SCDC and ECDC. FDC, PCC and HDC have not declared support but have been sighted on content and providing information, where applicable.	None
Any upper-tier support for the option?	Yes	No – upper-tier insight has been given through Peterborough City Council	No
1. Single tier of local government	4 (GREEN) – Balanced resource/size/capacity, but East Cambs aligns less well with Cambridge than Huntingdonshire with the Innovation Corridor.	4 (GREEN) – Economic focus, but South may lack delivery capacity due to smaller scale; geographic imbalance.	5 (GREEN) – More capacity for growth, less specific economic focus but better balance of need/resources.
2. Right size for efficiencies	5 (GREEN) – Well-balanced, achieves efficiencies and resilience.	4 (GREEN) – Scale imbalance; smaller councils may struggle to save enough for transition but still viable.	5 (GREEN) – Financially sustainable, balanced size and efficiency.
3. High quality services	4 (GREEN) – Good scale for efficiency, but would split shared services in the South. In line with partnerships.	3 (AMBER)– Small scale for commissioning, large unitary may be less localised, higher service costs due to geography.	4 (GREEN) – Balanced for service delivery, keeps shared services in South, but less local focus in larger authorities.

4. Local collaboration & views	4 (GREEN) – Good stakeholder support but loses Huntingdonshire’s Cambridge connection and Fenland’s Ely link; weaker place identity.	3 (AMBER)– Supported in South, but North’s rural perspective at risk; stronger South identity; regional support.	4 (GREEN) – Retains Huntingdonshire-Cambridge link, preserves rural North, but lacks widespread support.
5. Supports devolution	4 (GREEN) – Balanced economic areas, but South’s economic identity weakened by splitting Huntingdonshire from Cambridge.	3 (AMBER) – Economic imbalance, no clear North identity; CPCA board representation imbalance.	4 (GREEN) – Balanced population/economic areas, strong sector links, balanced CPCA board representation.
6. Community engagement	5 (GREEN) – Balanced population/capacity, matches partnerships, no district splitting so engagement can strengthen.	4 (GREEN) – North’s engagement could suffer due to large unitary size.	5 (GREEN)– High capacity for engagement; best practice can scale up.
Conclusions	26/30 (GREEN) – Strong balance, aligns with population guidance, but weaker economic/identity links (esp. Huntingdonshire).	21/30 (AMBER) – More sustainable than three unitaries, but major population imbalance; risk of less effective service delivery in wider geography.	27/30 (GREEN) – High on sustainability/capacity; strong balance; maintains Huntingdonshire’s Cambridge link.

4.2 Key strengths of Option C (led by HDC):

Option C provides greater balance of size and scale, allowing for more capacity to deliver key services with equal representation of population size on the CPCA board. The option is more financially sustainable, with less up-front transition costs due to ability to consider retention of existing shared services and utilise the success of that model to embed new services disaggregated from County. It connects similar economic sectors in the North and the South and allows for growth and expansion.

4.3 Key weaknesses of Option C (led by HDC):

Option C could provide less place identity, potentially disrupting existing community ties. The economic focus will be less specialised and existing strategies couldn't be continued.

The positioning and identity of Huntingdonshire against that of (Greater) Cambridge could be seen as a weakness, particularly for the northern parts of Huntingdonshire. There are also concerns regarding the eastern unitary in relation to service demands, costs of service, and fragility of economic potential.

4.4 Comments on Options A and B:

There are many similarities in issues between Option A and Option C, and this is reflected in the scoring. Based on the limited knowledge of the full content of Option A, it is considered to represent a proposal which is compliant against the Government criteria.

Of the two unitary models, it is felt that Option B is the weakest of the three due to the limited scale of the Greater Cambridge unitary that would result. This is highlighted as a concern in the Local Partnerships financial modelling. That said, overall, it is considered to represent a proposal which is compliant against the Government criteria. Additionally, it is recognised that Cambridge and South Cambridgeshire councils (who would make up the Greater Cambridge unitary in this option) have sought to develop, and engage with their communities on this option; this implies that neither option A, or indeed option C (where Huntingdonshire would also become part of the southern unitary) would be acceptable to them. This would impact upon the likely viability of option C, making it less viable without their support.

5. HDC LED OPTIONS SUMMARY – THREE-UNITARY MODEL

The following table seeks to provide a snapshot summary of the three unitary options being prepared in the region.

	Option D	Option E
Lead Authority	Peterborough City Council	Huntingdonshire District Council
Other Councils in support of the option	None	None
Any upper-tier support for the option?	Yes	No
1 Single tier of local government	2 (RED) – Meets urban priorities but ‘mid’ area faces connectivity and delivery issues. Disadvantages mid area on council tax base/resources.	4 (GREEN) – Lower capacity but may allow specialised economic focus. Resource/capacity imbalance for delivery.
2 Efficiency, capacity, financial resilience	3 (AMBER) – Two councils may cover transition costs in 5 years; third may struggle, creating a disadvantaged authority.	3 (AMBER) – Higher up-front transition costs, creating ongoing pressure. Option remains viable but financially challenging.
3 High quality, sustainable public services	2 (RED) – Splitting to three unitaries increases costs and disrupts service delivery. Less shared learning for district services split.	4 (GREEN) – Imbalanced scale/capacity, but smaller population allows more agile local response. Shared-service models could continue.
4 Collaboration, local needs, local views	2 (RED) – Smaller scale preserves identity in Peterborough/Cambridge but major impact on Huntingdonshire. No external support.	4 (GREEN) – Late in process, so wider support unclear, but positive feedback. Retains place identity in Huntingdonshire/Cambridge. Scores similar to C due to lack of external support.
5 Support devolution arrangements	3 (AMBER) – Less scale, less capacity to influence funding. Three CPCA board leaders could balance, but populations uneven.	3 (AMBER) – Smaller unitaries mean less capacity but sharper economic focus. Three CPCA leaders may balance, but representation uneven.
6 Community engagement, neighbourhood empowerment	3 (AMBER) – Unitaries closer to community but may lack resilience for effective engagement. Severs Huntingdonshire connections.	5 (GREEN) – Best practice can be strengthened (esp. in Huntingdonshire), though capacity to deliver is questionable. Smaller councils may suit local decision-making.

5.1 Key strengths of Option E (HDC led):

Option E provides more specific economic focus and place identity for its constituent councils, with Huntingdonshire able to build on existing strategies and capacity to deliver. It retains the ‘two cities’ model with Huntingdonshire acting as a bridging location between the two areas. Smaller authorities can be more agile in service delivery and may be better placed to deliver community engagement. It also retains existing strong planning and delivery capacity for growth. This is backed up by recent DCN analysis on unitary size, with the summary demonstrating that smaller unitary authorities can deliver positive outcomes for residents and that there is little to no correlation between bigger population size and performance. This analysis has been shared with members.

Option E also provides scope for the integration of other growth opportunities which could be beneficial both to the new unitary, but also the wider region. This is explored in more detail in relation to the scope for a Principal Area Boundary Review. In summary, the scope for bringing in the proposed housing growth immediately around St Neots (e.g. Tempsford) to the extent of the new Huntingdonshire would allow those new communities to be served by existing facilities whilst new ones come online, but these would also positively reinforce the economic sustainability of the new unitary. The new unitary would also be able to positively reinforce and support the wider growth ambition of Government to deliver housing growth at pace through the New Towns programme.

Alignment with other public sector boundaries is maintained, including the ICB, Police, Fire and NHS. The option also complements the high growth clusters outlined in the CPCA Local Growth Plan, retaining the delivery capacity for the North Hunts cluster, satisfying the growth of the two anchor cities and ensuring effective scale and resource for the Fens Growth Triangle.

Under Option E, the “Greater Cambridge” geography and ambition from Option B would be retained. This is potentially a strength, as it would interplay with the various work undertaken by City/South Cambridgeshire in respect of the merits of the Greater Cambridge unitary, and the associated public engagement which has been undertaken and which is largely supportive (69% of residents in favour). It would also allow for the Government stated ambition for Cambridge to continue to be realised, for example that set out in the Case for Cambridge. Option E could be said to be less disruptive in reform terms to the wider ambition for Cambridge; and complements rather than replaces existing work.

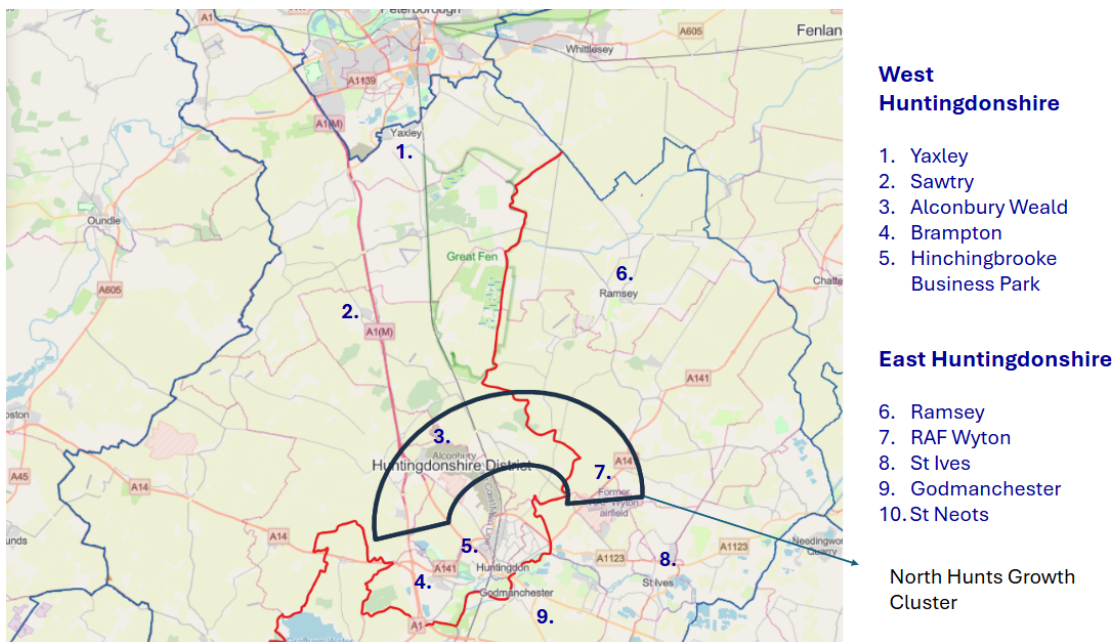
5.2 Key weaknesses of Option E (HDC led):

This option would lead to an imbalance in population representation on the CPCA board and is less financially sustainable due to greater up-front transition costs. Imbalance in population size and scale may

mean less capacity to deliver services. However, this can be mitigated across all 3 unitaries, in particular for the Huntingdonshire and Greater Cambridge unitaries where those authorities can effectively afford the cost of transition due to their strong financial positions, and there is already an existing array of shared-service models which could be continued in future (such as ICT, Building Control, Legal) which would reduce transition costs, and which could provide a blueprint for other shared-arrangements resulting from the disaggregation of other County services; for example the Highway function could be moved into a shared service for which the 2 new unitaries would be jointly responsible.

5.3 Comments on Option D:

Following the recent publication of Peterborough’s business case, officers now have more clarity on the Huntingdonshire split proposed in Option D. It should be noted that officers were previously unaware of the warding arrangements and therefore, it has been difficult to ascertain the financial, economic and place identity impact of Option D, thus far. The warding arrangements split is now included as a background report and the below map highlights the split of key sites across the unitaries.



5.4 In Option D, unitary 1 joins the high-growth areas with the Peterborough unitary authority, leaving the mid Cambridgeshire section weakened. This is exemplified by our recent Economic Growth Strategy where Huntingdon and Ramsay were projected to grow and St. Ives and St. Neots were projected to shrink. It also includes a lack of coherent place identity with areas like Godmanchester and St. Ives placed in a different authority to Huntingdon. This not only affects place identity but it is also less aligned with the growth clusters identified in the CPCA Local Plan

as it severs the North Hunts cluster in half, stagnating the delivery of a high growth area. The removal of RAF Wyton from the north of Huntingdon will have significant implications for residents who may not feel the benefits of the high growth projected at this site whilst simultaneously going against the strong connection of Huntingdon to the base.

- 5.5 One of the most notable concerns relating to Option D relates to the financial position and sustainability. The business case for this option recognises this concern in relation to Debt Financing as a % of Funding (rated as Red - 11%) for the Greater Peterborough unitary. Whereas in E (and all other options) the unitaries produced are rated as Amber or Green against the same characteristic. The same applies to Reserves analysis. Both of these are set out in the Option D business case. Based on this alone, Option D would appear to result in a weaker 3 unitary arrangement, compared to Option E.
- 5.6 The most substantial concern in respect of option D is the splitting of Districts which goes against the building blocks principle, and where there are no exceptional circumstances for doing so. The split goes against established economic areas, with areas like Godmanchester and Huntingdon being placed in separate unitary authorities despite their strong economic and place ties.
- 5.7 Based on what is available, there does not appear to be any strong rationale for why the lines have been drawn where they are. The consequence of this construct is that it splits a district without regard to communities or place identity. It is recognised that there are parts of Huntingdonshire which share closer connections to Peterborough simply by virtue of proximity, but this proposal does not fully reflect this. On paper, this proposal seems to desire to secure the potential engines for growth which are the A1 corridor, Alconbury Weald, and areas around Brampton Cross; but with little regard to what is left in the remaining part of south Huntingdonshire (as present) and the connections between the market towns.
- 5.8 Splitting the region in this manner would leave the 'Mid' unitary without a clear identity other than rurality (noting the connection between Fenland and East Cambridgeshire in particular). There would be no clear centre, or connection between places, particularly on the western side of the new unitary. This is a weakness of the proposal which would also be likely to have wider implications in terms of service delivery, which would already be impacted upon by the rural nature of the 'Mid' and the limited connectivity which already exists.
- 5.9 In summary, for a variety of reasons, this proposal would not satisfy the Government criteria.

6. FIVE MODEL OPTIONS APPRAISAL

	Option A	Option B	Option C	Option D	Option E
RAG RATINGS	GREEN	AMBER	GREEN	RED	GREEN
Criteria 1: Single tier	4 (GREEN)	4 (GREEN)	5 (GREEN)	2 (RED)	4 (GREEN)
Criteria 2: Financial Sustainability	5 (GREEN)	4 (GREEN)	5 (GREEN)	3 (AMBER)	3 (AMBER)
Criteria 3: Public Services	4 (GREEN)	3 (AMBER)	4 (GREEN)	2 (RED)	4 (GREEN)
Criteria 4: Collaboration	4 (GREEN)	3 (AMBER)	4 (GREEN)	2 (RED)	4 (GREEN)
Criteria 5: Devolution	4 (GREEN)	3 (AMBER)	4 (GREEN)	3 (AMBER)	3 (AMBER)
Criteria 6: Community Engagement	5 (GREEN)	4 (GREEN)	5 (GREEN)	3 (AMBER)	5 (GREEN)
Overall	26/30	21/30	27/30	15/30	23/30
Conclusions	Well-balanced but less aligned with place identity of Huntingdonshire.	Imbalance in population size with very large authority in the North. Risk of less place identity and ability to deliver services over large geography.	Well-balanced with more alignment to place identity for Huntingdonshire.	Major concern - Splitting districts; no exceptional circumstance; 'Mid' lacks identity and connection, more difficult to provide sustainable services	Contains elements of Option B (namely the southern unitary) and strong place identity. May struggle on capacity and sustainability but the scoring does not reflect transformation opportunities or service re-design; nor does the scoring include the potential for growth that could be achieved as a result of a Principal Area Boundary Review to include planned and potential growth in areas around St Neots which currently are outside Huntingdonshire.

2.1 Given the comments in sections 4 and 5 in respect of the 2 or 3 unitary nature of the models for the region that are proposed, Members may wish to apply a staged approach to their deliberation and thought process in reaching a conclusion as to which option to support. This is reflective of the fact that not all options are equal in terms of outcomes and so direct comparisons are hard to draw.

2.2 This could be as follows:

1. Is a 2 unitary model the preferred option for the whole region? If so, the choice is between A, B or C.
2. Is a 3 unitary model the preferred option for the whole region? If so, the choice is between D and E.

6.3 A choice between a two and three unitary option may be dependent on different priorities. These can be defined as:

- Two unitary options is more in line with Government guidance for population size and economies of scale and will see lower transitional costs. Net annual savings would be higher in this model but would still require significant investment and consolidation. It may be seen to be more financially viable for the immediate term, with greater capacity and resources to deliver services. Two unitary options can provide greater stability; however, it may be more difficult to provide localised working and neighbourhood engagement, with councils that could be further removed from residents with less distinct priorities.
- A three unitary option is less in line with the Government's guidance but it continues to partially meet it and retains a number of merits which mean it should not be discounted outright. Three unitary options will have greater up-front costs and therefore will have a greater financial impact on councils in the immediate term, with potentially less capacity and resource to deliver. However, analysis has shown that the three councils presented in Option E can be viable for the long-term. Whilst the payback of transition costs would be longer, these could be mitigated by retaining some shared services and exploration of that model moving forward. A three-unitary model can deliver greater neighbourhood engagement and localised working, particularly in the preventative space. It can create sharper economic focus for the unitary authorities to lobby for investment and greater scope for organisations to continue good practice and existing strategies. A three unitary model also retains connection with the established functional economic market areas for the region, and represents geographies which are recognised, evidenced, and well understood. It is also recognised by DCN research that there are cogent arguments for small unitaries – offering quality over scale as a defining factor.

- 2.3 It then falls to Members to consider the information presented to determine which if any of the options represent the Council's preference, to be taken forward within the single submission for the region.
- 2.4 **Do nothing:** The Council could decide not to be part of the proposal to Government. However, this would mean it would have no say in the future local government arrangements that serve the communities of Cambridgeshire & Peterborough. **This option is therefore not recommended.**
- 2.5 It is Officers' understanding that any proposals which are compliant with the Government criteria are likely to be taken forward for consideration by the Government. Out of all the proposals being taken forward in the region, **Option D can be considered to be non-compliant with the Government's guidance as it does not use the current district council boundaries as building blocks for the new unitary authorities.** Whilst the guidance states that a strong justification is needed for boundary changes, we believe no strong justification has been given. More detail on this is set out elsewhere in this report.
- 2.6 In light of the advice from within the sector, and the desire to maintain partnership working within the region, Officers have not sought to undertake an in-depth critique of each of the options. This is in an effort to balance providing advice to HDC Members without being overly critical of options which are preferred by other partners. Moreover, greater effort has been placed on ensuring two robust and compliant business cases that could be put forward by the Council within the single submission; recognising that in the end, the Secretary of State will be the decision maker on which options are taken forward.
- 2.7 It will be open to individual Members to consider each of the options and cases presented and any other factors that they determine are relevant and as appropriate, provide rationale for their reasoning.
- 2.8 Noting that the Council can only support one proposal, in the scenario that the Council were to identify a second preference, comments in relation to this second option, along with the work undertaken to date, could be taken forward to form a technical appendix in relation to the formal statutory consultation.
- 2.9 The intention is that any relevant comments made through the Council and Cabinet process will be captured in order to inform the Council's response to the formal statutory consultation which will be undertaken by the Secretary of State in 2026. This report seeks an appropriate delegation to enable the Council to respond to this consultation in a timely manner and ensure deadlines are met whilst respecting a process to enable views to be captured and informed by the established evidence.

- 2.10 This approach would not restrict individual Members, or indeed any other stakeholder or individual, from making their own individual representations to the Secretary of State at the relevant time.

7. OTHER CONSIDERATIONS

Splitting Districts

- 7.1 The Government's guidance for submission explicitly states that existing districts should serve as the building blocks for the proposals submitted. However, they have put forward a number of methods for pursuing boundary changes after LGR, including by requesting a Principal Area Boundary Review (PABR) or a modification to the submitted proposal. This would allow the minister to consider any requests for boundary changes whilst still assessing a proposal that is in line with the guidance.
- 7.2 Subject to the above advice, it is the belief of officers that Option D is not in line with the Government's guidance and therefore can be considered non-compliant. The proposal requests the direct splitting of an existing district council as part of the submission and therefore does not comply with advice given, as we believe there is no strong justification for the split. Officers are now aware of the warding split for HDC under Option D, following the publication of their papers. The map published is included as an appendix. It should be noted that Option D would see high-growth areas, like Alconbury, Huntingdon and Brampton, as well as the A1 corridor subsumed into the Northern unitary. The option also severs the North Hunts Growth Cluster in half. The mid Cambridgeshire unitary would be affected by the lack of high-growth areas.
- 7.3 The benefits of defence explored within the proposals would also be affected by this split, with the complexity potentially impacting the delivery of growth in RAF Wyton as well as there being a severed connection between Huntingdon and the base, going against natural reliance on services and recreation for employees located there. Residents of the north of Huntingdon would not feel the economic impacts of this growth as strongly, in comparison to being governed under the same unitary.
- 7.4 The implications of this split should not be under-estimated. It would require the disaggregation of county and district services, leading to significant transitional costs, impacting future viability of the authorities. In particular it is noted that by its own admission the payback period for this option is in excess of 50 years. The splitting of district boundaries would also add additional disaggregation risk for splitting district functions which could have significant impacts on the safety of vulnerable service users, particularly with regard to homelessness and housing services as well as those residents who need financial support. It would also incur increased risk for social care services as disaggregating will be more complex across district boundaries. This impact appears not to have been considered within this option.

- 7.5 The proposal suggested severely disadvantages the 'Mid' section by concentrating growth in the other two authorities. The move would also stutter growth in Huntingdonshire by disconnecting existing delivery engines and splitting projected benefits between the two new areas. The 'Mid' section would also be left with no clear identity, other than being a large, rural geography with characteristics which make it difficult to serve in practical terms.
- 7.6 To conclude, the guidance leans away from splitting districts unless there are exceptional circumstances and we are not aware of any exceptional circumstances which would support splitting Huntingdonshire under Option D, to the extent that when considered in the context of the need for a whole region solution, would outweigh the negative implications, particularly in relation to: financial impact/sustainability; the practical implications of serving the new geographies and the distinct lack of identity for 2 of the 3 new unitaries – in particular the 'Mid'. All of these factors reinforce that Option D should not be pursued further.

Population Size Guidance

- 7.7 As mentioned earlier in the report, the original guidance stated that 500k was the ideal population size for new unitaries proposed through LGR. However, subsequent messaging from the Government has indicated that this is a guiding principle and not a hard target. As such, if there is a strong justification, unitary authorities can be below the 500k mark.
- 7.8 The justification for unitary authorities being below the 500k mark is backed up by a number of reports recently published. This includes a recent DCN report⁵ outlining that 'there is little or no evidence to support a preference for large unitary councils and no evidence to support the 500k population level.' The report went on to conclude that there is little correlation between population size and positive outcomes for residents, with little to no evidence to suggest that smaller unitary authorities can't perform well.

Projected Populations Under C & E

- 7.9 The below tables outline the projected populations underneath Options C and E. Whilst C poses unitary authorities that are more in line with the 500k guidance, taking into account the above reports provide a different perspective on sustainability which could be met by lower populations. Underneath Option E, all of the unitaries are projected to grow significantly up to 2040, particularly if the Huntingdonshire unitary incorporates Tempsford.

⁵ [No evidence exists to support mega councils, study reveals | District Councils' Network](#)

Option C

Unitary Authority	Population Currently	Population estimate in 2040
North-East Cambridgeshire (Pboro/Fen/East)	424,864	476,900
South-West Cambridgeshire (Hunts/City/South)	516,565	600,085

Option E

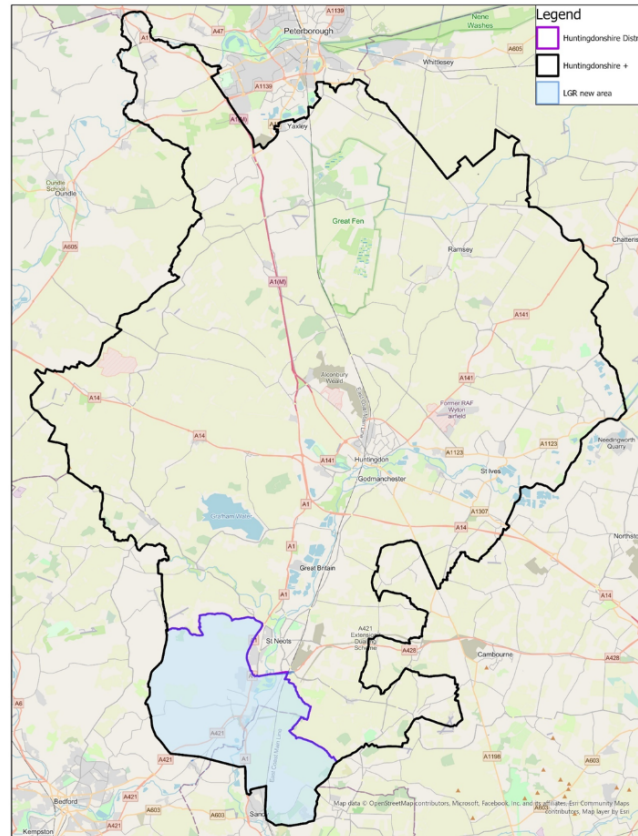
Unitary Authority	Population Currently	Population estimate in 2040
North-East Cambridgeshire (Pboro/Fen/East)	424,864	476,900
Greater Cambridge (City/South)	319,815	386,545
Huntingdonshire	186,000	213,540
Huntingdonshire + Tempsford Boundary	193,600	317,600

Principal Area Boundary Review (PABR) – Option E - Increasing the new unitary size

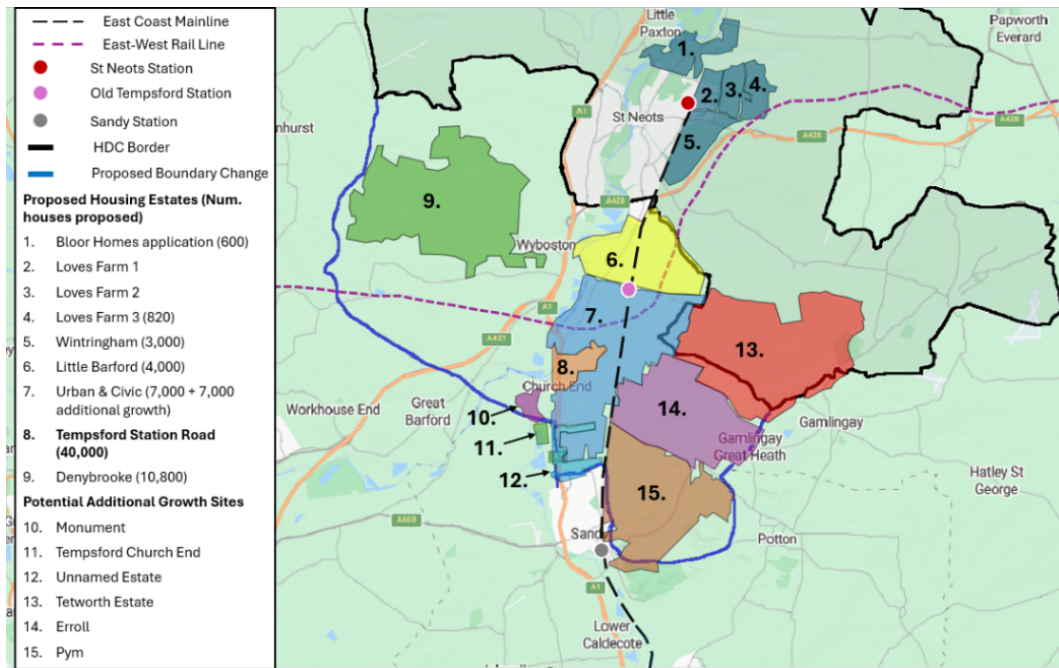
- 7.10 As outlined above, there are compliant ways of suggesting boundary changes within an LGR submission. This is something that officers have been considering for Option E, with the designation of Tempsford as a 'New Town' by Government having implications for Huntingdonshire due to the area's projected reliance on St Neots. The New Towns Taskforce Report claims the area has the potential to accommodate around 40,000 new homes. The Option E business case has therefore suggested a PABR to occur after LGR has taken place to accommodate the additional growth in Tempsford as part of the suggested Huntingdonshire unitary. This will allow the area to gain the benefits of growth from the new town whilst ensuring service connections that are in line with resident patterns of behaviour are maintained.
- 7.11 The below map highlights the potential new area that the Huntingdonshire unitary could incorporate through a PABR, based on planned new developments and evidence submitted to the New Towns Taskforce.

Description: Local Government Reorganisation

Scale =1: 230,000
Date Created: 15/10/2025



7.12 The map below highlights in more detail the additional developments that could be incorporated through the boundary review process. In particular, the Tempsford development should be noted as well as existing developments in Denybrooke, Wintringham and Little Barford. The Government's New Towns Taskforce Report also outlines an additional station to be built in Tempsford along the East-West Rail line.



Current population of Huntingdonshire	186,000
Current population of the suggested area in Bedfordshire	7,600
Population increase if all 40,000 homes are built	96,000
Total	289,600
Total including projected increase to 2040	317,600

7.13 The above table demonstrates the projected population increase if this was pursued. Ultimately, the increase with the new developments alone would take the area up to 288k population size. By 2040, this is likely to be around 317k; therefore, the proposed area would be more in line with (emphasis added) the population guidance of 500k and around the same size of most unitary authorities in the UK.

7.14 It is also noted that this has potential for further growth given the scale of the New Town ambition in the south (up to 100k homes) and that which could also be accommodated within Huntingdonshire (North Hunts Growth Cluster, and around the Peterborough fringe for example).

7.15 This represents a clear pathway to a viable, sustainable unitary that is more aligned to the Government's 500k population criteria.

Democratic arrangements

- 7.16 All of the business cases put forward include proposals for future democratic arrangements. In formulating the proposals included within Options C and E, after an initial all Member briefing on the Devolution White Paper on 7 January 2025, there then followed all Member monthly briefings on LGR Updates on 4 February and 4 March, then 6 weekly briefings on 6 May, 23 June, 5 August, 22 September and an all Member drop-in session on 13 October 2025, allowing Members an opportunity to receive regular updates on progress and the ability to ask questions. An FAQ document has been available throughout this process that has been kept regularly updated and shared with Members through their weekly Member Brief via email. Furthermore, an electoral arrangements workshop was held on 2 September 2025 comprising cross-party membership of the Corporate Governance Committee and Constitution Review Working Group to discuss the practical arrangements for appropriate Council size for the new unitaries based upon current electorates.
- 7.17 It is clear that as part of the Government's agenda, there is a drive to simplify democratic arrangements; this will be in conjunction with wider forthcoming changes which will require a Leader and Cabinet model to be used, as opposed to the Committee system. The main drivers for this appear to be both cost/efficiency, but also accountability. However, ultimately there is an expectation that as a result of LGR, local democratic arrangements would change.
- 7.18 There is some debate, locally and nationally, about when and how this change should take place – ie whether it is from the formation of the Shadow Authority or after a period of time following the formal establishment of the new unitary (after day 1). There are various different examples from previous reorganisations, with pros and cons for each – for example retention of historic knowledge (pro), but this is countered by the inability to introduce new cultures (con) or clarity that the new unitary is new.
- 7.19 This is ultimately something which will be established by the formal structural order in due course, but for the purposes of the business case we have worked on the basis of retaining a Leader and Cabinet model as this approach to democratic arrangements is representative of the majority of other authorities in Cambridgeshire and Peterborough. The proposal has also suggested retaining 2 member divisions as the basis for electoral arrangements, given the short timeframe for implementation and the guidance by the LGBCE that existing wards/divisions should be the basis for recommendations. Officers recommended divisions due to parity of electoral representation it provided across the region. The structural change order will provide further clarity on electoral arrangements.
- 7.20 Members will also recognise that all proposals taken forward will be subject to further, formal statutory consultation, and at that stage there will be scope for further recommendations and opinion to be shared with

Government. This includes any additional perspectives on warding arrangements (such as splitting out two member divisions).

Deliverability

- 7.21 Another aspect that Members may wish to consider is the deliverability and impact of the transition upon current and future activity over the coming 2-3 years. Whilst any of the proposed options will create transitional issues and create a delivery burden, Options C and E both have the potential to create reduced impacts, both from a Huntingdonshire and wider regional perspective. Both of these are considered to be deliverable.
- 7.22 In Option C, this would be because the Council would be coming together with other existing Councils where we already share some services, and where there is a degree of synergy in respect of corporate plan ambition and approach to growth. It would also be respectful of existing relationships between Cambridge and South Cambridgeshire and their existing shared arrangements. Thus the main complexity would come from the disaggregation of the County Council functions, and the establishment of the two new unitaries.
- 7.23 Option E by comparison would have the same considerations, but would also have Huntingdonshire able to continue its ambitions in respect of growth. This would have some added complexity, due to the need to split county functions across 3 authorities; however, with the exception of the Peterborough/Fenland/East Cambridgeshire geography, two of the geographies are already relatively well established and understood at District/City level. This is likely to be seen as a more feasible and deliverable solution from a Government perspective, owing to the nature of the geographies, existing boundaries, and reporting. From the perspective of the Huntingdonshire unitary, implementation will be easier as only two councils will be involved in the process, meaning that no district services need to be merged.
- 7.24 There are, however, concerns with Option D from a delivery perspective, linked back to the need to split Districts; which in relation to back office functions, information, and data, is likely to represent a significant challenge to the Greater Peterborough and Mid authorities. This is linked to the understanding of the scale at which County Council information is held, which is largely at a divisional, or county ward basis, as opposed to district/borough level wards which are more granular in nature. This would be likely to add an additional layer of complexity and risk when seeking to merge information or bring services together.
- 7.25 Within both options C and E (the options being led by HDC), due regard has been given to the need to balance delivery and risk – with an established principle around “safety”. Delivery and risk are likely to be end consideration for the decision-maker; in this respect, Option E could be considered as favourable due to the crossover with Option B (the Greater Cambridge element) and alignment with national Government priorities. It

also carries less risk as it does not propose splitting of districts as discussed above.

- 7.26 Option E also retains a narrative around supporting growth whilst allowing key structural reform within the region and allowance for and a future pathway towards long-term sustainability for the new unitaries. These factors are likely to be appealing to Government.

Shared Services

- 7.27 It is noted that the 3 unitary model would be likely to have greater costs and result in reduced annual savings compared to a two unitary model. However, it is considered that there is scope to mitigate this financial differential in a manner which would enable service delivery, savings to be made, but above all quality outcomes provided for residents.

- 7.28 The guidance set by Government explicitly states that proposals should 'avoid unnecessary fragmentation of services.' It is therefore important for councils to consider how the options put forward best align with existing footprints of service provision, including shared service arrangements. This will not only make implementation easier but would support alignment with the Government's criteria.

- 7.29 The Council has several existing shared service arrangements (including ICT, Legal, and Building Control) which, under Option E, could be potentially retained with the established Greater Cambridge unitary and used as the basis for the integration of functions that would be disaggregated from the County Council. Other arrangements such as CCTV could be explored for deepening and broadening. There is no reason that this model cannot prevail and in the short-term deliver natural savings, whilst the new unitaries establish themselves.

- 7.30 It could be argued that the provision of 3 unitaries would result in additional costs due to the need for Directors of Adults, Children and Social Services and that this would also result in a challenge pertaining to recruitment. Whilst these are noted, there is no reason recruitment could not be overcome owing to the scale and nature of the areas proposed to be covered under Option E and their connectivity and attractiveness as areas.

Whilst these are headline costs which each authority would be likely to adopt, there is no reason that areas cannot work together to provide cross boundary services which are responsive to the needs of the overall population, with a balance of locational geography and key locations brought under Option E. Thus, there are mitigations which could be sensibly applied.

- 7.31 The Council has a history of collaborating with key partners, to ensure delivery of services and outcomes for our communities; there is no reason that this cannot continue to evolve under the Option E proposal.

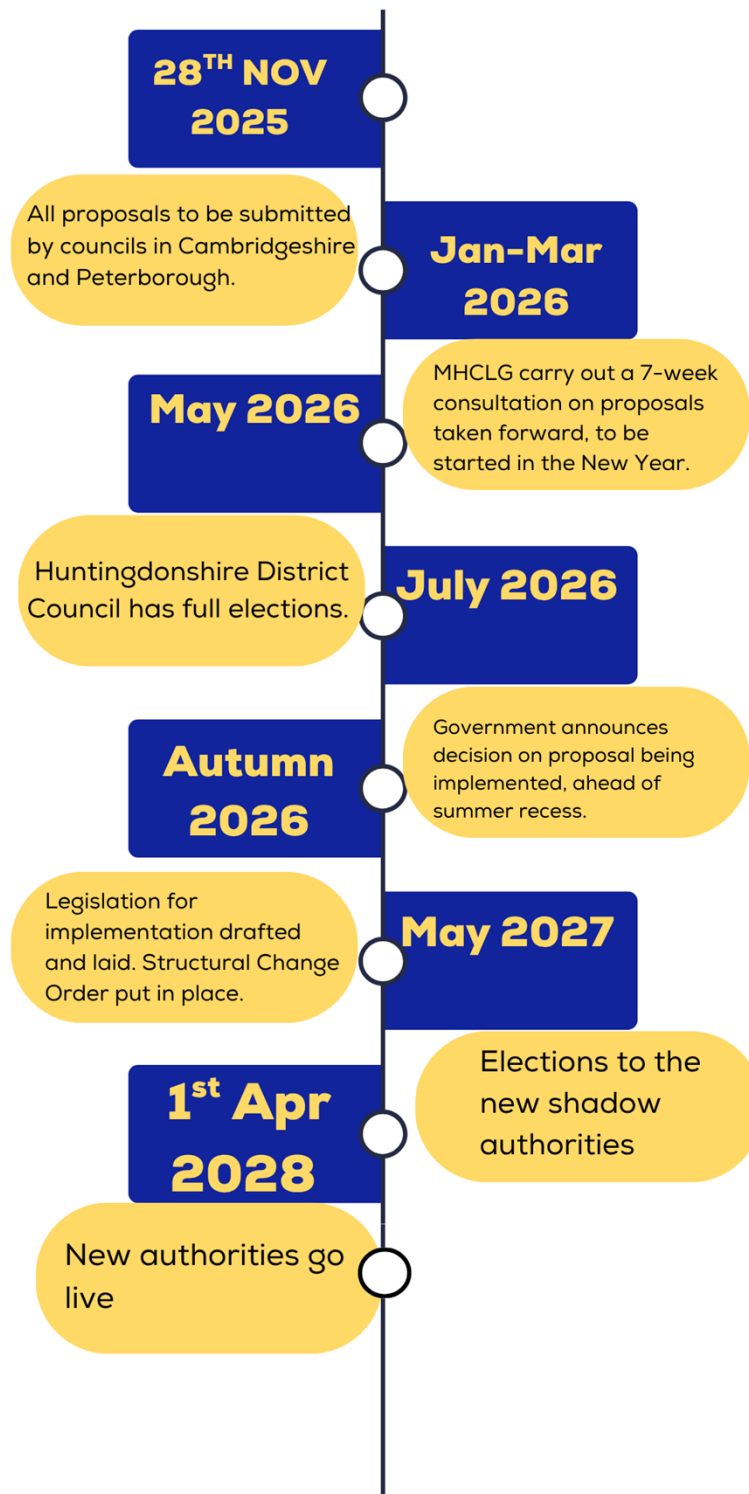
8. COMMENTS OF OVERVIEW & SCRUTINY

- 8.1 The comments of the LGR Overview and Scrutiny Joint Group will be published as a separate supplement prior to its consideration by Council and the Cabinet, following the meeting on the 12th November 2025.
- 8.2 A LGR Overview and Scrutiny Joint Group was appointed at Council on 15th October 2025 comprising 12 Members with membership taken from 6 Members from each current Overview and Scrutiny Panel and politically proportionate.
- 8.3 In accordance with Section 16 of the Overview and Scrutiny Procedure Rules of the Constitution, the Chairs of both Overview and Scrutiny Panels have confirmed their agreement to waive call-in on the basis that both the public and Council's interests would be seriously prejudiced if the Council's submission could not be made by 28 November 2025 due to the impact of call-in.

9. WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION

- 9.1 Please see below a visual timetable for the next steps to implementation:

LGR TIMELINE



9.2 Following the submission of the LGR proposal, central government will carry out a 7-week statutory consultation that could be launched in the New Year.

9.3 In May 2026, Huntingdonshire District Council will have full elections.

- 9.4 Following this consultation, the Government will announce its decision for the area before the summer recess. This means that a decision may not be taken until July 2026.
- 9.5 Following this, the secondary legislation will be prepared to be laid in the House after the summer recess. Subject to parliamentary approval, the legislation can then be made.
- 9.6 This legislation will include the Structural Change Order which will be drafted by the Government with input from the councils in the area. The SCO allows for the creation of new unitary authorities with the abolition of predecessor authorities. It will also include electoral arrangements for the shadow elections.
- 9.7 In May 2027, elections to the new shadow authorities will take place.
- 9.8 The new authorities will go live on 1 April 2028.
- 9.9 Internally, Huntingdonshire District Council has already worked to resource its project management team to prepare for LGR implementation. This work will continue alongside the prioritisation of actions from our risk register to ensure that the organisation is prepared, regardless of which decision the Government will take.
- 9.10 Councils in the region will continue to work together in various workstreams to ensure that LGR work is kept at pace and the region will begin to plan and recruit for a shared implementation team.

10. LINK TO HUNTINGDONSHIRE FUTURES, THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVES

- 10.1 The main consideration here is whether or not the proposals are compliant with the Government's established criteria.
- 10.2 Whilst Members will want to see and support proposals which represent the best for Huntingdonshire and its residents, communities and businesses, the main criteria require the decision to be based on finding a solution which works for the whole region.
- 10.3 At implementation stage there will be the opportunity to help shape the vision and priorities for the new authorities as they are formed and it is most likely that policies such as the Local Plan will be transferred over to the relevant authorities in the interim until such time as the new unitary has developed its own.

11. CONSULTATION

- 11.1 No specific consultation has been undertaken. This is because the formal consultation will be undertaken by the Secretary of State at a future date, likely to be in 2026.
- 11.2 The Government guidance is clear that at this stage whilst it wishes to see engagement embedded as part of the development proposals, there is no

formal requirement for consultation at this stage; noting that engagement and consultation are different things with different expectations.

- 11.3 Once proposals have been appraised by Government, the legislation requires a statutory consultation on the preferred option which will be undertaken by Government. Following this, the Secretary of State will undertake an exercise to determine which proposal moves forward to implementation, before formally laying the necessary legislation to invoke the change. It is our understanding that provided proposals are compliant with the Government criteria, they will be consulted upon.
- 11.4 A joint regional engagement exercise took place across Cambridgeshire & Peterborough, the findings of which have been used to inform the various business cases. The details of this are within the attached documents.
- 11.5 The Council's communication team will continue to work with partners, including the other councils, to keep residents, businesses and stakeholders updated regularly throughout the process of local government reorganisation. These updates will be provided through the Council's communication channels.
- 11.6 The Council have also not sought, at this stage, to lobby and seek support from other public bodies such as the Police & Crime Commissioner, Integrated Care Board etc. This is a conscious decision. Officers are acutely aware of the need for procedural assurance on such a sensitive matter as this and note that in areas such as Surrey, there has been a suggestion that the County Council gaining support from such public bodies at such an early stage could open up future decisions to legal challenge or judicial review. Public bodies are bound by: the Nolan Principles; Professional Codes of Conduct; legislation relating to Politically Restricted Posts and compliance with Statutory Consultations best practice. Seeking their endorsement without them having all available information (such as all full business cases) could lead to questions regarding openness, impartiality and undue influence. In short, this has the potential to prejudice the ability for an open-minded and fair consideration of proposals, particularly if taken forward to statutory consultation (Gunning and Moseley case law principles). For these reasons, Officers have not undertaken this activity to date but remain open minded about pursuing support from these bodies in future.
- 11.7 It should be noted that other councils within the region have carried out further engagement – notably, Cambridgeshire County and Cambridge City/South Cambridgeshire. This engagement included online surveys and focus groups with residents. Whilst Huntingdonshire District Council has not been involved with this engagement, the Council has cited Cambridge City and South Cambridgeshire's engagement within the proposal for Option E as it highlights the high level of support from residents in the south for a South Cambridgeshire/Cambridge City unitary.

12. LEGAL IMPLICATIONS

- 12.1 The Secretary of State for Housing, Communities and Local Government, in exercise of powers under Part 1 of the Local Government and Public Involvement in Health Act 2007 ('the 2007 Act'), can invite at any time, any principal authority to submit a proposal for a single tier of local government. This may be one of the following types of proposal as set out in the 2007 Act:
- Type A – a single tier of local authority covering the whole of the county concerned
 - Type B – a single tier of local authority covering an area that is currently a district, or two or more districts
 - Type C – a single tier of local authority covering the whole of the county concerned, or one or more districts in the county; and one or more relevant adjoining areas
 - Combined proposal – a proposal that consists of two or more Type B proposals, two or more Type C proposals, or one or more Type B proposals and one or more Type C proposals.
- 12.2 The Council is submitting a combined proposal for both C and E for the purposes of the Act for multiple single tier authorities covering areas which include district councils and a unitary authority (Type B and Type C).
- 12.3 The Council has submitted an interim plan for Local Government Reorganisation and feedback has been provided on this. A final plan is required to be submitted by 28 November.
- 12.4 Huntingdonshire District Council has sought Kings Counsel advice on the decision-making process. This advice has confirmed that the decision about what, if any, proposal to submit to the Secretary of State is one for the Cabinet to take, as set out in s9DA of the Local Government Act 2000.
- 12.5 Because of the advice received, a clear decision-making pathway has been established including extraordinary meetings being called. This includes the creation of a dedicated Local Government Reorganisation Overview and Scrutiny Joint Group, an extraordinary meeting of Full Council on 19 November 2025 where the relevant issues can be discussed and debated, with the final decision scheduled to be taken by an extraordinary meeting of Cabinet on 24 November 2025.
- 12.6 Given the timescales that are being worked to by all of the other councils, this report is based upon the best and most up to date information that is available at the point of drafting and publication and it may be necessary for Officers to provide supplemental information at the meeting – for example an update on decisions taken by other councils.
- 12.7 The overall submission must be made by 28th November 2025. In order for the Council to participate in the process and identify its preferences, we must comply with that date.
- 12.8 To ensure that the proposals submitted are legally sound, HDC

commissioned Trowers to carry out a review of both proposals as well as this cover report. In conclusion, the proposals were determined to be 'comprehensive and... well supported by facts, data and evidence.' Feedback was given to support the strengthening of the proposal; however, overall, they were deemed to be appropriate for submission. Following the feedback, HDC included an additional appendix to the document outlining the assumptions and methodology for the financial assessment alongside reviewing the public service delivery section to provide additional context, along with other changes where feasible.

- 12.9 Once the Council's preferred approach is known (as a result of the Executive decision), delegated authority is sought to enable the Chief Executive and Leader to work with other partner councils to finalise the single submission for the region. This is necessary to comply with the Government's wishes.
- 12.10 There may be a need for amendments to be made to the final plan (points of clarification, grammar etc) at short notice and therefore delegation to make such changes is needed as set out in the recommendations above.
- 12.11 Following the submission of the final plan the Secretary of State may implement the proposal with or without modification or decide to take no action. The Secretary of State may make an order implementing a proposal without having consulted. **The Secretary of State, not the Council will be the end decision-maker.**
- 12.12 The implementation of any of the proposals would have significant implications most notably as a result of disaggregation & aggregation of services; these would be further exaggerated if proposals result in changes to boundaries which would be undertaken by the Boundary Commission. Government has advised that existing district boundaries should be considered the building blocks for the proposals, but where there is a strong justification, more complex boundary changes will be considered (thus suggesting a principle against splitting districts). Strong justification must be based on a public service delivery or financial sustainability basis, noting that boundary changes can lead to additional costs and complexities. They have advised that boundary reviews can be requested either during, or post implementation.
- 12.13 The legal implications of local government reorganisation and its implementation would be significant under any of the proposals. They would form part of an overall implementation plan and would need to be managed to ensure principles such as "safe and legal" are in place on day 1. This will be further mitigated by the Council continuing to engage with other councils who have been through reorganisation, capturing lessons learned, and engaging with groups such as the Local Government Association (LGA), District Councils Network (DCN) and County Councils Network (CCN) as well as various consultancies who have also been involved previously and currently. The Council has also sought to work with relevant specialists as necessary to inform the business case development.

13. RISK

- 13.1 As part of LGR work, Officers have undertaken enterprise-wide review of the risks arising from LGR, and work is ongoing for the identification, control and mitigation of such risk. RSM UK has been engaged to support on this work, and enterprise-wide work for HDC to pursue to further reduce likelihood of risk occurrence is being taken forward. This work is being led by the Project Management Office in consultation with service areas.
- 13.2 The principal risk connected with this decision would arise if the Council does not agree to submit the full proposal. In that case the Council would lose the ability to influence the process and it would increase the likelihood of the Council receiving a decision that it does not agree with.
- 13.3 There is also the risk that the Government decides to implement a competing or alternative proposal that is not supported by the Council. This is a risk that is not fully controllable but the best mitigation is the evidence-led process that the region has engaged with thus far to develop a robust, full proposal in line with Government criteria.
- 13.4 The risk implications of local government reorganisation and its implementation would be significant under any of the proposals. They would form part of an overall implementation plan and would need to be managed to ensure principles such as “safe and legal” are in place on day 1. Initial work to understand this has been undertaken and has helped inform the business cases being developed. This will be further mitigated by the Council continuing to engage with other councils who have been through reorganisation, capturing lessons learned, and engaging with groups such as the Local Government Association (LGA), District Councils Network (DCN) and County Councils Network (CCN) as well as various consultancies who have also been involved previously and currently. The Council has also sought to work with relevant specialists as necessary to inform the business case development.
- 13.5 There is a risk that Local Government Re-organisation (LGR) may slow or pause some transformation initiatives the Council is aiming to deliver. As the new unitary authority establishes strategic direction, it may be necessary to realign programmes to reflect evolving priorities.
- 13.6 Given the uncertainty of LGR, the process may prove to be a barrier to growth and investment in the region. Whilst the Council hopes that the new authorities will be well placed to deliver growth in the future, there is a recognition that investment may stall during implementation.
- 13.7 LGR is happening alongside wider public sector changes, including reforms to ICB boundaries, the upcoming Casey commission and the transfer of powers in fire and rescue to combined authorities. There is a risk that the LGR process is carried out without bearing wider changes in mind, leading to less alignment with public sector providers and new services that are not in line with upcoming legislative changes.
- 13.8 LGR entails major change for the Council’s workforce, creating uncertainty

for staff. There is a risk that the process could lead to recruitment challenges and an increase in vacancies. This risk can be mitigated through an effective internal comms approach and a strong focus on positive recruitment and retention activities within the Workforce Strategy. This is a piece of work that the Council already carries out and is strengthening through the LGR process.

- 13.9 There is a risk existing and future contracts/shared services may be harder to deliver during the process of LGR which could be mitigated by sound procurement practices and novation clauses in partnership agreements and contracts. A procurement sub-group has been set up within the region to start mapping contracts within the various authorities. This will allow us to understand our current position including contract lengths, end-dates and type but also allows us to be pro-active in new contracts, including sufficient novation clauses and ensuring that contract length is suitable for the LGR timeline.
- 13.10 Asset transfer activity may be prevented or delayed if a direction is made by the Secretary of State pursuant to Section 28 of the 2007 Act preventing certain disposals without consent. There is a risk that this could delay planned activity of the current authorities.

14. RESOURCE IMPLICATIONS

- 14.1 The finance and resource implications of local government reorganisation and its implementation would be significant under any of the proposals. This information has fed into the business case development and consideration of factors such as cost of change and pay back periods. Some of this has been informed by outcomes from previous reorganisation and information provided from a range of sources including industry bodies and consultants.
- 14.2 Moving forward the resource implications would form part of an overall implementation plan and would need to be managed to ensure principles such as “safe and legal” are in place on day 1, as well as setting out proposals for transformation and how savings will be made. This will be further mitigated by the Council continuing to engage with other councils who have been through reorganisation, capturing lessons learned, and engaging with groups such as the Local Government Association (LGA), District Councils Network (DCN) and County Councils Network (CCN) as well as various consultancies who have also been involved previously and currently. The Council has also sought to work with relevant specialists as necessary to inform the business case development.
- 14.3 Beyond day 1, the new authorities would be responsible for the management of their own resources and finances, including staff, assets and buildings.
- 14.4 Notwithstanding whatever decision Council and the Executive reaches, there will be resource implications for the Council as we seek to manage Business As Usual, and undertaking ongoing preparatory LGR work whilst the Secretary of State determines the next steps. To this point this has

been managed through internal resourcing, and employment of consultants/specialists as required, with funding provided through our existing budget framework and reserves. There has been some limited funding made available to Cambridgeshire & Peterborough from Government to facilitate the development of the single proposal. However, moving forward, there will be a need to continue to consider resourcing and how we work with partner councils to ensure best value for money.

- 14.5 LGR also represents a resource risk in respect of staffing, particularly in some key areas. This is reflected in our Corporate Risk Register around LGR.

15. HEALTH IMPLICATIONS

- 15.1 There are none specifically arising from this report or its recommendations; however, it is to be noted that proposals relating to LGR will have implications for the delivery of services around Adult Social Care and Education. Additionally, it will have implications for how we work in partnership with other organisations such as the NHS, ICBs etc in respect of health outcomes; noting that one of the critical success factors for LGR is related to identifying opportunities and outcomes for the wider public sector (including health) as part of the process.

16. ENVIRONMENT AND CLIMATE CHANGE IMPLICATIONS

- 16.1 There are none specifically arising from this report or its recommendations; however, it is to be noted that proposals relating to LGR will have implications for the delivery of services around economic development, planning and climate change. Dependent on the option chosen by Government, there may be different implications for the authority.
- 16.2 For example, it is more likely that under Option E, the Huntingdonshire area would feel the financial benefits of growth within the new unitary authority due to the geography of the area remaining the same. In comparison, Option C would see Huntingdonshire potentially benefit from Cambridge City and South Cambridgeshire's growth; however, there is the risk that more investment is placed in the city region, and that Huntingdonshire investment decreases.
- 16.3 The legal status of Local Plans is not affected by Local Government Re-Organisation; however, the new organisations will be expected to promptly prepare a Local Plan for the new geographic area. Until a new Local Plan is adopted, the existing Local Plan remains in force for the area.

17. OTHER IMPLICATIONS

Equality and diversity

- 17.1 The Council as a public body is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected

characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

- 17.2 A full equality impact assessment is included with the full proposal in Appendix 7.
- 17.3 The Council is not the end decision-maker in respect of LGR, and thus the final requirement for an EQIA will rest with Government.
- 17.4 As implementation plans for LGR are developed, further work will be undertaken to strengthen the evidence base. This will support a more detailed understanding of the implications of disaggregating and aggregating services upon residents and users, as well as the potential impacts on staff that may occur.

18. REASONS FOR THE RECOMMENDED DECISIONS

- 18.1 As stated at the outset, given the significance of the matter, combined with the criteria established by Government, no formal recommendation is presented in respect of any given option.
- 18.2 This report does, however, identify the merits and challenges of the various options, along with other key factors for consideration, so that Members may make informed decisions.
- 18.3 Members are encouraged to consider the options presented and determine which option(s) if any, represents the most appropriate solution for the region. Recognising that of the Government criteria, "**Criterion 1: A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government**" establishes the need for a whole region solution across Cambridgeshire & Peterborough; as opposed to what is best for the future of local government in Huntingdonshire.

STATUTORY OFFICER COMMENTS – To be added prior to Full Council

**Chief Executive / Head of Paid Service
Monitoring Officer
S151 Officer**

LIST OF APPENDICES INCLUDED

- Appendix 1 – Option C
- Appendix 2 – Option E
- Appendix 3 – [Newton LGR Cambridgeshire Peterborough report](#)
- Appendix 4 – [Local Government Funding Update](#) (PIXEL)
- Appendix 5 – Local Partnerships Financial Assessment
- Appendix 6 – Local Partnerships Economic Growth Analysis
- Appendix 7 – EQIA

BACKGROUND PAPERS

Draft Business Cases and Supporting Information:

- [Option A - Cambridgeshire County Council](#)
- [Option B – North Cambridgeshire and Peterborough and a Greater Cambridge](#)
- [Option D - Peterborough City Council](#)
- [Option D HDC Warding Split](#)
- [PwC Financial Analysis Outputs](#)
- [Final Focus Group Report](#)
- [Final Stakeholder Survey](#)
- [Final Public Survey report](#)

LGR – Government Guidance and Supporting Information:

- [Update to the LGR process - Letter to areas invited to submit proposals for LGR July 2025](#)
- [Original Letter to two-tier areas invited to submit LGR proposals](#)
- [Boundary Commission Guidance Note for LGR](#)
- [Letter - Borough Councils of Reigate and Banstead; Crawley](#)
- [Surrey Decision Letter](#)
- [Local government reorganisation: summary of feedback on interim plans - GOV.UK](#)
- [New Towns Taskforce: final report](#)

Briefing papers from other bodies – e.g., DCN:

- DCN Briefing on Surrey
- [DCN analysis of Council Size and Performance](#)
- [Summary of DCN analysis on Council size and performance](#)

Other government guidance/information:

- [New Towns Taskforce: final report](#)

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Local Government Re-organisation

Why Option C works for Cambridgeshire and Peterborough



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Executive summary

This proposal sets out how local government reorganisation could create simpler, more effective councils that improve services and strengthen local identity across Cambridgeshire & Peterborough.

Cambridgeshire & Peterborough are home to some of the fastest growing places in the UK. Together they contribute more than £30bn a year to the national economy, from the world-leading research and innovation of Cambridge to Peterborough's growing green industries, logistics and manufacturing base. This growth also brings challenges, particularly around housing and transport pressures and the need to protect rural services and identity.

The Government has invited areas with two-tier councils to consider new ways of working through local government reorganisation (LGR). The national aim is to simplify local government structures and support devolved decision-making through single-tier councils. In response, councils across Cambridgeshire & Peterborough have come together to explore what this could mean for residents, and how services could be delivered more efficiently and locally in future.

After extensive analysis and engagement, this proposal sets out **Option C**. This option proposes the creation of two new unitary councils to replace the current seven local authorities. Each would bring together existing district and county responsibilities to provide all local services within a single organisation. One council would serve the **North-East** (Peterborough, Fenland and East Cambridgeshire) and the other the **South-West** (Huntingdonshire, South Cambridgeshire and Cambridge City).

This balanced approach reflects the area's two economic strengths. Two councils of roughly equal size would have the scale to be efficient, but remain close enough to communities to stay responsive and representative. More than 3,000 residents and 200 organisations were engaged with across all districts. 84% said they support reorganisation if it leads to better services.

People's top priorities were:

- Having councillors who understand their local area.
- Simpler, easier access to services.
- Greater transparency and accountability in decision-making.

Across every part of the region, people also emphasised protecting local identity, keeping services local and safeguarding rural representation. Many, particularly those in rural districts, expressed concern about being overlooked or treated unfairly.

Option C provides a clear and achievable path to a modern local government. It offers better services and simpler structures, with one council responsible for all local services. It replaces a complex system with a single point of contact for residents, businesses and partners, making it easier to access help and hold decision-makers to account.

The new councils have been designed around real communities and travel-to-work patterns, aligned with economic geography to support jobs and infrastructure across the North-East and South-West.

The efficiencies from shared systems and leadership have projected savings of around £6m per year after the transition period. It protects the things residents value most, such as good services and local identity, while creating the scale and capacity needed to meet future challenges. It is a balanced and practical proposal designed to improve outcomes for people across the region, and to ensure that growth benefits everyone.



1. Introduction

Section summary

This proposal outlines a plan to reform local government across Cambridgeshire & Peterborough by creating two new unitary councils and replacing the current seven council system.

The vision is to design new councils that reflect the region’s historic communities, travel patterns and economic links, while improving service delivery and financial resilience.

The proposal responds directly to the Government’s English Devolution White Paper (2024), which encourages streamlined council structures through Local Government Reorganisation (LGR) to promote devolution. The Minister for Local Government formally invited Cambridgeshire & Peterborough councils to submit reorganisation proposals by 28 November 2025, based on six core criteria including efficiency, sustainability and local engagement.

After collaboration among all seven existing councils, including financial analysis and public engagement, multiple structural options were considered. **Option C**, the focus of this proposal, recommends establishing two new unitary councils:

North-East: Peterborough, Fenland, East Cambridgeshire.

South-West: Cambridge, South Cambridgeshire, Huntingdonshire.

1.1 The future councils for Cambridgeshire & Peterborough

This document sets out a proposal for the future of local government in Cambridgeshire & Peterborough, with a view to create two new unitary councils for the region in the North-West and South-East.

Each of these new councils will be anchored by one of the region's major cities – Cambridge and Peterborough – and reflect historic community ties and established places, travel to work and leisure patterns, public service footprints, transport infrastructure and distinctive but interconnected economies.

These new unitary councils will become responsible for the full range of local government services and, through an ambitious programme of public service reform, will transform the way residents use services, so they deliver improved outcomes, financial sustainability and increased levels of trust in local government.

The proposal also seeks to position growth as a key driving force behind the vision, in line with the government's focus, and seeks to create a proposal that bolsters key industries, creates housing opportunities and contributes to regional and national prosperity, as well as building communities that are supported and thriving.

1.2 The future of local government in England

The Government has a clear vision for the future of local government in England, set out in the English Devolution White Paper published in December 2024.¹ Central to this vision is the drive for improved economic growth and more empowered local communities. The intention is to achieve these goals through a widening and deepening of devolution across all regions of England, and through the simplification of local council structures via a process known as 'Local Government Reorganisation' (LGR).

This proposal rises to that challenge.

Local government in Cambridgeshire & Peterborough is currently provided through seven different councils – a unitary council for the City of Peterborough, and a two-tier system in Cambridgeshire with Cambridgeshire County Council responsible for some services like Adult Social Care and highways, and five district councils responsible for services like waste collection and housing. In order to deliver LGR at scale, the Government

¹ [English Devolution White Paper – GOV.UK](#)

has invited all two-tier council areas in England to submit proposals for replacement of the existing organisations with unitary authorities. Where two-tier areas also border existing unitary councils considered too small to be financially viable, the Government has requested that these also be included in plans for the replacement of two-tier council areas.

The Minister of State for Local Government and English Devolution wrote to all seven existing councils in Cambridgeshire & Peterborough on 5 February 2025 with a statutory invitation requesting proposals for reorganising local government in the region to be submitted by 28 November 2025.² As part of this request, the Government asked that proposals align to six main criteria:

1. The creation of a single tier of local government for the whole area concerned.
2. New unitary councils that are of the right size to achieve efficiencies, improve capacity and withstand financial shocks.
3. New unitary councils that must prioritise the delivery of high quality and sustainable public services to citizens.
4. Plans for new unitary councils should be developed collaboratively and demonstrate how they meet local needs and are informed by local views.
5. New unitary councils must support devolution arrangements.
6. New unitary councils should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.

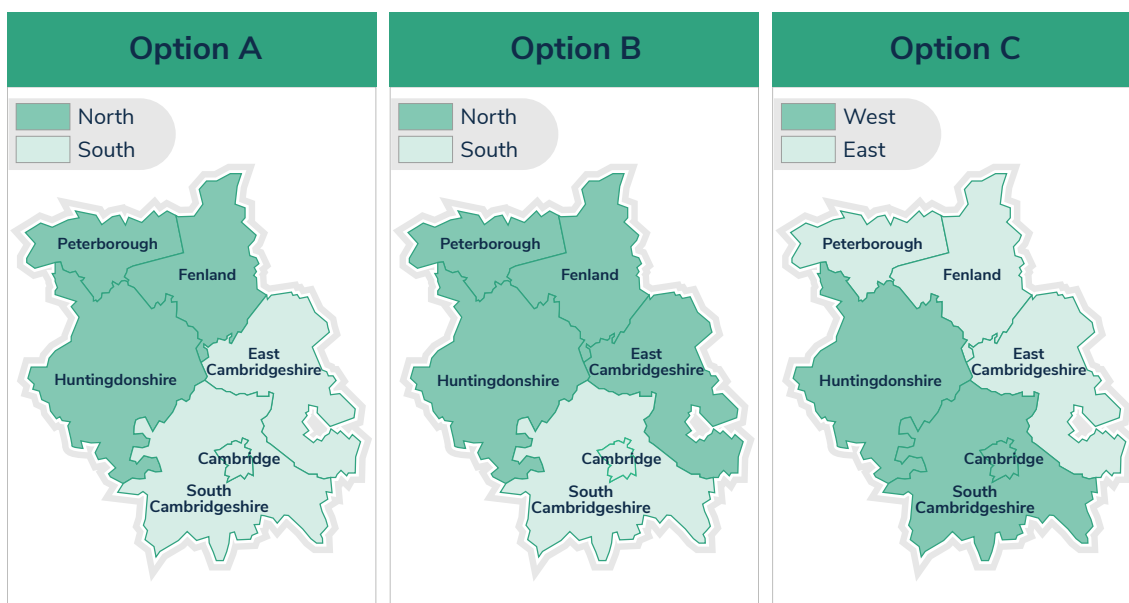
1.3 The process so far

This proposal is the result of collaboration across a range of local stakeholders, including all seven of the existing councils who developed a shared evidence base to inform the work.

Following the statutory invitation from the Government in February, the Leaders and Chief Executives of the seven councils tabled a range of potential options for LGR in the region. To support consideration of this 'long list' options were reviewed alongside the Government's criteria and subject to independent financial analysis. This process highlighted that several 'long list' options were not likely to meet the Government's criteria or be financially viable. A 'short list' of three options was approved by Leaders and Chief Executives and each one of these allocated to a lead council to develop into a proposal, but it was recognised that none of the Councils would be bound by those informal decisions. Councils were therefore at liberty to develop alternative proposals.

² [Local government reorganisation: invitation to local authorities in two-tier areas – GOV.UK](#)

The 'short list' options were A, B and C below, which were based on a two unitary model:



To enhance the evidence base for the 'short list' options, a range of analyses were completed including further independent work from specialists in social care³ and local government finance.⁴ This has provided assurance to in-house analysis undertaken by the seven existing councils themselves and confirms the robustness of the evidence base included in the proposal.

In addition, a joint public engagement exercise was conducted, generating over 3000 survey responses, alongside a number of focus groups in each council area.⁵ Other councils in the region have conducted their own engagement pieces. However, for Option C, this proposal has focused on the existing evidence and analysis rather than reaching out to residents again.

Following the above work, two further proposals were also developed.

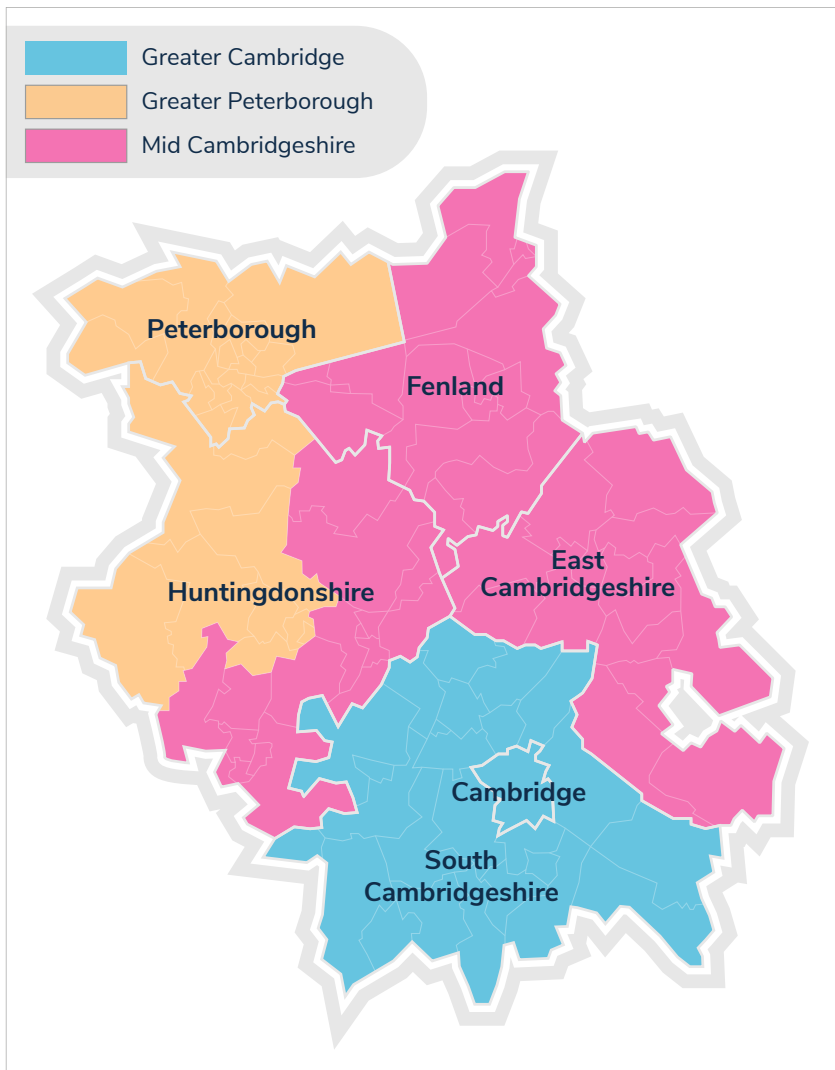
The first was Peterborough City Council, who suggested a three-unitary model that split Huntingdonshire's district boundaries in half. The map is outlined below and it would see Peterborough take on the North of Huntingdonshire, the South of Huntingdonshire joined with Fenland and East Cambridgeshire and Cambridge City and South Cambridgeshire together. This option was first published at a council meeting in July⁶ and has since been taken forward to full business case.

³ Newton Report – [LINK TO COME]

⁴ PIXEL report – [LINK TO COME]

⁵ Survey reports – [LINK TO COME]

⁶ [Agenda for Council on Wednesday 23rd July, 2025, 6.00 pm | Peterborough City Council](#)



[Figure ●: Three-unitary model suggested by Peterborough City Council]

At the end of September, Huntingdonshire District Council announced they would be exploring an ‘Option E’ through a press release by the Leader of the Council. This would be a three unitary model; utilising existing boundaries. This option would see Huntingdonshire remain a stand-alone unitary based on existing district boundaries with Peterborough/Fenland/East in the North and Cambridge/South Cambridgeshire in the South. The Council has since pulled together an additional business case for consideration, see figure [●].

The proposal set out in this document makes the case for ‘Option C’ that would create two new unitary councils for Cambridgeshire & Peterborough.

One for the ‘North-East’ comprising the existing geography of Fenland District Council, East Cambridgeshire District Council and Peterborough City Council, and one for the ‘South-West’ comprising the existing geography of Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council.

This proposal presents Option C as the best option for the region as it provides two balanced, distinct geographies allowing for a truly transformational approach to LGR and unlocking significant economic growth.



Figure [*]: Option E



Figure [*]: Option C

1.4 Meeting the Government's criteria

The proposal for Option C clearly meets the Government's six criteria and this proposal has been developed with explicit reference to them. Further detail on this is outlined in the options appraisal, but in summary, this proposal meets the criteria in the following ways:

The creation of a single tier of local government for the whole area concerned:

This proposal abolishes all existing unitary, district/city and county councils and replaces them with two new unitary councils that reflect functional economic geographies with distinct identities that support growth and increase housing supply. It uses existing district boundaries as its building blocks and does not unduly advantage or disadvantage any one part of the region by ensuring equitable distribution of resources, need and growth opportunities. This proposal has used shared evidence to come to its conclusions along with publicly available data.

New unitary councils that are of the right size to achieve efficiencies, improve capacity and withstand financial shocks:

This proposal creates two unitary authorities that serve populations of 425k and 517k, respectively,⁷ in line with the 500k population size guidance. It creates effective economies of scale to meet service demand and withstand shocks, providing significant opportunities for efficiency savings and transformation. The evidence base has highlighted that the option is financially sustainable.

New unitary councils that must prioritise the delivery of high quality and sustainable public services to citizens:

The proposal highlights a vision for public service delivery that is truly transformative in approach, whilst ensuring safe and legal delivery. It effectively highlights the role that prevention can play in improving outcomes and the benefits that can be realised by bringing services together. The option ensures that key joint services remain together whilst ensuring a balance in demand across the region.

⁷ [Total population – ONS](#)

Plans for new unitary councils should be developed collaboratively and demonstrate how they meet local needs and are informed by local views:

Councils across Cambridgeshire have worked collaboratively to develop a shared evidence base to support proposals for LGR. Resident and stakeholder engagement surveys have been used to inform this proposal alongside the focus group activity. It can be argued that Option C provides the best solution for directly addressing the concerns raised by residents, which has also informed the risk management approach.

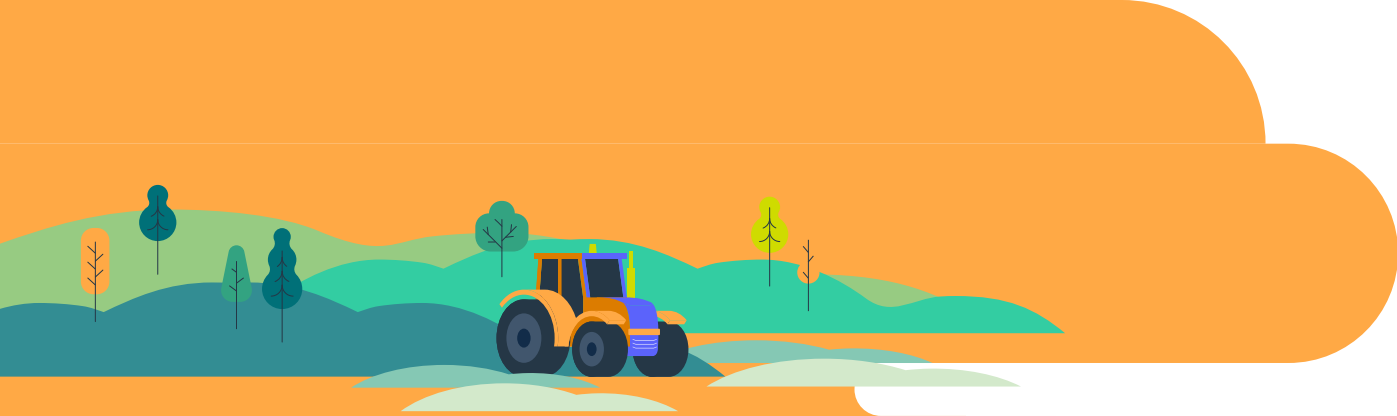
New unitary councils must support devolution arrangements:

Cambridgeshire & Peterborough already benefit from a devolution agreement⁸ with a directly elected Mayor leading the combined authority. This proposal for LGR will support the combined authority to achieve 'Established Mayoral Strategic Authority' status and access a range of additional devolution benefits. Two unitary councils of more equal size will provide for balanced parity of representation on the combined authority board; and allow for efficient and effective decision making; as well as simpler structures for lobbying on government policy.

New unitary councils should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment:

Within the proposal, an approach to neighbourhood empowerment has been set out. This approach is based on the principle of engagement according to the needs of residents, bringing decision-making closer to communities and ensuring an enhanced level of trust in the council. The proposal wishes to enhance the role of town and parish councils, and it does so by creating new authorities which reflect community ties and cultural connections. These factors will be at the forefront of thinking once the new authorities are established.

⁸ [Cambridgeshire and Peterborough devolution deal – GOV.UK](#)



2. Cambridgeshire & Peterborough (strategic context)

Section summary

The Government has set out plans to give more power to local areas through new ‘Strategic Authorities’ with directly elected mayors. To support this, two-tier areas like Cambridgeshire & Peterborough have been invited to put forward proposals for single-tier ‘unitary’ councils. Since then, all councils in the area have been working together to design plans that could improve local services.

Cambridgeshire & Peterborough are regions with deep history and character. Each area has its own identity and challenges, with a fast-growing and ageing population of over 900,000. The region combines busy urban centres with rural and agricultural landscapes, with issues like flooding, drought and uneven transport links.

It is a dynamic economic area. Together, it generates over £34bn a year through sectors such as life sciences, technology, manufacturing and retail. Cambridge is a global hub for innovation, while Peterborough is among the fastest-growing cities in the country with a strong focus on green industries. Market towns and small businesses also play a vital role in sustaining local jobs and communities.

Creating councils that are large enough to be efficient but local enough to reflect community needs will help tackle long-term issues like transport and social care. As a result of previous mergers, today’s structure of five district councils and one unitary council, alongside the Cambridgeshire & Peterborough Combined Authority led by a directly elected Mayor, provides a strong foundation for this next phase.

2.1 National policy context

On the 16 December 2024, the UK Government set out in their English Devolution White Paper an ambition for transforming Local Government by decentralising power to local and regional leaders, through the creation of Strategic Authorities led by directly elected mayors with additional powers. To facilitate this vision, 21 two-tier council areas have been formally invited to participate in the Local Government Reorganisation process to create new unitary authorities that allow for devolution to be unlocked. On 5 February 2025, Cambridgeshire & Peterborough received the region's formal invitation to take part, and councils have been working at pace ever since to deliver a proposal that aligns with the criteria outlined by Government.

This move to unitarization comes at a time when local governments across the UK are facing unprecedented challenges, particularly in terms of increased demand for services (especially social care and SEND) thus impacting financial sustainability and creating uncertainty throughout the sector. A projected £6bn funding gap over the next two years⁹ highlights the need for significant cost savings and increased local funding.

The shift to Local Government Re-Organisation and the accompanying Devolution Bill acknowledges the need for public sector reform to address these nation-wide challenges by ensuring that:

- Services are joined-up and no longer fragmented.
- Local decision-making can be truly 'local' and co-designed with residents.
- Decision-making is transparent and accountability is maintained.
- Local Authorities have the right tools and scale to reform service delivery and generate efficiencies that create a stable financial future for their organisation.

The seven Local Authorities in Cambridgeshire & Peterborough have continued to work together to develop a shared evidence base for all three proposals submitted, in line with the interim feedback received on the 15 May 2025. Despite the region's difference in opinion as to which proposals to support, this collaborative working has allowed us to develop robust proposals with all councils cited on content. This is demonstrated by the depth of knowledge and understanding of issues, often with specific people and place-based nuance, which is apparent in all of the cases submitted for consideration. This collaboration and depth of understanding will serve us well in the later implementation phase.

⁹ [Council funding requirement and funding gap – technical document | Local Government Association](#)

For this proposal, the feedback given in May has been actively acknowledged as well as the initial guidance in the invitation letter by developing an option that ensures:

- Alignment with the existing Combined Authority.
- Compliance with the government's guiding principle of 500k population size.
- The use of the existing district areas as building blocks.

This submission is structured in line with the guidance from MHCLG, including sections on improvements to service delivery for Adults, Children, SEND and homelessness, stakeholder engagement, financial sustainability and the approach to community engagement and neighbourhood empowerment.

It is important to note that LGR comes at a time when wider public sector reform is being pursued. This includes the NHS 10-year plan¹⁰ and the reforms to Integrated Care Boards,¹¹ the Fair Funding Review,¹² the upcoming SEND white paper in Autumn 2025¹³ and the longer-term Casey Commission,¹⁴ aimed at developing a national care service within the next decade. All these reforms are aimed at improving service delivery, particularly through prevention and targeting need earlier to minimise strain on high-demand services. These reforms actively compliment LGR as it allows District and County services to also address prevention by ensuring joint-up working between district and county services – facilitating stronger relationships between social care services and enabling services like housing and leisure. Further, within the region we have a long-standing commitment to partnership with other public sector partners at all levels, for example the Combined Public Sector Board (Chief Executives of all Councils, CPCA, and representatives of Police, Fire, and Health) to assist strategic relationships; and place-based responses such as joint working between CCTV, Police, and Community Safety teams on local issues – alongside the work of our combined resources working with, and alongside, our communities to deliver prevention and local resilience – solving the long term, not just dealing with the here and now.

This proposal recognises the Devolution White Paper's focus on neighbourhood empowerment and community decision-making as well as its focus on ensuring greater alignment of public service boundaries. The proposal places itself in the context of the government's wide-ranging public sector reform by offering an option that ensures alignment and unlocks the capacity

¹⁰ [NHS Long Term Plan](#)

¹¹ [NHS England » Implementing integrated care board mergers and boundary changes to take effect in April 2026 and 2027](#)

¹² [The Fair Funding Review 2.0 – GOV.UK](#)

¹³ [New era of accountability to drive up standards for all children – GOV.UK](#)

¹⁴ [caseycommission.co.uk](#)

for local decision-making. It also seeks to provide a solution in line with the Government's vision for greater preventative services, less fragmentation, and increased sustainability through the creation of efficiencies.

2.2 Local context – where does the region look like now?

2.2.1 History

Both Cambridgeshire & Peterborough are areas rich in history and culture. Cambridgeshire dates back to the 6th century when it was settled by the Angles however later became part of Danelaw in the 9th century.¹⁵ In particular, the Isle of Ely played a significant role in medieval politics,¹⁶ often acting as a stronghold in national conflicts, before gaining later significance as a centre for Christian worship through the architectural prowess of Ely Cathedral – a site for historical tourism, to this day.

Cambridgeshire is a historically agricultural region, with the Fens, through drainage projects, becoming a cornerstone of English agriculture. Alongside this, the 19th century saw a boom in coprolite mining used to produce phosphate fertilisers. This was alongside the strong manufacturing base that Peterborough developed through the 19th and 20th centuries, particularly in engineering, brick making, and railway-related industries. This move to manufacturing extended down to the Huntingdonshire region where new technology allowed a shift from agriculture to manufacturing, including brick making, textiles, aviation and light engineering.¹⁷

The region is also home to Cambridge City – an urban centre with a rich history dating back to the Bronze and Iron Ages. The City has largely prospered due to its location on the River Cam, facilitating extensive trade, but has gained international fame through the historic University of Cambridge. The University was founded in 1209 and quickly became a centre for mathematics and physics, producing well-known figures like Isaac Newton, James Clerk Maxwell and JJ Thomson.¹⁸ Since then, the university has evolved to expand its curriculum throughout the 19th and 20th centuries, producing 124 Nobel laureates and remaining a global leader in research and education.

Cambridgeshire has also produced several notable historical figures. Oliver Cromwell, a controversial figure in British politics and the unification of Great Britain, was born in Huntingdon and studied in Cambridge. He also

¹⁵ [Cambridgeshire | England, Map, History, & Facts | Britannica](#)

¹⁶ [The History of Ely, Cambridgeshire](#)

¹⁷ [Huntingdonshire's Economic Strategy – Huntingdonshire.gov.uk](#)

¹⁸ [Alumni](#)

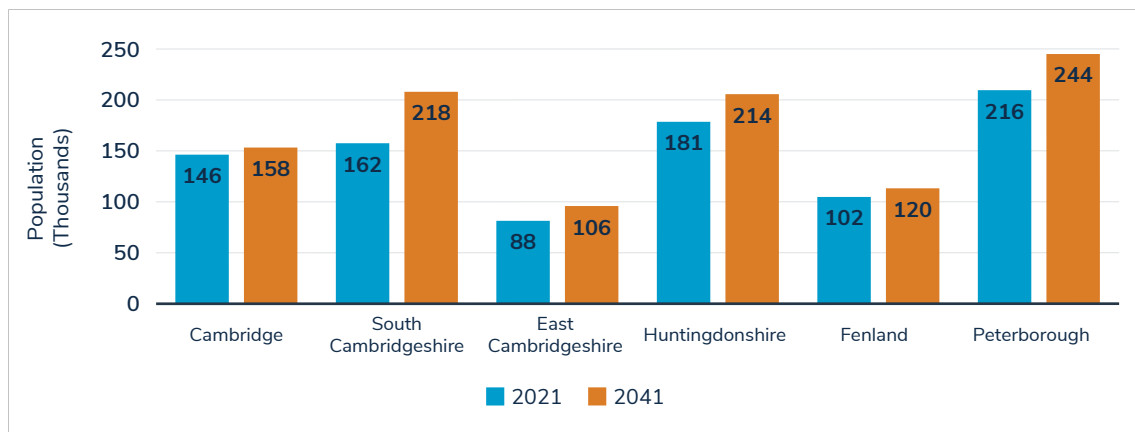
served as the MP for Huntingdon and later, Cambridge. The region was also the birthplace of John Maynard Keynes, one of the most influential economists of the 20th century and Thomas Clarkson, a leader campaigner against the transatlantic slave trade.

The region is home to three cities steeped in history and culture, alongside the agricultural heartland of the Fens and the market towns of Huntingdonshire, South and East Cambridgeshire. The area’s history is reflective of its diverse region and the multiplicity of identities that make up its residents and places.

2.2.2 Demography

The total population of Cambridgeshire & Peterborough in mid-2023 was 921,600 people (around 1.6% of the total population of England) (CPCA, 2025). This population is anticipated to grow by 20% between 2021 and 2041, an increase of over 180,000, with the fastest growth (36%) expected in South Cambridgeshire.

Figure [●]: Census 2021 population estimates and Cambridgeshire County Council’s 2023 – based population forecast for 2041 (thousands) by Local Authority Area.¹⁹ (CPCA, state of the region, 2025.)



Within this number, Peterborough and Cambridge combined account for more than a third of a million people (38% of C&P’s population) followed by smaller settlements, with populations of ten thousand or less, accounting for 35% of the region. The next largest settlements include Huntingdon, St Neots, March, Wisbech and Ely. These figures highlight the diversity of the region, with urban and rural hubs existing alongside each other. However, the spatial distribution is in line with the national average.

¹⁹ [Appendix F State of the Region 2025 Place draft version.pdf](#)

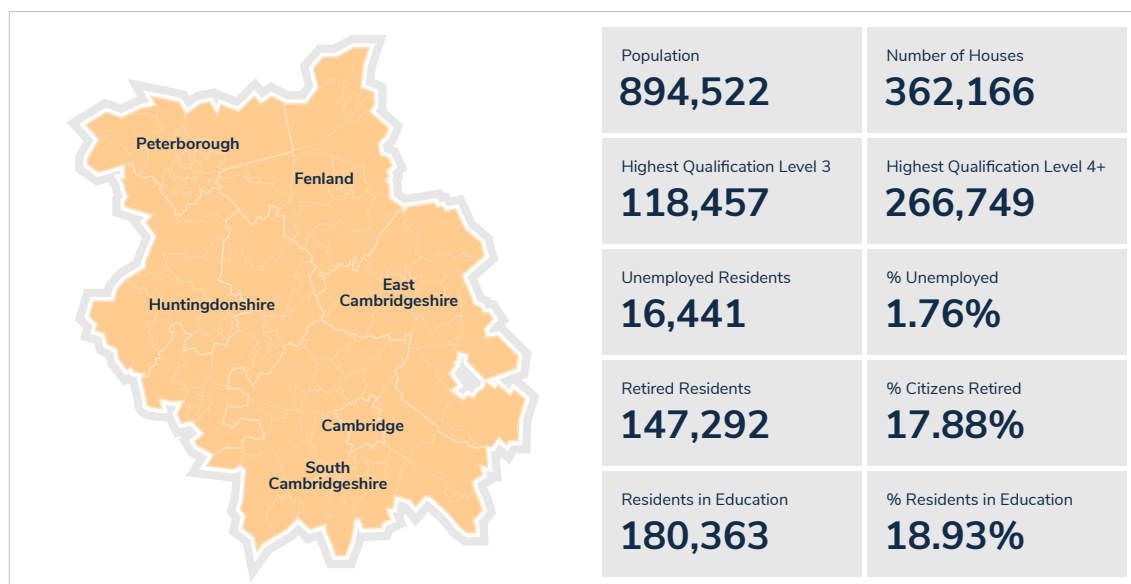
White ethnic groups comprise around 85% of the region's population but clusters of ethnic diversity exist where 70% of the population identify as ethnic minorities. These are particularly located in Peterborough demonstrating the difference in demographics between the urban and the rural areas.

One of the major challenges that the region faces, particularly in terms of social care need, is the ageing population. This is a challenge felt nationally. However, due to the rurality of the region and significant planned housing developments, it is expected that Cambridgeshire will feel this acutely. The two urban centres in the region are the only ones below the national average for % aged 65+, highlighting once again, the disparities in the region.

Table [*]: (Cambridgeshire insight based on 2021 census).

District	% Aged 65+ (2021)	Projected % Aged 65+ (2035)
Fenland	23.6%	~30%
East Cambridgeshire	20.2%	~26%
Huntingdonshire	19.4%	~25%
South Cambridgeshire	18.7%	~24%
Cambridge City	11.6%	~15%
Peterborough	15.3%	~20%
England (National Avg)	18.6%	~23–26%

Figure •: Demographic dashboard of the Cambridgeshire & Peterborough region.



The above image provides a snapshot of the region's population, including residents in education, retired residents, unemployment rates and qualifications. The % unemployment is below the national average (1.76% vs 4.7%) alongside the % of residents in education (18.93% vs 20.4%) whereas the % citizens retired is above the national average (17.88% vs 16%). This highlights the region's ageing population, particularly given the rural nature of the area, and the focus needed for the new unitary authorities to manage further demand.

Life expectancy and deprivation vary across the County, with the South of the region showing higher life expectancy and Fenland and Peterborough consistently showing lower life expectancy, significantly below the national average.²⁰ The pattern is similar with deprivation. The northern districts are the most deprived and the South is the least, noting that there are pockets of deprivation in Cambridge City.²¹ This range demonstrates the complexities of the region and the importance of getting the balance right, addressing those 'left behind' whilst also ensuring that prosperous areas continue to prosper.

Table [*]: (Office for National Statistics, 2021-23).

Area	Male life expectancy (years)	Female life expectancy (years)
Cambridge City	~81.5	~85.0
East Cambridgeshire	~82.0	~84.5
Fenland	~77.0	~81.0
Huntingdonshire	~80.5	~83.5
South Cambridgeshire	~83.0	~86.0
Peterborough	~78.0	~81.5
East of England	80.0	83.6
England (overall)	79.1	83.0

²⁰ [National life tables: England – Office for National Statistics](#)

²¹ [English indices of deprivation 2019: Postcode Lookup](#)

Table [*]: (IMD, 2019).

Area	IMD Rank (of 317 LAs)	Relative deprivation
South Cambridgeshire	~300	Least deprived in the area
East Cambridgeshire	~280	Second least deprived
Huntingdonshire	~250	Mid-range
Cambridge City	205	Slightly below average
Fenland	~100	High deprivation
Peterborough	~50	Most deprived in the area

2.2.3 Geography

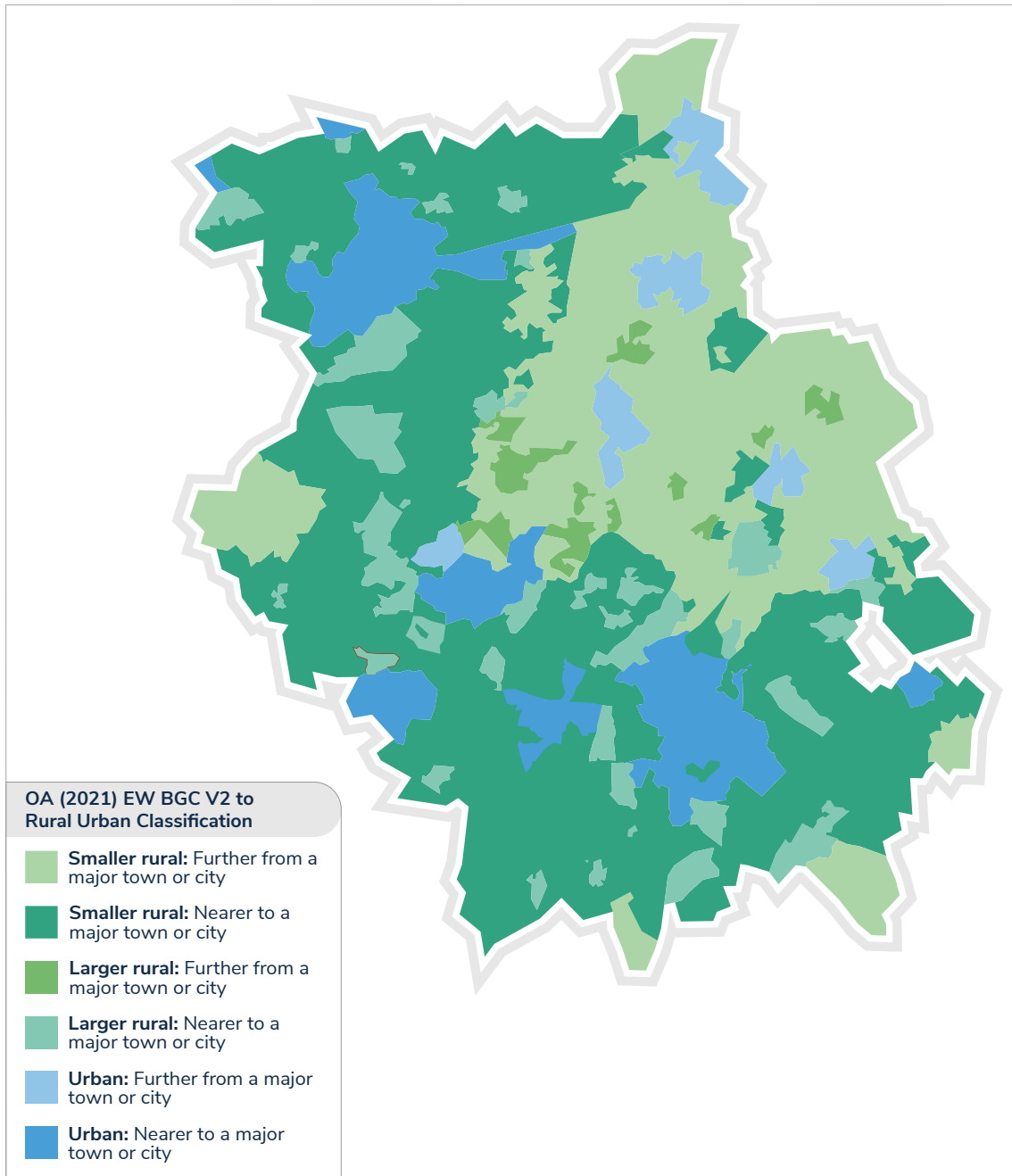
The geography of Cambridgeshire & Peterborough consists of bustling urban vast rural landscapes, historic market towns, picturesque villages, and expansive rural landscapes. The two anchor cities of Cambridge and Peterborough offer urban centres of industry and further education, whilst the historic city of Ely and market towns such as St Neots and Wisbech offer semi-urban hubs surrounded by rural countryside.

Within Cambridgeshire & Peterborough, 8% of land is developed and 92% is non-developed. Agriculture plays a key land use role accounting for 79% of total land use, compared to the UK average of 63%. The region also has a significant amount of Grade 1 agricultural land (19% of England’s total), demonstrating an important regional asset. The below map highlights the distribution of urban-rural classification in the region alongside the population spread across these identifications.²²

The above figures highlight the importance of agriculture to the region, particularly with reference to the Fens, a vast, flat, low-lying area of reclaimed marshland. But the region is also home to significant rivers, including the River Nene, the River Great Ouse and the River Cam as well as significant natural and protected areas such as Wicken Fen and the Cambridge Green Belt. These are positive characteristics but also represent long-term challenges in respect of climate change, flooding, and environmental pressures.

²² [Appendix F State of the Region 2025 Place draft version.pdf](#)

Figure [●]: Rural urban classification.



Connectivity is a major challenge that the region faces – the connection in the West of the district is strong with transport links like the A1(M) and A47 connecting Peterborough down through Huntingdonshire and into Cambridge City. However, the East of the district and more rural areas face challenges with transport – particularly, in Fenland and East Cambridgeshire where car

use is higher, but road infrastructure is still limited, and often poor quality. There are recognised challenges in road maintenance costs with high use in some areas; and high construction costs due to soil make up in others.

The region does deal with significant geographic challenges – including its increased chance of flooding, drought risks during heatwave and identified water scarcity in areas like South Cambridgeshire.²³ There have been various projects initiated to address these challenges, particularly through the creation of Grafham Water and the upcoming Fens Reservoir. However, they will also need to be addressed by the new unitary authorities, working closely with the CPCA and regulators.

Table [*]: (State of the Region, CPCA, 2025).

	Small: area nearer to a major town or city	Smaller rural: nearer to a major town or city	Larger rural: further from a major town or city	Larger rural: nearer to a major town or city	Urban: further from a major town or city	Urban: nearer to a major town or city
Cambridge	0%	0%	0%	0%	0%	100%
East Cambridgeshire	6%	16%	26%	12%	37%	3%
Fenland	7%	5%	9%	1%	64%	14%
Huntingdonshire	4%	13%	10%	25%	14%	34%
Peterborough	0%	5%	0%	6%	0%	89%
South Cambridgeshire	1%	29%	0%	37%	0%	33%
C&P Population	20,400	102,500	51,100	132,400	124,500	476,700
C&P %	2%	11%	6%	15%	14%	53%

²³ [Addressing water scarcity in Greater Cambridge: update on government measures – GOV.UK](#)

2.2.4 Economic overview

The Cambridgeshire & Peterborough region has a thriving economy, generating £34bn in GVA (Gross Value Added) in 2023. Cambridge and Peterborough combined account for around half of this figure (49.5%) and the region's total economic growth outpaced the national economy, with GVA having increased by 182.7% locally compared to England's 176.1% since 1998.²⁴

The above figures outline the area's position as an economic powerhouse but where do the regions strengths truly lie?

The total turnover for Cambridgeshire & Peterborough was £62.3bn in 2023-24,²⁵ according to the University of Cambridge's Centre for Business Research and the largest sectors by turnover were:

- High-tech Manufacturing, Life Sciences & Healthcare (£10bn).
- Wholesale & Retail Distribution (£9.4bn).

These powerful sectors are accompanied by a strong market towns focus, as demonstrated by the CPCA's recent market-towns masterplans.²⁶ The region is defined by vibrancy and resilience in its market areas, highlighted by recent investments in St Neots, Littleport and Whittlesey. This focus on market towns encourages small business start-ups, with the region having a start-up growth rate of 12.1% (higher than the national average of 11.8%).²⁷ These are also home to many foundation sectors and services which are essential to every day life, and vibrant places.

The region also outscored England in the proportion of innovation-active businesses (49% vs 37% of businesses), with Cambridge City particularly excelling in innovation and research, highlighted by their ranking as the world's leading science and technological cluster by the Global Innovation Index in 2024.²⁸ However, innovation is also happening in other sectors, particularly in defence in Huntingdonshire and the chance to develop a cluster with RAF Wyton and RAF Molesworth, where house building and employment parks such as the Alconbury Weald Enterprise Zone and Brampton Cross are strategically positioned to support the district's connection to the sector.²⁹

²⁴ [Appendix B State of the Region 2025 Business Enterprise draft version.pdf](#)

²⁵ [Growth in the Cambridgeshire and Peterborough economy 2018-24](#)

²⁶ [Supporting Our Market Towns | CPCA | The Combined Authority](#)

²⁷ [Company Start-Ups in Cambridgeshire hit record high – Cambridgeshire Chambers of Commerce](#)

²⁸ [Global Innovation Index 2024 – GII 2024 results](#)

²⁹ [Brampton Cross – A new, world class employment park Huntingdonshire](#)

Peterborough is also a fast-growing economic centre, ranking amongst the top five fastest-growing cities by population,³⁰ and amongst the top 10 cities with the highest start-up rates for 2023.³¹ The city is also home to Anglia Ruskin University, a newly established university campus that opened in September 2022. The university has a strong focus on sustainability, aligning with Peterborough's goal to become the UK's Environment Capital.³² The university is well-placed to support the health and finance sectors, in particular, with some of the core research themes focusing on health, performance and wellbeing and business data analytics and sustainable supply chains.

Within the wider national context, Cambridgeshire & Peterborough will play an integral role in unlocking the 'Oxford Cambridge Growth Corridor' that connects Cambridge, Milton Keynes and Oxford as an area of national and regional interest for commercial, housing and infrastructural development.³³ The region is also home to a significant number of pipeline infrastructure developments, including Grafham Water and RAF Wyton, and is impacted by developments beyond its borders, including the new Universal Studios in Bedford, and expansion at Luton airport.

The region is home to the Port of Wisbech which is used for small-scale commercial and leisure traffic, handling around 800,000 tonnes of cargo annually. It is also connected to major coastal ports in King's Lynn and Felixstowe. King's Lynn is historically linked to Cambridge via the River Great Ouse and Felixstowe supports international trade for the region's businesses.

The region is well-connected to London Stansted Airport, with a direct rail link to the region. The airport's expansion has been supported by the region's Mayor due to its role in enhancing international connectivity,³⁴ There are also bus connections to London Luton and London Heathrow, alongside smaller airports in Cambridge and Peterborough which are mainly used for private and corporate aviation.

The Strategic Road Network manages a number of motorways and A roads in the region, including the A1 which runs through Peterborough and Huntingdon, the A14 which connects the region to the Midlands and the A47 linking Peterborough to King's Lynn and Norwich. The A428 is also a major road that connects Cambridge to Bedford that has strategic importance for the Oxford-Cambridge Arc.

30 [Where population is growing – Milton Keynes, Northampton and Peterborough | Centre for Cities](#)

31 [Peterborough named as one of top 10 best places for start-up businesses](#)

32 [Welcome to our ARU Peterborough campus – ARU](#)

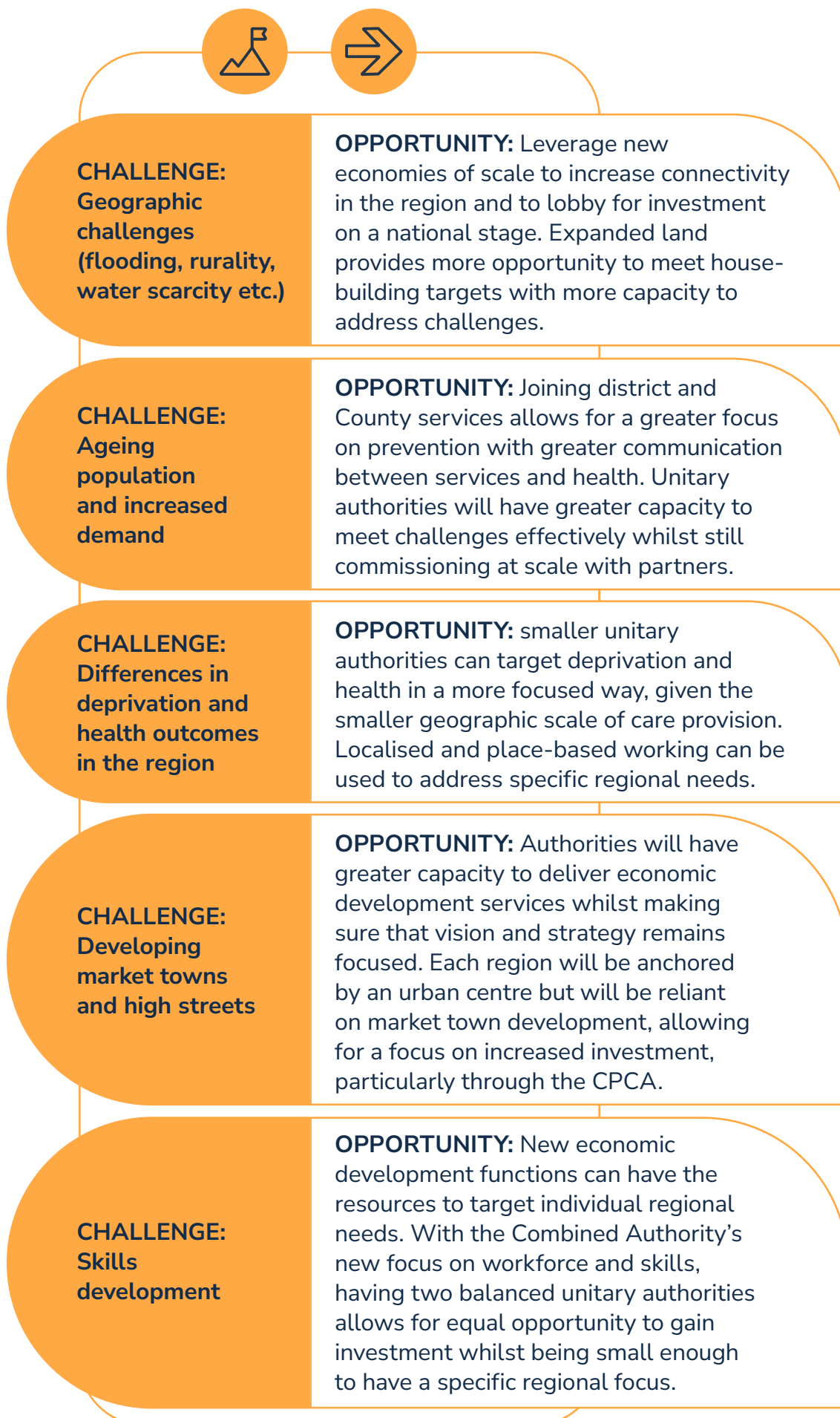
33 [Written statements – Written questions, answers and statements – UK Parliament](#)

34 [Cambridgeshire mayor backs London Stansted Airport expansion | Saffron Walden Reporter](#)

One of the key challenges that the region faces is lack of transport infrastructure, with varied accessibility across the region. As the anchor cities, both Peterborough and Cambridge have well-established transport links, with robust public transport options in Cambridge and strong road networks around Peterborough. Whilst these give a strength to each city, these positives diminish as you move beyond the city limits and greater area; it also creates a bias that presents challenges for residents unable to engage with the different transport networks. For example, some residents can struggle to access opportunities if they do not drive (Peterborough), or if their work requires traveling across the city area multiple times a day to locations away from public transport connections (Cambridge).

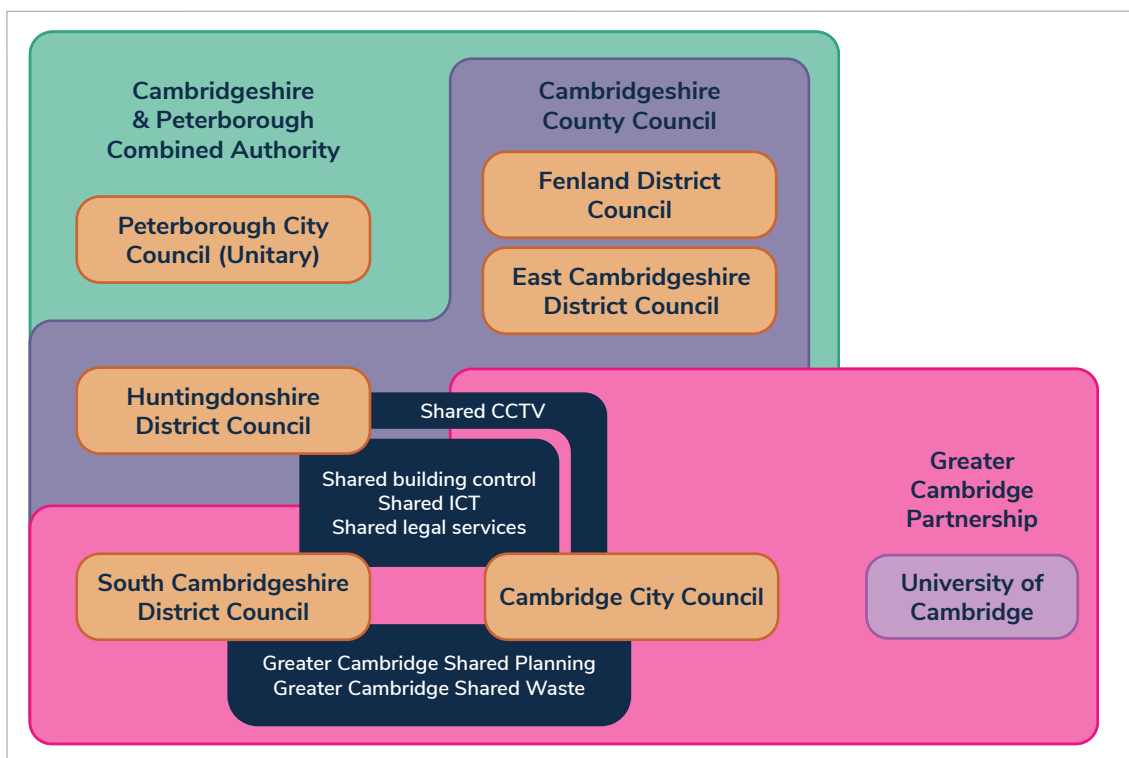
The additional options becoming available, specifically the guided busway, are creating more connections between district areas. However, many residents consistently face challenges when trying to travel between other district areas on public transport. For example, there are no train connections between Huntingdonshire and Cambridge City, or a direct bus connection from Fenland to Huntingdon. LGR and increased devolution could be an opportunity to improve infrastructure and unlock investment in transport by leveraging the stronger voice of new authorities. It's also important for increased public transport infrastructure to be unlocked to take the pressure off high costs associated with road networks.

2.2.5 Challenges that should be addressed through LGR



2.3 Local Government context

Figure •: Local Government Structure in Cambridgeshire & Peterborough.



The administrative structure of Cambridgeshire has evolved significantly over time, with the establishment of Cambridgeshire County Council taking place in 1888.³⁵

In 1965, the council merged with the Isle of Ely County Council and later with Huntingdon and Peterborough in 1974 to form the non-metropolitan county of Cambridgeshire.

The County of Cambridgeshire comprises four District and one City council:

- Cambridge City Council.
- East Cambridgeshire District Council.
- Fenland District Council.
- Huntingdonshire District Council.
- South Cambridgeshire District Council.

35 [19th Century Maps | Cambridge Antiquarian Society](#)

Figure ●: Current map of district areas in Cambridgeshire & Peterborough (Source: Cambridgeshire Insight).



In 1998, Peterborough City Council became a unitary authority. This change allowed them to take over the delivery of district and county-level functions for the Peterborough region. A majority of services such as IT Digital Services, Education, People Services, Adult Social Care and Public Health have now decoupled from Cambridgeshire.

Following the Cities and Local Government Devolution Act 2016,³⁶ local leaders proposed a Mayoral Combined Authority to unlock devolved powers and funding. This led to the creation of the Cambridgeshire & Peterborough Combined Authority in March 2017, including the seven local councils, a directly elected mayor and the Local Enterprise Partnership as a non-constituent member.

³⁶ [Cities and Local Government Devolution Act 2016](#)

The CPCA was granted powers over transport, housing, skills and employment and infrastructure investment and has, since its creation, coordinated major infrastructure projects, such as the development of Peterborough Station Quarter and the development of the emerging town of Northstowe. It works alongside the Greater Cambridge Partnership and other regional bodies to align growth strategies and represents the area on a national stage.

The area covered by the Office of the Police and Crime Commissioner,³⁷ Fire and Rescue Service³⁸ and Probation Trust³⁹ are all coterminous with the Cambridgeshire & Peterborough boundary, delivering their services for all existing local authority areas. Whilst the Greater Cambridge Partnership⁴⁰ (covering the geographical districts of Cambridge and South Cambridgeshire) is responsible for managing the current City Deal.

NHS Services for the area are overseen by NHS Cambridgeshire & Peterborough – the local Integrated Care Board.⁴¹ It is responsible for planning, commissioning and governance of most of the NHS services in the area, to meet the needs of local people now and in the future. It works as part of the Integrated Care System, which operates through four partnerships: North Cambridgeshire & Peterborough (covering health and social care services for Peterborough, Fenland and Huntingdonshire), Cambridgeshire South (covering services across Cambridge city, East Cambridgeshire and South Cambridgeshire), Children’s and Maternity, and Mental Health, Learning Disabilities and Autism (both of which cover the wider Cambridgeshire & Peterborough area).

37 [Find your PCC – The Association of Police and Crime Commissioners](#)

38 [Fire and Rescue Authorities \(December 2022\) Boundaries EN BFE – Dataset – data.gov.uk](#)

39 [MoJ4961_HMPPS Graphic MAPS Regions and areas_v4 AW.indd](#)

40 [Greater Cambridge Partnership](#)

41 [NHS Cambridgeshire & Peterborough | CPICS Website](#)



3. Options appraisal

Section summary

One of the key stages in developing this proposal was assessing the different options for how local government in Cambridgeshire & Peterborough could be reorganised.

Five possible versions were explored and tested against the Government’s six criteria, with options for having either two or three new unitaries. After detailed analysis, it was agreed that creating two new unitary councils would be the most effective and sustainable approach, offering the right balance between efficiency and local identity.

Among the three-unitary models, Option E scored highest, but it would be more complex and expensive to deliver.

3.1 Options appraisal

The first stage of the options appraisal within the region was to consider the evidence for one, two and three unitary councils, alongside a no-change option for a single county unitary council. Based off external analysis from PIXEL, it was agreed that two unitary authorities were the optimum number for the region, particularly given the Government’s guidance on population size.

Regional leaders also considered the financial implications of creating three unitary authorities and were conscious to note that economies of scale must be met. This was also a consideration when assessing the ‘status quo’ or two unitary authorities on current boundaries. The below table highlights the initial scoring of unitary numbers, based off the Government’s guidance.

Criteria	One Unitary	No change	Two Unitaries	Three Unitaries
1. Proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government	The Government has indicated there must be at least two principal authorities under each strategic Mayoral Authority. As this would not be possible under a single unitary model, this model is not viable.	2	3	1
2. Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks		2	3	1
3. Unitary structure must prioritise the delivery of high quality and sustainable public services to citizens		3	3	1
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		2	3	2
5. New unitary structures must support devolution arrangements		2	3	2
6. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment		2	2	3
Total	Not viable	13 (Middle ranked)	18 (Highest ranked)	10 (lowest ranked)

The above approach highlights initial scoring in the region to come to an agreed set of options and is not reflective of further options appraisal. It instead provides necessary context for the regional process.

Following the above assessment, the region agreed three options to be taken forward – **all based off two unitary models, using existing boundaries.**

These include:

Option A

Peterborough City Council / Fenland District Council / Huntingdonshire District Council and East Cambridgeshire District Council / South Cambridgeshire District Council / Cambridge City Council with disaggregated County Council functions

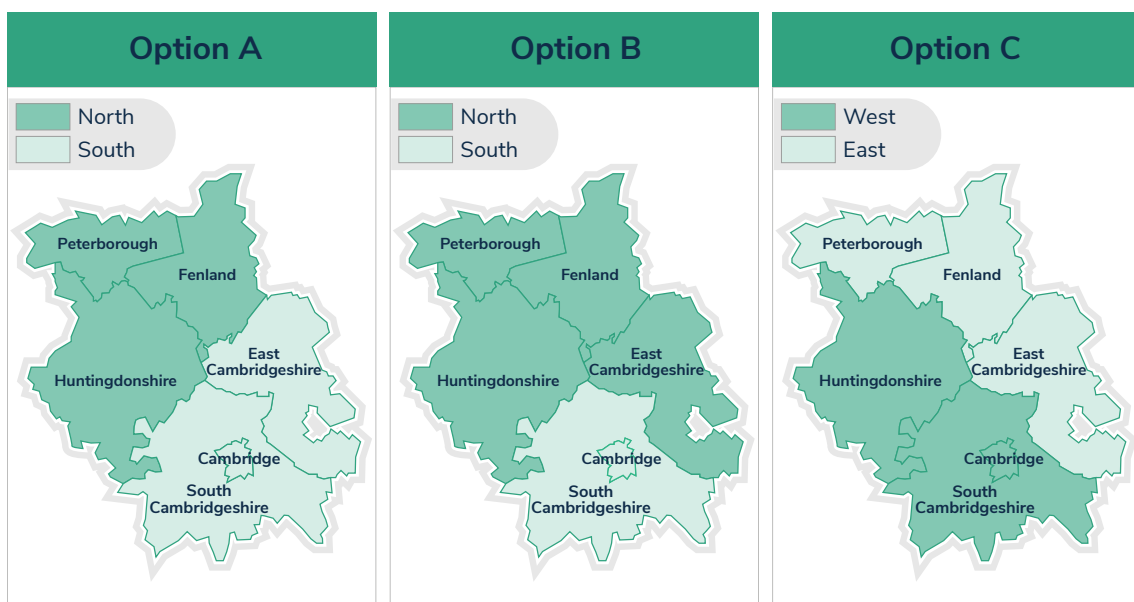
Option B

Peterborough City Council / Fenland District Council / Huntingdonshire District Council / East Cambridgeshire District Council and South Cambridgeshire District Council / Cambridge City Council with disaggregated County Council functions

Option C

Peterborough City Council / Fenland District Council / East Cambridgeshire District Council and Huntingdonshire District Council / South Cambridgeshire District Council / Cambridge City Council with disaggregated County Council functions

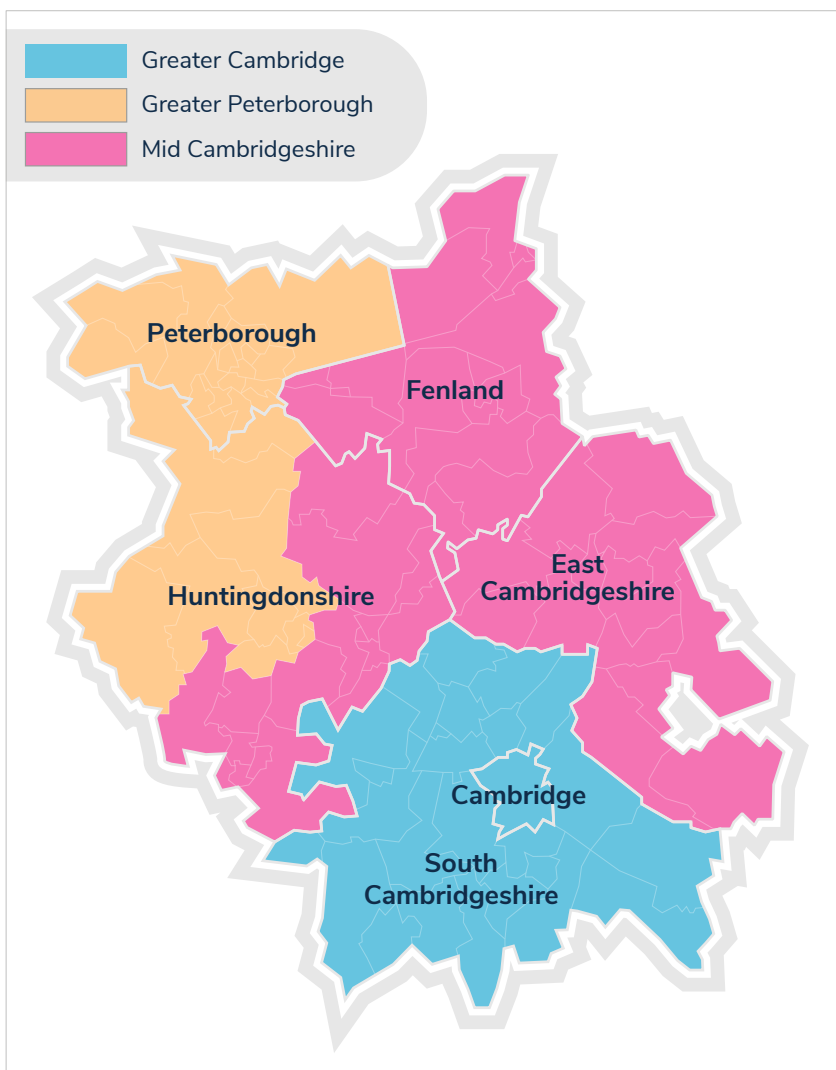
The below map highlights the options:



Following this agreement, a fourth option has been developed by Peterborough City Council titled 'Option D.' This option was brought forward at a council meeting and has since been taken forward – it explores the possibility of **three unitary authorities with a boundary split in Huntingdonshire**. It includes:

- Peterborough City Council with some parts of Huntingdonshire and disaggregated County Council functions.
- Fenland District Council / East Cambridgeshire District Council with the remaining areas of Huntingdonshire and disaggregated County Council functions.
- South Cambridgeshire District Council / Cambridge City Council with disaggregated County Council functions.

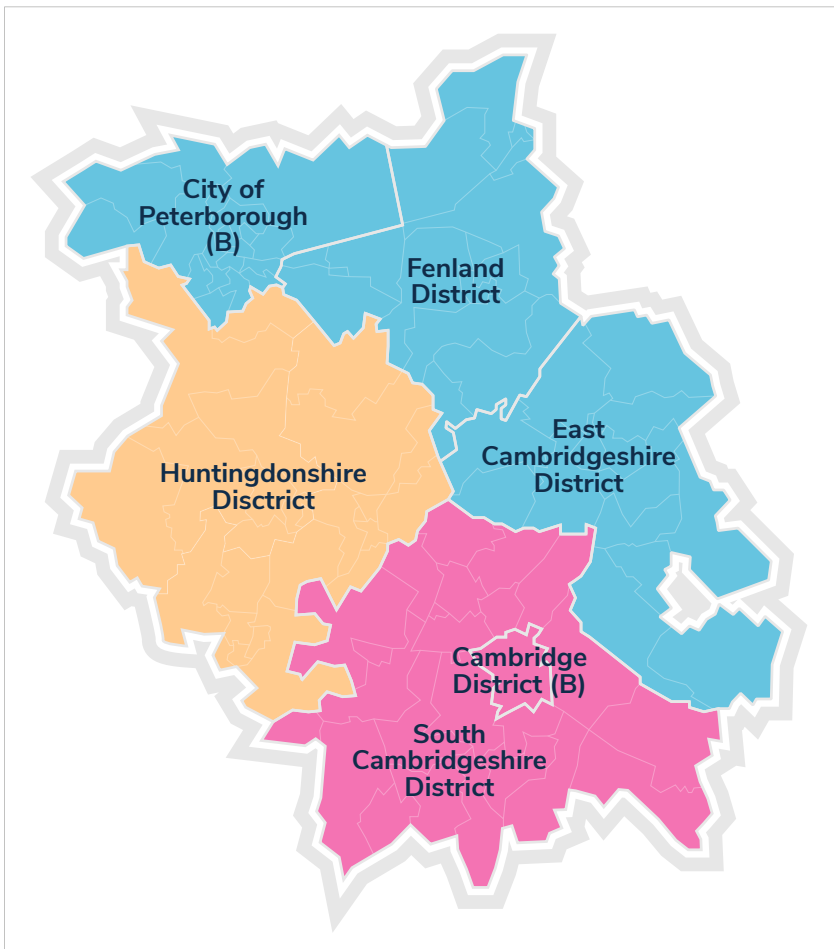
Figure •: Greater Peterborough Option



This announcement was followed by a later agreement by Huntingdonshire District Council to pursue a fifth option that would keep Huntingdonshire as a stand-alone unitary authority – titled ‘Option E.’ Huntingdonshire has commissioned Local Partnerships to lead on this option, providing a balanced case that can be brought to government’s attention. This is a **three unitary model, using existing district boundaries**. This option would see:

- Huntingdonshire District Council with disaggregated County Council functions.
- Peterborough City Council / Fenland District Council / East Cambridgeshire District Council with disaggregated County Council functions.
- South Cambridgeshire District Council / Cambridge City Council with disaggregated County Council functions.

Figure •: Option E.



One of the fundamental differences between the options explored is whether they are a three or two unitary model. There are different considerations that make a two or a three unitary model desirable such as:

- Two unitary options are more in line with government's guidance for population size and economies of scale and will see lower transitional costs. It may be seen to be more financially viable for the immediate term, with greater capacity and resources to deliver services. Two unitary options can provide greater stability however, it may be more difficult to provide localised working and neighbourhood engagement, with councils that could be further removed from residents with less distinct priorities.
- Three unitary options will have greater up-front costs and therefore will have a greater financial impact on councils in the immediate term, with less capacity and resource to deliver. However, analysis has shown that the three councils presented in Option E can be viable for the long-term. A three-unitary model can deliver greater neighbourhood engagement and localised working, particularly in the preventative space. It can create sharper economic focus for the unitary authorities to lobby for investment and greater scope for organisations to continue good practice and existing strategies.

This proposal argues that a two-unitary model is best for the region due to its sustainability, simplicity and viability. It presents a balanced option that meets the Government's criteria and is in alignment with natural connections between places and local identity. It provides an option with distinct economic focus in the North and South. It is worth noting that a two unitary model is more in the line with the Government's guidance in terms of population size, scale and balance. Therefore, a two unitary model that is well-balanced and can satisfy community engagement needs, will naturally score higher against the criteria.

Given the nature of the decision members are facing, the options appraisal has been staged to focus on the two unitary options, then the three unitary options, respectively.

All of the options that are being explored in the region have been included in the below options appraisal. The assessment has been formed using a combination of external evaluation and in-house officer assessment. Each option has been rated from 1-5 with 1 meaning it meets very little of the requirements, 3 indicating that it meets some of the requirements and 5 indicating that it meets all of the requirements. The justification is included in each box. The creation of two unitary authorities with existing upper-tier geographies has been included as a point of comparison. No weighting has been added to the assessment as the government have indicated that all six criteria are equally important. More detailed analysis of each option follows below.

Two-unitary option appraisal:

MHCLG criteria for LGR	Existing County Boundaries: Dual UA (PCC Status Quo) – 2x2	Option A: North and South – 3x3	Option B: North and South – 4x2	Option C: East and West – 3x3
<p>Economy and housing –</p> <p>local economic priorities; facilitates investment; sensible geography that increases housing supply.</p> <p>(Analysis informed by Local Partnerships).</p>	<p>1 – Fails to meet the needs of Peterborough’s growth. Un-even in scale for investment.</p>	<p>4 – Meets criteria for balance in resource/size/ capacity but a questionable alignment of East Cambridgeshire to Cambridge in comparison to Huntingdonshire with the Innovation Corridor, from an economic perspective.</p>	<p>4 – Meets criteria but the South faces risks around delivery capacity due to smaller scale. Imbalance of geography.</p>	<p>5 – Core growth aspects of the South are well connected to Huntingdonshire’s ambitions and similar sectors are aligned in the North to facilitate growth.</p> <p>Offers greatest alignment with the established Functional Economic Market Areas (economic geographies) across the region.</p>
<p>Financial sustainability –</p> <p>long-term viability, financial resilience; savings and transition costs; right size to achieve efficiencies.</p>	<p>2 – Fails to address Peterborough financial sustainability or achieve any efficiencies.</p>	<p>5 – Well-balanced with the right scale to achieve efficiencies and resilience.</p>	<p>4 – Imbalance of scale with financially diverse Councils. The smaller scale of C could struggle to produce savings to cover transition costs in a 5-year window but still ultimately viable.</p>	<p>5 – Well-balanced with the right scale to achieve efficiencies and resilience.</p>

MHCLG criteria for LGR	Existing County Boundaries: Dual UA (PCC Status Quo) – 2x2	Option A: North and South – 3x3	Option B: North and South – 4x2	Option C: East and West – 3x3
<p>Better service delivery – integrated services, prevention, and improved outcomes.</p>	<p>2 – Would not meet the right scale for Peterborough to implement improvements.</p>	<p>4 – Right balance and scale to achieve efficiencies. Would require the disaggregation of shared services in the South.</p>	<p>3 – Smaller scale to create efficiencies with commissioning with the South and lack of critical mass (PIXEL). Larger unitary may struggle to carry out localised working/may be further from community.</p>	<p>4 – Balanced scale to integrate services whilst providing local approach. Shared services in the South wouldn't have to be split. Not in line with partnership arrangements for health – but not a barrier to operation as per current examples.</p>
<p>Supports local needs and place identity – stakeholder and resident support; maintenance of local identity and cultural importance.</p>	<p>2 – Keeps boundaries as is so no disruption but residents greatly in support of change for improved outcomes. Local identity potentially subsumed by a large South.</p>	<p>4 – Strong stakeholder and resident support but potentially loses Huntingdonshire's connection to Cambridge and Fenland's connection to Ely in the North.</p>	<p>3 – Supported by residents in the South but concerns of losing rural perspectives in the North due to large scale. Protects the South's identity more than the North.</p>	<p>4 – Supported by Huntingdonshire residents. Local identity of Huntingdonshire connection to Cambridge is maintained and rurality is preserved in the North but no widespread support.</p>
<p>Devolution – complements devolution, Population, Identity & Economic areas.</p>	<p>2 – Imbalance of economic areas and population.</p>	<p>4 – Balance of economic areas although the South's 'economic identity' is undermined by the severance of Huntingdonshire from Cambridge.</p>	<p>3 – Imbalance in economic areas with no clear identity for the North.</p>	<p>4 – Balance of economic areas with strong sectoral links in the Northern and Southern unitary. The North can have a sharper focus on rurality. However, it does sever Ely's connection to Cambridge.</p>

MHCLG criteria for LGR	Existing County Boundaries: Dual UA (PCC Status Quo) – 2x2	Option A: North and South – 3x3	Option B: North and South – 4x2	Option C: East and West – 3x3
<p>Community engagement and empowerment – unlocks community engagement and strengthens existing work.</p> <p>To note – it will be up to the new unitary authorities to determine how they approach community engagement and empowerment. This scoring is subjective and based on the criteria of capacity to deliver, connection to local areas and continuing best practice.</p>	3 – Maintains existing patch. Cambridgeshire boundary would be too large to ensure effective representation.	5 – Strong balance of population/ capacity and is in line with existing partnerships. No splitting districts means community engagement can be strengthened.	4 – Community engagement could be undermined in the North by having such a large unitary.	5 – Strong balance of population/ capacity and builds on existing connections in the North and South. No splitting districts means community engagement can be strengthened.
Is the option being supported by all seven councils?	NO	NO	NO	NO
Overall	12/30	26/30	21/30	27/30
Ranking	4	2	3	1

As the above scoring concludes, Option C successfully fulfils all the Government’s criteria – providing a balanced geography that meets the needs of development and housing growth whilst ensuring that the size of the unitary authorities allows for a community focus and for place-based working to be maintained.

Three-unitary options appraisal:

MHCLG criteria for LGR	Option D: Split Huntingdonshire (GP, MC, GC) – 3x3	Option E: Stand-alone Huntingdonshire – 3x2
<p>Economy and housing – local economic priorities; facilitates investment; sensible geography that increases housing supply. (Analysis informed by Local Partnerships)</p>	<p>2 – Meets the priorities of the two urban centres but the ‘mid’ option sees issues around connectivity with little capacity for delivery.</p>	<p>4 – Meets the economic priorities of Huntingdonshire and aligns existing connections in the North through PCC/FDC/ECDC. The option is in line with the three FEMA model, building on the economies of ‘Greater Cambridge’, ‘Greater Peterborough’ and Fenland. However, it has an imbalance of geography allowing less capacity for delivery.</p>
<p>Financial sustainability – long-term viability, financial resilience; savings and transition costs; right size to achieve efficiencies.</p>	<p>3 – Payback of transition costs for two of the three councils should be possible within a medium term, 5-year window but the third may struggle to produce sufficient savings to do so.</p>	<p>3 – The two smaller councils are unlikely to generate sufficient savings to recover transition costs within a medium term, 5-year window and, at least one, may be left with a recurring cost pressure but this should not impact long term viability.</p>
<p>Better service delivery – integrated services, prevention, and improved outcomes.</p>	<p>2 – Disaggregation to three unitary authorities, rather than two, would greatly increase transition costs and affect service delivery.</p>	<p>4 – The North has sufficient capacity to address high needs but would have to address rurality. Still creates a small unitary in the South and potential lack of critical mass – this is the same for Huntingdonshire. This lack of critical mass however should not be seen as a barrier to provide high quality services; as this option would allow for efficient, agile, place-based and networked solutions to come forward. Scope for use or continuation of shared-service models (as existing) more possible with smaller authorities. Whilst this option has the same risk of increased transition costs and service delivery effects, this option does not include splitting boundaries and allows greater continuity of shared services with greater financial sustainability in all authorities to deliver.</p>

MHCLG criteria for LGR	Option D: Split Huntingdonshire (GP, MC, GC) – 3x3	Option E: Stand-alone Huntingdonshire – 3x2
<p>Supports local needs and place identity – stakeholder and resident support; maintenance of local identity and cultural importance.</p>	<p>2 – Smaller scale could mean that local identity is preserved in Peterborough however there is a major impact on Huntingdonshire's identity. No outward support for the option.</p>	<p>4 – Smaller unitary authorities could mean that local identity is preserved. The North is larger; but would retain connections in rural identity and preserve the historic significance of Ely as the city of the rural eastern part of the region. This option was not part of the formal engagement undertaken, although feedback since its launch has been positive. This option would also protect and support the identity of Cambridge and its greater city region.</p>
<p>Devolution – complements devolution, Population, Identity & Economic areas.</p>	<p>3 – less scale = less capacity to influence funding decisions although can be more focused on certain identities. Three Leaders on the CPCA board could provide balance.</p>	<p>3 – less scale could mean less capacity to influence funding decisions however economic focus can be sharper and three Leaders on the CPCA board could provide balance. Honours functional economic areas. Allows for opportunities of shared-services to be retained/maintained.</p>
<p>Community engagement and empowerment – unlocks community engagement and strengthens existing work.</p> <p>To note – it will be up to the new unitary authorities to determine how they approach community engagement and empowerment. This scoring is subjective and based on the criteria of capacity to deliver, connection to local areas and continuing best practice.</p>	<p>3 – Unitary authorities will be closer to the community but may not have the resilience to effectively deliver community engagement. Severs existing connections and footprints in Huntingdonshire.</p>	<p>5 – Unitary authorities will be closer to the community, but resilience can be questioned. However, due to no cutting boundaries, existing methods of community engagement can be strengthened. Huntingdonshire has established connections across public, private and voluntary sectors which can be maintained and further developed as evidenced by the Place Strategy; Community work etc.</p>

MHCLG criteria for LGR	Option D: Split Huntingdonshire (GP, MC, GC) – 3x3	Option E: Stand-alone Huntingdonshire – 3x2
Is the option being supported by all seven councils?	NO	NO
Overall	15/30	23/30
Ranking	2	1

Noting the above, Option E comes out on top in respect of a three unitary appraisal whereas Option C comes out on top when looking a two unitary model. Overall, Option C scores higher in that it satisfies the government’s criteria.

Summary appraisal:

	Option A	Option B	Option C	Option D	Option E
RAG RATINGS	GREEN	AMBER	GREEN	RED	GREEN
Criteria 1: A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.	4	4	5	2	4
Criteria 2: Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.	5	4	5	3	3

	Option A	Option B	Option C	Option D	Option E
Criteria 3: Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.	4	3	4	1	4
Criteria 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.	4	3	4	2	4
Criteria 5: New unitary structures must support devolution arrangements.	4	3	4	3	3
Criteria 6: New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.	5	4	5	3	5

	Option A	Option B	Option C	Option D	Option E
Overall	26/30	21/30	27/30	15/30	23/30
Conclusions	Well-balanced but less aligned with place identity of Huntingdonshire.	Imbalance in population size with very large authority in the North. Risk of less place identity and ability to deliver services over large geography.	Well-balanced with more alignment to place identity for Huntingdonshire.	Major concern – Splitting districts with a disadvantaged mid area.	Contains elements of Option B (namely the southern unitary) and strong place identity. Service delivery and demand needs can be addressed in a more targeted way. May struggle on capacity and sustainability but the scoring does not reflect transformation opportunities or service re-design.

It is worth noting that, as part of the appraisal process, Local Partnerships were commissioned by Huntingdonshire District Council to carry out two assessments of viability (although these assessments did not include Option E). The first was a financial analysis⁴² that came to the conclusion that all three two-unitary options were worth exploring further (A/B/C) with Option B scoring lower, given its financial divisiveness and doubts around saving returns. This analysis later included Options D and E – both were deemed to incur greater transition costs and less savings with more financial divisiveness and less sustainability. It is noted that this analysis did not include transformation savings.

⁴² Local Partnerships Financial Assessment

Overall position:

Option	Option A			Option B			Option C		
	U1	U2	Total	U1	U2	Total	U1	U2	Total
Baseline implications – comparison to ‘As-Is’	U2 represents an enhanced financial baseline for East Cambridgeshire, Cambridgeshire City and South Cambridgeshire. U1 results in a weaker financial baseline for other areas.			U2 represents an enhanced financial baseline for Cambridgeshire City and South Cambridgeshire. U1 results in a weaker financial baseline for other areas.			U2 represents an enhanced financial baseline for Huntingdonshire, Cambridgeshire City and South Cambridgeshire. U1 results in a weaker financial baseline for other areas.		
Council tax base – based on ‘25/26 Band D equivalents	162,599	149,812	312,411	196,203	116,209	312,411	129,286	183,125	312,411
Recurring net savings at Y5 (£’000s)	4,633	1,780	6,413	5,984	275	6,259	3,106	3,199	6,305
Saving share	72%	28%	100%	96%	4%	100%	49%	51%	100%
Share of regional council tax base	52%	48%	100%	63%	37%	100%	41%	59%	100%
Saving share relative to share of regional council tax base	1.4	0.6		1.5	0.1		1.2	0.9	
Payback (years)	3	4		3	n/a		3	3	
Contribution to Y5 budget surplus/ (deficit)	-23%	-5%		-54%	n/a		-26%	-7%	
Projected return from LGR	Green	Amber		Green	Red		Green	Green	
Proceed with further and more detailed analysis			Green			Amber			Green

[NOTE green / amber / red: Words have been added to table for accessibility]

Option	Option D				Option E			
	U1	U2	U3	Total	U1	U2	U3	Total
Baseline implications – comparison to ‘As-Is’	U3 represents an enhanced financial baseline for Cambridgeshire City and South Cambridgeshire, while U1 represents a largely unchanged financial baseline for Peterborough and residents of one half of Huntingdonshire. U2 represents in a weaker financial baseline for remaining areas.				U3 represents an enhanced financial baseline for Cambridgeshire City and South Cambridgeshire, while U1 represents a largely unchanged financial baseline for Fenland but a weaker financial baseline for Peterborough and East Cambridgeshire. U2 represents in a weaker financial baseline for Huntingdonshire.			
Council tax base – based on ‘25/26 Band D equivalents	87,581	108,621	116,209	312,411	129,286	66,917	116,209	312,411
Recurring net savings at Y5 (£’000s)	1,485	1,459	293	3,237	3,144	(1,151)	286	2,279
Saving share	46%	45%	9%	100%	138%	-51%	13%	100%
Share of regional council tax base	28%	35%	37%	100%	41%	21%	37%	100%
Saving share relative to share of regional council tax base	1.6	1.3	0.2		3.3	-2.4	0.3	
Payback (years)	4	n/a	n/a		3	n/a	n/a	
Contribution to Y5 budget surplus/ (deficit)	-4%	n/a	n/a		-26%	n/a	n/a	
Projected return from LGR	Amber	Amber	Red		Green	Red	Red	
Proceed with further and more detailed analysis				Amber				Amber

The second analysis focused on economic growth considerations⁴³ which concluded that A, B and C are equal in terms of economic prospects. D was ruled to be inefficient in terms of meeting priorities and implementing strategic change. The two-unitary options scored at a similar level due to the existing Combined Authority and the mitigation it provides when assessing risks of different geographies. Option E also scores highly as, despite the option presenting three unitaries, it successfully builds on existing high-growth areas with no advantaged or disadvantages in the region. This is in

43 Local Partnerships Economic Growth Analysis

comparison to Option D which splits Huntingdonshire's growth in two and creates a mid-unitary that would not see any significant growth. Their scoring is highlighted below.

Criteria category	Evaluation criteria – what will be considered	Option A	Option B	Option C	Option D	Option E
Alignment with economic growth and regeneration ambitions and policies	• Option supports / maximises national growth ambition for the region.	4	5	4	5	5
	• Option supports the subregional growth ambitions of existing councils.					
	• Option supports specific economic growth policies (i.e. Oxford Cambridge Corridor).					
	• Balance of economic and housing opportunities within each area.					
	• Economic growth provides opportunity to reduce social – economic imbalance.					
Sector specific strategies	• Option aligns with the national sector strategies and clusters (e.g. Life science, medical science and defence).	4	3	4	2	4
	• Option aligns with strengths of different sub-economic areas.					
Transport policy other infrastructure	• Influence of transport strategy and funding (via MCA EEH and DfT).	4	4	4	2	3
	• Priorities that can align with Regional / sub national priorities.					
	• Option aligns with planning areas adopted by other national infrastructure providers (Network Rail, Highways England, Water etc.).					
Delivery / implementation	• Option aligned with existing local plan areas.	4	4	4	3	4
	• Realistic opportunity of delivering housing targets.					
	• Option area aligns with operating area of a delivery vehicle/mechanism or shared service.					
	• Option provides necessary capacity and capability to prioritise economic growth alongside other high priority services.					
	• Option provides opportunity to reduce fragmentation of services (geographically and hierarchically).					
	• Ability to develop a strong relationship with CA and Government etc. – to influence strategy and funding decisions.					
Score		16	16	16	12	16
Efficient movement / commuting patterns supporting growth (See table in appendix 3)	<p>Note: Drawing out specific elements for Huntingdonshire</p> <ul style="list-style-type: none"> • Option aligns with travel to work areas. • Infrastructure aligns with movement patterns. • Infrastructure and travel to work areas align with economic growth objectives and spatial strategies. 	5	4	5	–	

Note ref to Appendix 3

3.2 In-depth options appraisal

3.2.1 Option A – Total score: 26/30

Criteria	Score	Rationale
Economy and Housing	4	<ul style="list-style-type: none"> Supports national and economic growth policies and provides unitary authorities with equal capacity to deliver growth. Alignment of East Cambridgeshire to Cambridge over Huntingdonshire is questionable, particularly when noting the connection of Huntingdon to Cambridge through the innovation corridor. Challenges could occur when integrating the development strategies in Cambridge⁴⁴ with the paused planning framework in East Cambridgeshire.⁴⁵ Could be argued that it doesn't respect Functional Economic Market Areas, as outlined by CPIER, as it severs the Fens.⁴⁶ The option creates two unitary authorities with equal amount of turnover with Huntingdonshire and Peterborough providing high output in the North and South Cambridgeshire and Cambridge in the South.⁴⁷
Financial Resilience	5	<ul style="list-style-type: none"> The PIXEL financial management analysis has deemed the option financially viable and able to withstand financial shocks. This has been backed up by Local Partnership's analysis. Balanced resources per head at 1,023 in the South and 1,100 in the North (PIXEL). Balanced council tax per head at 677 and 577 (PIXEL). Creates two balanced unitary authorities with equal population sizes (510k North and 410k South).
Public Services	4	<ul style="list-style-type: none"> Balance of demand and need between the two unitary authorities – balance in U18 population (22.1% and 19.4%) and older population (18.8% v 17.4%) with balanced spend per resident (£857 v £677 in 2025 – Newton). Less balanced total resources compared to Option C under fair funding, with the South-East losing out under the new formulas. This could impact the delivery of public services (PIXEL). Requires the disaggregation of shared services in the South. The geography of the current Cambridgeshire North and South Care Partnerships align with the unitary boundaries proposed in Option A. However, NHS governance and the Integrated Care System are going through a period of significant change so this may not remain the case.

⁴⁴ [Greater Cambridge Local Plan: Development Strategy Update \(Regulation 18 Preferred Options\)](#)

⁴⁵ [East Cambs new Local Plan put on hold | East Cambridgeshire District Council](#)

⁴⁶ [cpier-report-151118-download.pdf](#)

⁴⁷ [Local indicators for Cambridgeshire and Peterborough \(E47000008\) – ONS](#)

Criteria	Score	Rationale
Local support & place identity	4	<ul style="list-style-type: none"> Stakeholder support for Option A is strong, off the back of the engagement survey, based off free-text comments. The disconnecting of Huntingdonshire to Cambridge doesn't respect cultural alignment, particularly in market town areas like St. Neots and St. Ives. The proposal was carried out in isolation and has had no support from other councils in the region. Potentially distils rural culture in the North by severing East Cambridgeshire from Fenland. However, keeps East Cambridgeshire's connection to Cambridge and is aligned with general travel patterns (although not as strongly as C).
Devolution	4	<ul style="list-style-type: none"> Two balanced unitary authorities that would have equal representation on the CPCA board. Less sharpened economic focus as the North would not encapsulate all of the Fens economy – potentially creating too much diversity in focus.
Stronger community engagement	5	<ul style="list-style-type: none"> The option allows for two balanced unitary authorities that could effectively deliver equal democratic representation. The new unitary authorities would need to outline an approach to stronger community engagement. However, they are of an appropriate size to bring decision-making closer to residents and maintaining district boundaries allows best practice to be developed.

3.2.2 Option B – Total score: 21/30

Criteria	Score	Rationale
Economy and Housing	4	<ul style="list-style-type: none"> Creates a larger Northern unitary with diverse sectors and lack of economic focus. Keeps functional economic market areas together allowing the ability to develop strong strategies. However, the North is potentially distilled by larger geographic area. Southern unitary faces risks around delivery capacity due to smaller scale. However, the Southern unitary does have a stronger tax base (£680 per head – PIXEL). Imbalance in housing need (3,020 vs 2,000/year) and land mass (72% vs 28%) could potentially hinder growth. Ultimately viable but potentially imbalanced.
Financial Resilience	4	<ul style="list-style-type: none"> PIXEL identifies Option B as being potentially high risk due to smaller scale in the South. It must also be noted that additional resources will be lost in the South due to the fair funding review although it may be offset by their tax base. Local Partnerships analysis raised concerns about Option B's financial divisiveness and the potential inability for the Southern unitary to deliver sufficient returns to payback transition costs. The analysis also determined that it puts all but the two least financially challenged councils at a worse starting position.

Criteria	Score	Rationale
Public Services	3	<ul style="list-style-type: none"> PIXEL has outlined the smaller scale of the Southern unitary as higher risk – particularly in relation to Children’s services and the concentration of low need. The Northern unitary is potentially too large to address key challenges like rurality within social care and could impact the cost-of-service delivery due to the widened area (requiring additional spend on properties and travel for operational assets). The Southern unitary does keep two councils together that both deliver housing stock as well as existing shared services, like planning and waste. However, it would require the disbanding of 3CICT which could pose risks during the implementation process. Overall, the option is too imbalanced to effectively deliver public services at a high standard, providing challenges to localised working in the North whilst producing a Southern unitary that has too small economies of scale.
Local support & place identity	3	<ul style="list-style-type: none"> The South does retain historical identities by creating an established ‘place’ with Cambridge City and South Cambridgeshire and the North keeps the Fens connection together through Fenland and East. Doesn’t recognise the scale and importance of Huntingdonshire. This proposal was also created in collaboration with 6/7 councils in the region. However, severing the connection between Huntingdonshire and Cambridge City does not make sense when looking at commuter data – the survey results outlined that 15% of Huntingdonshire respondents travel to Cambridge for work vs 3% to Peterborough. In the other categories of Health and Social, the same pattern occurs. There is less outright support for Option B from the stakeholder engagement results.
Devolution	3	<ul style="list-style-type: none"> The option will allow for two leaders to sit on the CPCA board. However, they will represent an imbalanced population. The North’s larger geographic scale could mean that it is less focused in terms of economic growth with too diverse a region to support. The smaller scale of the Southern unitary could be at risk of failing to accommodate its rapid growth, potentially hindering the CPCA’s plans. However, it should be noted that the Southern unitary will have a strong economic identity and focus, given its existing establishment as a FEMA.
Stronger community engagement	4	<ul style="list-style-type: none"> It will be up to the Option B proposal to outline a future approach to community engagement and neighbourhood empowerment. However, the large scale of the Northern unitary could face more challenges when implementing localised decision-making.

3.2.3 Option C – Total score: 27/30

Criteria	Score	Rationale
Economy and Housing	5	<ul style="list-style-type: none"> • There is a balance between the two unitary authorities, in terms of landmass (45% vs 55%) and housing need (40% vs 60%). Both unitary authorities are therefore well matched in terms of geographic size and future demand. • This balance allows both unitary authorities to effectively accommodate different forms of growth and urban needs can be well matched by rural needs. • The option is in line with the 3 FEMA model as it doesn't sever the Fens. • Both unitary authorities have a distinctive economic focus with similar sectors and industries – the North can effectively focus on manufacturing, logistics and housing development whilst the South is more knowledge-intensive. • Huntingdonshire and Greater Cambridge have existing complementary strengths in growth prospects. • Benefits can be felt equally across the region, with no undue disadvantage to any areas.
Financial Resilience	5	<ul style="list-style-type: none"> • The PIXEL Financial Management Report showed no signs of concern regarding the financial viability of Option C. • Current population numbers are evenly matched (424k vs 516k) with both areas expected to rise to 476k and 600k respectively by 2040. This option is therefore in line with the 500k guidance set by government. • Further analysis carried out by Local Partnerships highlighted that Option C is well-balanced, showing no cause for concern for viability.
Public Services	4	<ul style="list-style-type: none"> • Option C creates two unitary authorities with well-balanced demand forecasts, as highlighted by the Newton report. This is particularly true for Children's residential care, EHCPs and expected working age adult residential care demand. Service spending is also balanced and Option C actually sees the most savings achieved in the first year. % pop. Supported by social care is only 0.05% different between the Southern unitary authorities in A and C. • Retains existing shared services in the South, including ICT, legal services and business control. • There is a lack of alignment with ICB Place Partnerships. However, given the scale of public sector reform and the additional powers of the Mayor to serve the whole region with regard to health, this can be considered low-risk. This is bolstered by the fact that guidance states that ICB boundaries should align with strategic authorities rather than local authorities. • This option is well-balanced in terms of geographic scale, allowing for services to be delivered across a sensible-sized area. PIXEL highlighted that smaller scale authorities could have more significant spend in certain areas, such as environmental services. Increased scale works to balance this out. • Whilst there is quite a large distance between East Cambridgeshire and its anchor city of Peterborough, there is an argument that this option consolidates the best travel connections, particularly in terms of rail links and public transport. It must be caveated that each option will have long distances between anchor cities due to the rurality of the region.

Criteria	Score	Rationale
Local support & place identity	4	<ul style="list-style-type: none"> Option C maintains the connection between Huntingdonshire and Cambridge. The survey results highlighted that most Huntingdonshire residents travel to Cambridge for work, health and shopping. It also keeps the innovation zone intact. Option C has a high number of internal commuting, with 80% of residents staying in the Southern unitary and 72% of residents staying in the North.⁴⁸ Whilst this internal rate is lower than Option A, it must be noted that Cambridgeshire & Peterborough residents also have strong ties to areas outside of the region's borders. For example, the Southern unitary sees more residents commute outside the boundaries rather than to the North (14% vs 6%). The North's patterns are evenly balanced (13% vs 15%). Containment rates are therefore high whilst recognising that there will always be movement between the unitary authorities and outside the region. Strong local support from Huntingdonshire residents. Retains the rural identity of the North – addressing concerns from East Cambridgeshire and Fenland residents about being 'over-looked.' Maintains existing strong transport connections in the East and West. The option is limited by lack of partner support.
Devolution	4	<ul style="list-style-type: none"> Creates sensible economies with the potential to support ambitious economic growth in collaboration with the CPCA. Each region will be able to sharpen their focus due to strong economic alignment in the North and South. Creates balanced representation on the CPCA board with leaders representing equal populations. Does sever Ely's connection to Cambridge however it can be argued that this isn't as impactful as severing Huntingdonshire from Cambridge.
Stronger community engagement	5	<ul style="list-style-type: none"> The option allows for two balanced unitary authorities that could effectively deliver equal democratic representation. The new unitary authorities would need to outline their approach to stronger community engagement. However, they are of an appropriate size to bring decision-making closer to residents and lack of splitting districts means that best practice can be developed.

3.2.4 Option D – Total score: 15/30

Criteria	Score	Rationale
Economy and Housing	2	<ul style="list-style-type: none"> The option is in line with FEMA's and does retain a strong focus on each individual economic area. It does not create sustainable councils, particularly in the mid region, affecting the capacity of the authorities to deliver economic growth and housing. Growth in the mid will be severely limited due to geographic constraints. Whilst this will be a factor in any option, it creates an authority with no high growth areas, making it ultimately unsustainable. Creates a clear disadvantage with resources concentrated in 'Greater Peterborough' and 'Greater Cambridge.' The mid will have no anchor city for support.

⁴⁸ cambridgeshireinsight.org.uk/population/census-2021/topic-summaries/travel-to-work

Criteria	Score	Rationale
Financial Resilience	3	<ul style="list-style-type: none"> Local Partnerships analysis confirmed that the option is less financially attractive given the scale of transition costs relative to savings in two of the three councils. This must be caveated with the fact that Local Partnerships analysis of the disaggregation of deficits was based on population. However, it clearly shows an imbalance in budget position between the three. The option does not meet the 500k guideline – each unitary would see around 300k population based on current figures. Whilst this means a balance in population between the three, it does not meet the Government’s view on effective scale.
Public Services	1	<ul style="list-style-type: none"> Option D sees upper-tier services disaggregated into three unitary authorities, resulting in increased costs of implementation and over-heads given that there will need to be three directors in the region for each service. This negatively impacts sustainability. It splits districts resulting in fragmentation and increasing risks and complexity when implementing. There will be a high concentration of need in the ‘Mid’ region, particularly in Fenland, without the scale or capacity to address challenges. The South unitary still sees viability questions around their small scale.
Local support & place identity	2	<ul style="list-style-type: none"> The option is supported by several local MPs – but fails to respect Government criteria regarding splitting districts and no exceptional circumstances demonstrated. Lack of support from residents. However, this option wasn’t published when the engagement survey went out. Lack of support from council partners. Does respect the 3 FEMA model and keeps the Fens geography together in the North. However, it doesn’t respect the cultural identity and history of Huntingdonshire – splitting up a district that has been established for 50 years and severing strong cultural ties. The survey results demonstrated that a majority of respondents in Huntingdonshire stay in Huntingdonshire for healthcare, work and shopping. Splitting the district in half and removing key market town areas from the new authority makes little sense and isn’t aligned with local behaviour.
Devolution	3	<ul style="list-style-type: none"> The option would see three partners represented on the CPCA board representing similar population sizes. The option respects the 3 FEMA model and leaders would be able to sharpen their focus on regional economic issues, particularly in the ‘Mid’ region with rurality. This model could impact pipeline infrastructure projects between Huntingdonshire and Cambridge (A14 improvements) and Peterborough and Fenland (A47 developments).
Stronger community engagement	3	<ul style="list-style-type: none"> It will be up to the Option D proposal to outline their future approach to community engagement and neighbourhood empowerment. All three areas are small enough to allow localised decision-making and address key local issues. There are concerns around the capability of the unitary authorities to carry out localised decision-making and neighbourhood engagement alongside statutory responsibilities given the lack of sustainability identified above. Splitting districts means that existing footprints of community engagement in Huntingdonshire may be severed.

3.2.5 Option E – Total Score: 23/30

Criteria	Score	Rationale
Economy and Housing	4	<ul style="list-style-type: none"> Honours the FEMA's by keeping the Fens together along with Greater Cambridge and Peterborough. Maintains Huntingdonshire's borders, recognising the districts strong identity as a bridge between the FEMA's and a place that provides key infrastructure to both cities. The option is in line with the three FEMA model, building on the economies of 'Greater Cambridge', 'Greater Peterborough' and Fenland. Huntingdonshire can retain a focus on its identity and existing growth and house-building plans. However, this is off-set by limited capacity and scale to deliver. Southern unitary faces risks around delivery capacity due to smaller scale however the Southern unitary does have a stronger tax base to off-set this.
Financial Resilience	3	<ul style="list-style-type: none"> Two of the three councils are unlikely to derive a financial benefit from LGR with one likely to incur a net recurring cost due to its scale. However, all three should be financially viable with apparent opportunities to significantly grow the local tax base in the two smaller councils which could be financially beneficial dependent on the outcome of local government funding reform.
Public Services	4	<ul style="list-style-type: none"> Option E sees upper-tier services disaggregated into three unitary authorities, resulting in increased costs of implementation and over-heads given that there will need to be three directors in the region for each service. This negatively impacts sustainability. The Northern unitary has sufficient scale to address local needs and rurality challenges with an acceptable level of demand and need. The Southern unitary suffers from low economies of scale, as outlined by PIXEL, resulting in challenges around social care provision due to concentration of low need. Huntingdonshire would have smaller capacity to deliver services although it could be argued that the process of implementation will be simpler as it will only include disaggregating from the upper-tier and not bringing districts together. There will be the scope for continuation of shared-service models which can be made more possible through smaller authorities. Place-based and networked solutions may be more readily available. Prevalence is also relatively balanced based off additional Newton analysis (REF). Adds complexity to the shared service model for IT/Legal/Building Control that would need resolution.
Local support & place identity	4	<ul style="list-style-type: none"> No local support for the option and wasn't included in initial engagement, although feedback since its launch has been positive. Maintains Huntingdonshire's strong local identity and heritage whilst preserving the economic geography of the Fens and the established place of Greater Cambridge. The survey results highlighted that Huntingdonshire's residents are self-contained – when they travel out of the district, they travel to Cambridge, but Huntingdonshire itself provides work, health and shopping facilities. This option maintains travel patterns in that respect as well as the strong travel connections between Peterborough and Fenland. Severs Huntingdonshire's connection to Cambridge.

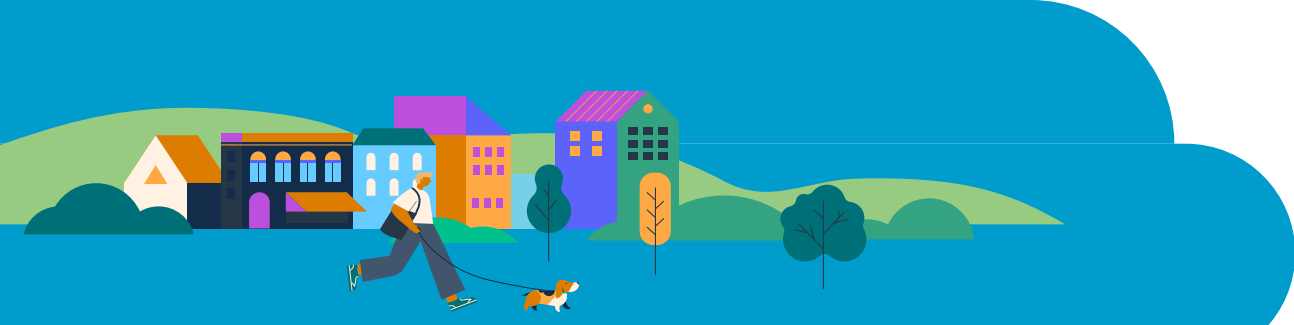
Criteria	Score	Rationale
Devolution	3	<ul style="list-style-type: none"> The option would see three partners represented on the CPCA board providing balance although they would be representing significantly different population sizes. The option respects the 3 FEMA model and could allow sharpened economic focus with rurality in the North and market towns in Huntingdonshire alongside Greater Cambridge's focus on high-tech industries. This option could impact Huntingdonshire's voice on the CPCA board, given its smaller size and scale. Allows for opportunities of shared-services to be retained/maintained.
Stronger community engagement	5	<ul style="list-style-type: none"> It will be up to the Option E proposal to outline a future approach to community engagement and neighbourhood empowerment. All three areas are small enough to allow localised decision-making and address key local issues although the North may find it more difficult due to increased size. Less sustainability could impact Huntingdonshire's ability to carry out localised engagement and decision-making. Existing methods of community engagement in Huntingdonshire could be strengthened as boundaries are intact. This includes connections across public, private and voluntary sectors which can be maintained and developed, as evidenced by work such as the Place Strate and Community Health.

3.3 Conclusion

As the above analysis demonstrates, Option C provides a strong option for unitarisation of Cambridgeshire and Peterborough as it:

- Creates two balanced unitary authorities with distinct economic focus.
 - Neither unitary is disadvantaged by the Option, allowing for both unitary authorities to have a strong focus on economic growth, building on their existing sector alignments in the North and South. The option is also in line with the 3 FEMA model and keeps the Fenland economy together in the North.
- Financial analysis has demonstrated that the option is viable and well-balanced for future sustainability.
 - This has been increased by the Fair Funding Review. Both unitary authorities are also in line with the Government's population guidance.
- Both unitary authorities have sufficient scale to effectively deliver public services with a balance of demand and need across the region.
 - Neither unitary is too small to effectively deliver social care services and it keeps other shared services together, minimising the risk of disruption.

- The option retains local identity by keeping the Fens geography together as well as ensuring Huntingdonshire's connection to Cambridge is intact.
 - Both unitary authorities have a strong containment rate for commuting, highlighting strong local identity and neither unitary is too big to retain localised, place-based working. The survey results highlighted the shared principles and concerns in both authorities as well as support from Huntingdonshire residents.
- Allows for balanced representation on the CPCA board with a strong economic identity for both unitary authorities, allowing greater focus on regional needs for investment and growth.
- The unitary authorities will be able to deliver on greater community engagement and neighbourhood empowerment due to their similar size and scale. Neither unitary will be disadvantaged regarding their capacity to deliver localised decision-making.



4. A proposal for Cambridgeshire & Peterborough – strategic case for change

Section summary

This section introduces Option C, the preferred model for reorganising local government in Cambridgeshire & Peterborough. It explains how the proposal meets the Government’s criteria across five key themes: economic growth, financial sustainability, public service improvement, democratic representation and devolution.

A vision for the future

The below sections outline the proposal for Option C and why it can deliver the best outcomes for Cambridgeshire & Peterborough. The proposal has been structured using the Government’s criteria to highlight how the option meets all the requirements. There is a focus on growth, financial sustainability, public services and devolution to make the case for Option C. This is built on by demonstrating how the proposal can also deliver strong democratic representation as well as how the stakeholder engagement exercise highlights why Option C could work for residents.

It must be noted that LGR can bring risks and as such, there are some key principles that should be kept in mind throughout the process. These principles are focused on ‘safe and delivery’ implementation and does not cover a vision for transformation. Option C delivers on these principles as it:

- Ensures safety with a focus on not fragmenting services and delivering on requirements to be 'safe and legal' on Day 1. Option C allows for equal distribution of demand and need and maintains existing shared services in the South, allowing for a smoother transition.
- Ensures sustainability through effective and balanced economies of scale delivered through balanced geographies and population sizes. The analysis has demonstrated that Option C does not disadvantage any one area and is sustainable for the long-term of the region.
- Delivers on simplifying resident engagement with councils by creating one authority that delivers all services. It allows the two unitary authorities to create one strong brand identity, one number and one website so residents, stakeholders and businesses can no longer deal with fragmented services. This joint-up working will allow for greater efficiencies and communication between services.
- It ensures alignment with key public sector partners and the national vision for greater co-ordination in service delivery. Alignment with NHS, Police and Fire boundaries means that the new authorities will be well placed to deliver on the prevention agenda. The creation of two strong economic regions allows for greater balance on the CPCA board and effective delivery of the Mayor's vision for growth in the region.

The unitary authorities at a glance

Option C North – East / Fen / Pet	
Current population	424,864
2040 population estimate	476,900
Current working age population (20-64)	57%
Current young population (0-19)	24%
Current older population (65+)	19%
Geographical area (hectares)	149,400 hectares
Population density (2025), per sq km	284.38 per sq km
Forecast dwelling growth rate	21%
Anchor City	Peterborough
% of travel to work within the Unitary area	72% work within the Northern Unitary area 15% travel to work in the Southern Unitary area 13% outside of Cambridgeshire & Peterborough area
Number of businesses per 10,000 population (2023 data)	392
Average employment rate (2023 data)	76.53%
Number of education settings	178 Early Years Settings 121 Primary Schools 48 Secondary Schools 18 SEND Schools
Highest Level of qualification	9% Level 1 11% Level 2 12% Level 3 20% Level 4+ 5% Apprenticeship

Option C South – Hunt / South / City

Current population	516,565
2040 population estimate	600,085
Current working age population (20-64)	60%
Current young population (0-19)	22%
Current older population (65+)	18%
Geographical area (hectares)	185,425 hectares
Population density (2025), per sq km	272.65 per sq km
Forecast dwelling growth rate	23%
Anchor City	Cambridge
% of travel to work within the Unitary area	80% work within the Southern Unitary area 6% travel to work in the Northern Unitary area 14% outside of Cambridgeshire & Peterborough area
Number of businesses per 10,000 population (2023 data)	417
Average employment rate (2023 data)	80.73%
Number of education settings	264 Early Years Settings 154 Primary Schools 51 Secondary Schools 16 SEND Schools
Highest Level of qualification	6% Level 1 9% Level 2 13% Level 3 35% Level 4+ 3% Apprenticeship

The above tables provide an overview of the two unitary authorities suggested by Option C. Both unitary authorities are balanced with similar prevalence for a number of indicators. For example, the age distribution of the population⁴⁹ is similar between both areas and both unitary authorities keep high levels of containment rates for commuting.⁵⁰ Population density differences are also minimal highlighting that both the North-East and the South-West have similar geographic make-ups.⁵¹

Notably, both unitary authorities are going through periods of rapid growth – by 2040, the North-East is expected to have a population of 476k whilst the South-West is expected to reach 600k. Both unitary authorities will remain well-matched in population size and the new economies of scale created through LGR will help to boost this growth even further by driving further development alongside the CPCA.

Employment rates⁵² and business numbers⁵³ are also equally matched in both unitary authorities highlighting the strong economic background of both the North-East and South-West. This is further backed by a balance in qualification outcomes.⁵⁴ However, there is an imbalance in Level 4+ qualifications due to the presence of Cambridge university in the South-West. Despite this difference, both unitary authorities will be well balanced without any significant advantages or disadvantages between them highlighting how Option C can work for the entire region.⁵⁵

It is worth noting that Option C allows a greater balance in life expectancies (see strategic context), demonstrating how both unitaries can benefit from existing good practice in health outcomes. In comparison, other options (particularly A) create a significant imbalance in life expectancy, potentially generating a greater North-South divide. Option C would therefore have the least variation in life expectancies, generating an equitable balance in outcomes.

49 [Cambridgeshire & Peterborough Insight – Population – Local Population Estimates and Forecasts](#)

50 [Cambridgeshire & Peterborough Insight – Population – Census 2021 – Topic Summaries – Travel To Work](#)

51 [Explore local statistics – ONS](#)

52 [Economic activity status – Office for National Statistics](#)

53 [Count of Active Enterprises | Cambridgeshire & Peterborough Insight – Data Explorer](#)

54 [Highest level of qualification – Office for National Statistics](#)

55 [Find Best School for Your Child](#)

Theme 4.1 – Inclusive and sustainable growth

Section summary

The Cambridgeshire & Peterborough region is a national economic powerhouse, combining world-leading innovation around Cambridge with manufacturing and agri-tech industries in Peterborough and the Fens. Option C's two balanced unitaries would align naturally with these economic geographies. One would focus on research and technology, the other on housing, infrastructure and growth. This would make it easier to plan investment, attract funding and deliver inclusive prosperity.

4.1.1 Economic landscape

The Cambridgeshire & Peterborough region has a particularly strong economic significance, contributing approximately £22–34bn annually to the UK economy. Cambridge City and the wider area is on track to become a global leader in the life sciences, food production, artificial intelligence, defence and advanced manufacturing sectors, attracting inward investment both the region and UK. Peterborough's growing bioscience and logistics sectors position it as a gateway economy. The emerging Combined Authority Growth Plan has an aim to triple the size of economy by 2050.

Maximising this growth will have a significant benefit for the UK economy and should be a test against which LGR options are considered.

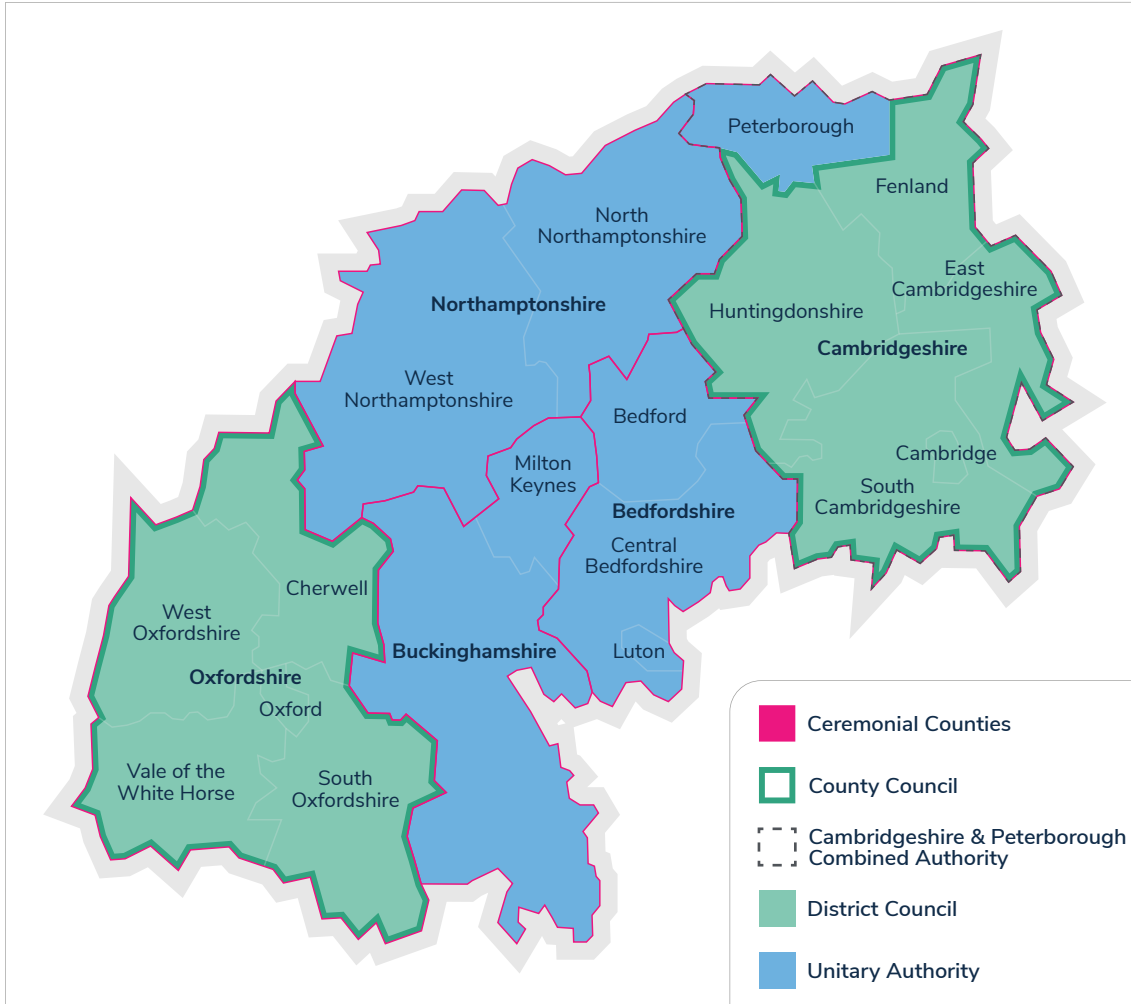
The North-East of the region has an economic engine featuring logistics, housing growth, and agri-tech, whereas the South-West, including Huntingdonshire, is the anchor of science, innovation, and R&D. This allows a 'twin growth poles' story: one focused on productivity in knowledge and innovation, the other on scale in housing, logistics, and food security. The roles are clear and complimentary.

The economic profile and different economic characteristics of the North-East and South-West subregions support the justification for the creation of two unitary authorities. In terms of the options being considered as part of LGR this is reflected to the greatest extent in Option C.

The economic growth opportunity provided by the region is underpinned and supports the National Industrial Strategy and the Oxford–Cambridge Growth Corridor (figure • below) a globally significant economic growth area between Oxford, Milton Keynes and Cambridge. The Oxford to Cambridge

Arc is intended to maximise economic growth, investment opportunities and connectivity across five counties, with the opportunity of adding over £110bn in GVA to the economy.

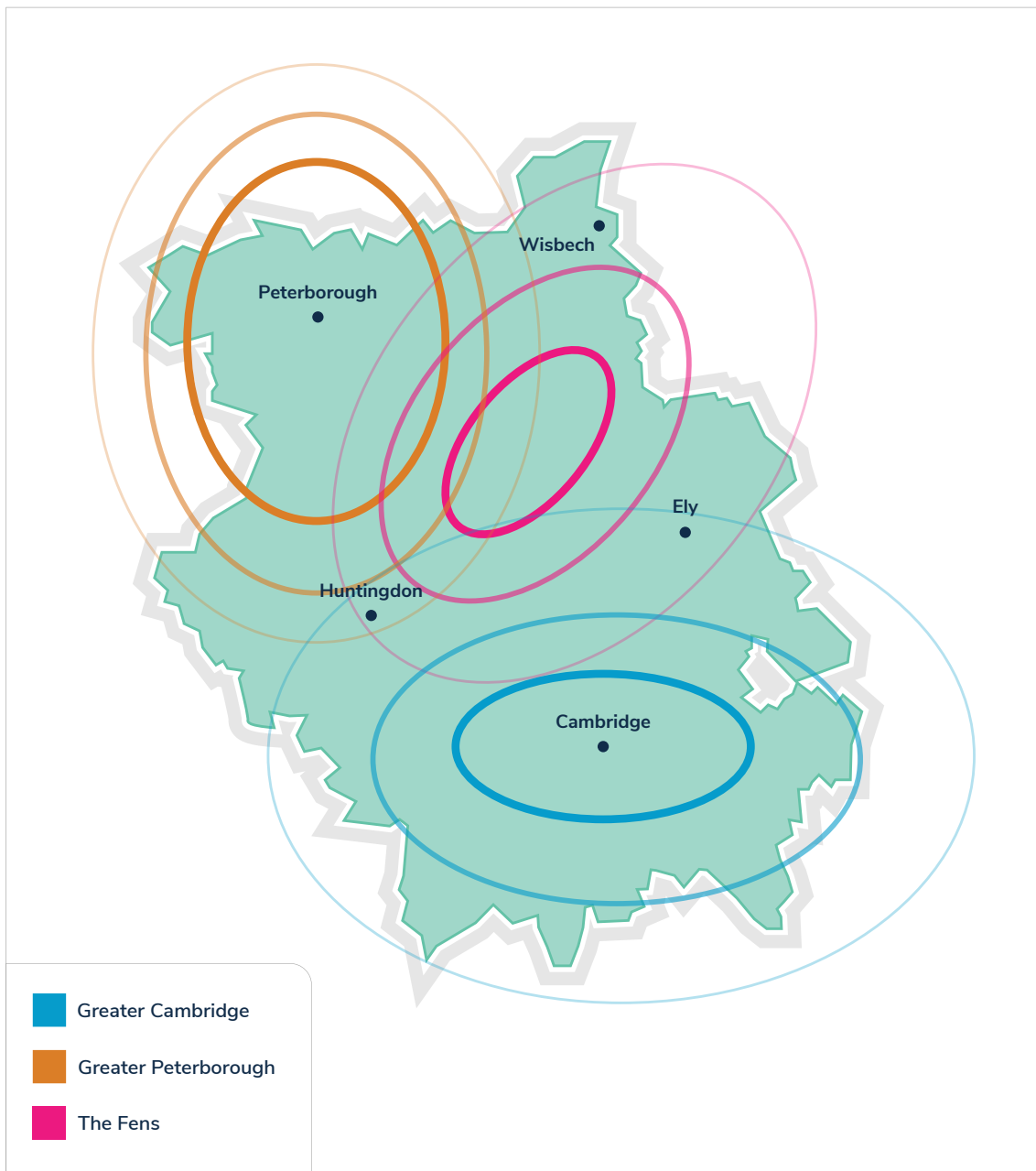
Figure [●]. Oxford-Cambridge Growth Corridor geographical area



The economic profile of Cambridgeshire & Peterborough comprises three distinct sub-economies⁵⁶ – Greater Cambridge, Greater Peterborough and The Fens.

⁵⁶ www.gov.uk/government/publications/oxford-cambridge-arc-local-industrial-strategies/cambridgeshire-and-peterborough-local-industrial-strategy

Figure •. Map of the three main sub-economies of the Cambridgeshire & Peterborough region.



Greater Cambridge is one of the UK's most dynamic and high-growth economic areas, centred around the city of Cambridge, with key economies focussed on:

- Knowledge and Innovation Economy ('Silicon Fen' & Biotech and Life Sciences).
- Higher Education and Research.
- Professional and Financial Services.
- Tourism and Culture and Property and Construction.

The key economic sectors for Greater Peterborough are Logistics and Distribution supported by its location in the cross hairs of major North-South and East-West transport corridors. It is also a centre for advanced

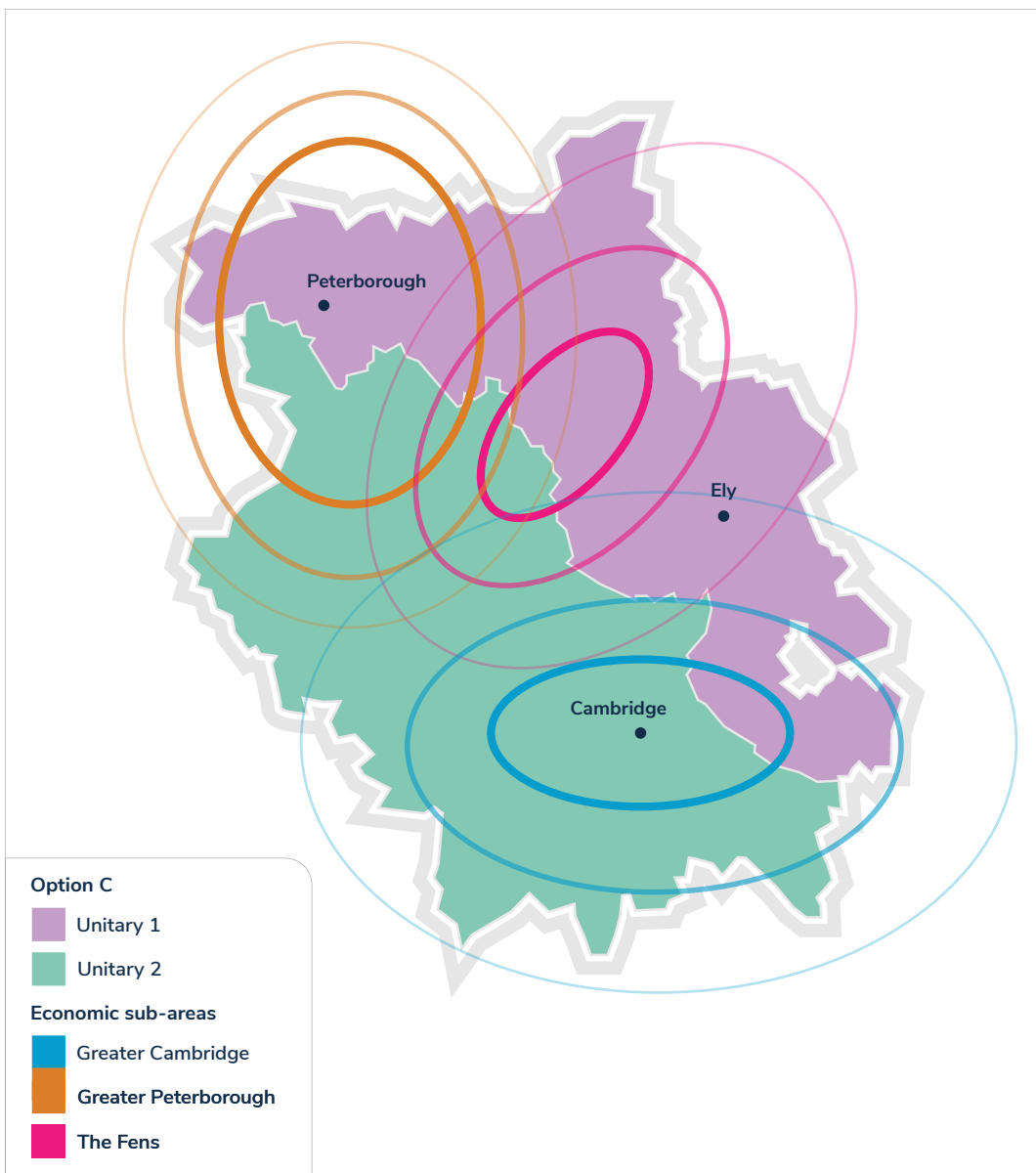
manufacturing and engineering, digital and environmental technologies, retail and services, and construction and housing with a strong public sector and education sector.

The Fens has a more rural focus with agriculture and agri-tech providing an opportunity for growth complemented by a broad range of key economic sectors covering food processing and packaging, logistics and freight, rural tourism and heritage, and energy and environment.

In the current Local Government structure, the council areas can be seen to complement each other economically. This provides the base on which to build in the future.

The map below shows where the footprints of the two Option C unitary councils would sit in relation to these three economic areas.

Figure [•]. Economic sub-areas and Option C boundaries.



The region's employment rate stands at around 78%.⁵⁷ This is above the national average (c. 75%). Its unemployment rate is lower than the national average (c. 2.2% vs 3.5%).

Within the region, there are some notable features which highlight features of the economy and differences in opportunity across the region. South Cambridgeshire boasts employment rates that are amongst the highest in the UK—about 83%, median weekly earnings in the Greater Cambridge area are exceptionally high when compared to the national average i.e. around £709 vs national average of £575.⁵⁸ The different opportunities across the regions are illustrated by the educational and skills deficiencies apparent in Fenland.

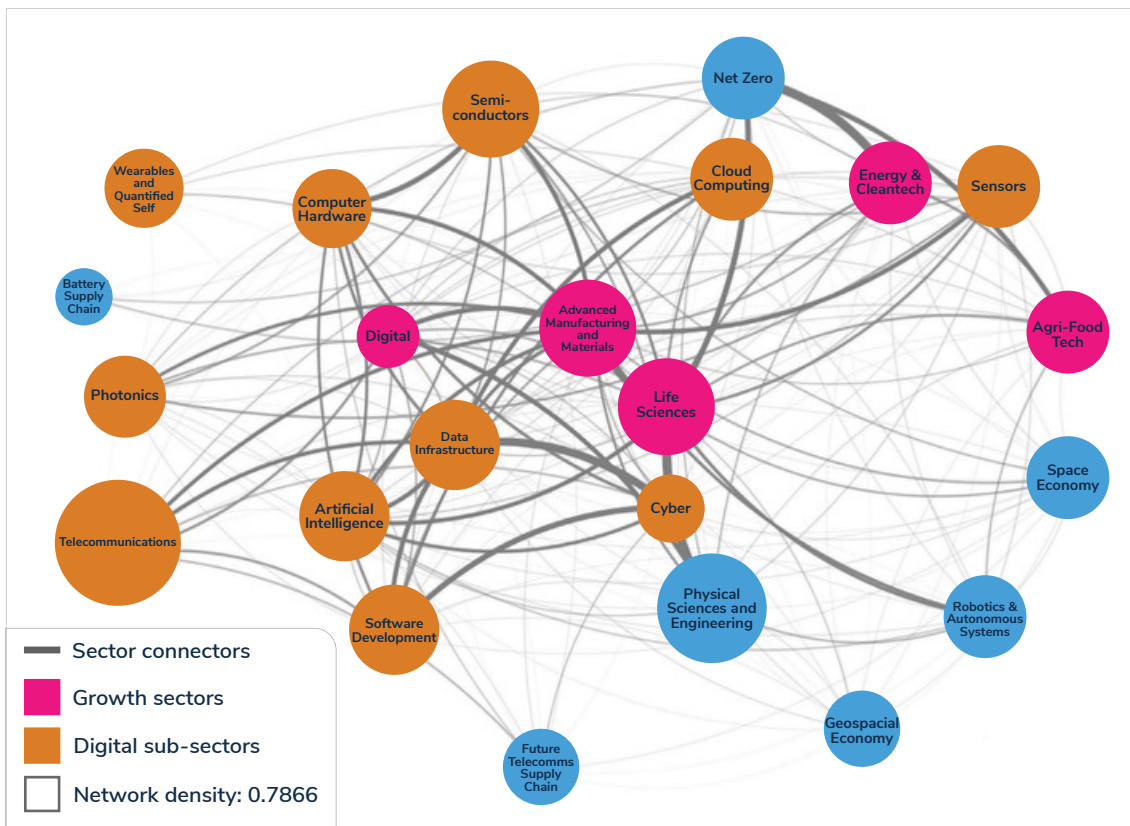
Whilst the regional economy can be divided in to sub areas, there are links which underpin the Cambridgeshire & Peterborough economic area as a whole. With growth in one area and sector providing benefit across the region.

The diagram below shows the large network of relationships across the various sectors. Where one sector is growing, it supports the growth and development of another through interconnected industries, talent pools and supply chains. With many different innovation parks, academic resources, research facilities, and manufacturing operations in such close proximity, the sector relationship network is dense and strong. This drives growth by allowing easier collaboration, knowledge sharing, and synergies that provide a multitude of high-level jobs attracting investment and in turn more innovation. It extends beyond the boundaries of the two main growth poles across the region.

⁵⁷ [Local Government Association Office for National Statistics/Office for National Statistics](#)

⁵⁸ [Institute for Government GOV.UK](#)

Figure [●]. Sector Relationship Network – CA Local Growth Plan.



4.1.2 Economic opportunities through simpler governance structures and joined-up services

The LGR Economic analysis report commissioned by Huntingdon District Council in the summer of 2025⁵⁹ highlighted that opportunities exist to simplify governance structures with the creation of two unitary authorities, with a North-Eastern and South-Western Unitary, as in Option C, being able to capitalise on realigning and refocusing the three existing sub economies.

This simplification has the potential to feed through into simpler decision-making opportunities benefiting inward investment and infrastructure funding. In this respect two balanced authorities with the necessary delivery capacity have advantages over either two authorities, with one large and one small, or three smaller authorities.

⁵⁹ LGR Economic analysis – alignment of economic policies against options report, Local Partnerships, 2025

link
needed

This simpler decision making will be important in resolving a number of infrastructure constraints including water and power. Whilst these apply to the region as a whole Huntingdonshire's role in the new structure will be important in resolving them, both in terms of land and leadership.

The two unitaries would have complementary roles in relationship to Option C and in relation to sector specific strategies. The North-Eastern Unitary could have a focus on housing, regional growth and infrastructure, whilst the South-Western Unitary focus would be principally on high-tech jobs, connectivity, life sciences and innovation – supported by housing growth. Both could develop the necessary services and delivery capacity. Specifically planning and regulatory services could develop operational specialisms in these sectors within the two new councils, and in turn more effectively supporting the growth ambitions of both business and CPCA. This would optimise the use of existing capacity and capability both before and after transition to the new authorities

Option C avoids an over-concentration of investment in one area (as per Options A/B) and instead creates balanced growth opportunities north and south. Both Unitaries already have distinctive, well-performing clusters as identified in the CA Local Growth Plan. With Government endorsement and investment to support strategic economic growth through the National Industrial Strategy, Oxfordshire-Cambridgeshire Arc,⁶⁰ CPCA Economic Growth Strategy and the Local Growth Plan. The two unitary proposals present an excellent means of capitalising and delivering on the growth potential.

Under Option C, a North-Eastern Unitary with greater focus on housing, regional growth and infrastructure would be able to take advantage of the link to Homes England Strategic Plan 2023- 2028 priorities and Homes England Strategic Place Partnership (the latter being a key mechanism in delivering CPCA's housing and infrastructure objectives). There is a strong recognition that boosting diversification in the housing sector and stimulating private-sector investment, especially enabling SMEs to increase involvement in the sector, and promote the use of modern methods of construction would be critical to delivering the region's housing growth. This Unitary covers a large and diverse supply chain; growing, manufacturing base and housing delivering. Achieving a high level of growth will provide the opportunity to develop and fund the supporting public services required in the area.

Similarly a South Western Unitary, focusing more specifically on life sciences, innovation and high- tech connectivity can capitalise on the link to National Industrial Strategy priorities being tailored locally to emphasize life sciences, advanced manufacturing, AI, and food production, with actions to improve

⁶⁰ www.ft.com/content/57286a31-9a56-4a1c-a253-2a3ea7178519

skills, infrastructure, and productivity, and the Government's significant investment, for example, £500m Greater Cambridge City Deal and £600m Devolution Deal, dedicated to infrastructure, skills and doubling the area's economic output over 25 years.

Strategic transport links and connectivity are an important enabler and the South-Western Unitary would be in full control of the Guided Busway for example, (which simplifies planning governance and investment) and is well placed to deliver the Government commitment to advancing the East West Rail (Oxford–Cambridge) to unlock productivity and innovation along this science-rich corridor. Around £78bn of GDP could be added to the UK economy by 2035 according to research commissioned by the Oxford-Cambridge Supercluster Board.

The South-Western Unitary, focused on existing Huntingdonshire area, includes the recently upgraded A14. This is a key piece of infrastructure linking the different opportunity zones identified in the Local Growth Plan, and also a key link improving the accessibility of rural parts of the region such as Fenland.

4.1.3 Cambridgeshire and Peterborough Local Growth Plan

The emerging Local Growth Plan reflects both the economic opportunity of the area as well as Government aspirations and priorities. Option C has a clear alignment with both.

The Local Growth Plan illustrates three growth scenarios to 2050, ranging from a GVA increase to £42.5bn, with business as usual, to £97.2bn, for the high growth scenario. Maximising growth is clearly a regional ambition which aligns with national policy. Whilst none of the LGR options bring with them an increase in the constituent economic assets or tools, it is likely that different options will have an impact on the extent to which achieving maximum growth is supported.

In this context it can be argued that Option C is the option which most supports the regional and national growth ambition.

In terms of the opportunity zones identified in the Local Growth Plan there is a very close alignment between the North Huntingdonshire Growth Cluster and Global City Cambridge. Both areas have a sector focus including life science, defence and advanced materials and manufacturing. Within the South-West authority Huntingdonshire would take a leading role in terms of defence growth opportunities – one of the few areas where growth could be underpinned by significant increases in public sector spending. As highlighted in 'Huntingdonshire: Supporting defence and Accelerating Economic Growth' sites such as RAF Wyton provide the opportunity to attract new investment, support existing defence activity and develop new defence related supply chains All provide the opportunity to develop knowledge intensive

industries to benefit the region. Option C would create a new authority that could focus on this growth, invested in helping to deliver this element of Combined Authority's economic policy.

Within the new authority, the Huntingdonshire area would have both a complementary and bridging role to the Cambridge City and wider area. It could provide alternative and affordable delivery solutions to the three key sectors underpinning the opportunity zones. It could also provide supporting infrastructure, supply chains and housing, based on the interventions and projects already identified in the Local Growth Plan (and spatial plans). The rationale for this activity would be clear, and self-evident to government, infrastructure providers and private sector investors. It would also be significantly more powerful in terms of delivery capacity and robustness than a small authority only covering the constrained area of Cambridge City and its more immediate surroundings.

Option C would also enable the wider area of Cambridgeshire & Peterborough to better benefit from the growth generated by this growth strategy. In terms of placemaking and reducing inequality, success is often based on using areas as stepping stones, or bridges between the areas of greatest inequality. A unitary authority including the existing Huntingdonshire area could perform this function by delivering Combined Authority policies on economic growth, accessibility, educational attainment and health outcomes.

Alternative options would create unitaries featuring conflicting priorities and reduce any cross- subsidising merits that could come from coupling them together. Such an approach is also likely to undermine the regional and national growth ambition and the objective of delivering GVA of £97bn by 2050.

An issue exists that will need to be resolved which ever option is selected – how investment is prioritised across the new authority areas and region, when the main determinant i.e. BCR tends to be highest for projects focused in and around the Cambridge City area. This will need to be resolved by the two new authorities as well as by the Combined Authority. Using a football analogy, how do you value the 'assists' alongside the 'scorers'?

4.1.4 How can Option C deliver for all areas in Cambridgeshire and Peterborough?

The proposal for Option C to form two new unitary authorities seeks to reflect the interests, strategic priorities and ambitions of each council and positive outcomes for each local authority. The region has recognisable economic geographies and places. Their distinct identities complement one other, and the ambition is to complement each other in the future to support regional growth.

The North-Eastern Unitary could see the creation of significant capacity for housing delivery and logistics and fulfil a strategic role in agri-tech and food security. It could also serve as the housing and logistics engine for wider regional growth and help strengthen skills and employment access via links to Cambridge's innovation economy. This unitary would be able to focus on the issues of educational attainment and connectivity providing a key role in reducing inequality within the region.

The South-Western Unitary would represent an anchor authority for the country's innovation and R&D economy. It would support the Oxford–Cambridge Arc vision and work to build upon Cambridge's reputation as a global science and tech leader. Within this new authority, the Huntingdonshire area offers growth potential via land availability which can support key sectors with complementary and affordable development opportunities – helping to balance and support economic growth more widely. It is not just growth but reducing the gap between the two in terms of deprivation, raising Fenland and Peterborough's performance, while allowing the South-West to keep scaling its global knowledge economy.

4.1.5 Key and emerging sectors in the North-East and South-West unitary areas

The analysis of economic sectors undertaken by England's Economic Heartland (EEH), the Sub-national Transport Body spanning the existing Combined Authority area and wider sub-region, highlights sectoral strengths across both proposed councils (Connecting Economies, 2024). Similarly, the Innovation Clusters Map prepared by the Department for Science, Innovation and Technology (DSIT) identifies the extent and strength of existing sectoral footprints within the geographies under consideration; this includes across local authority boundaries as well as concentrations of specific sectors.

Across the entire geography under consideration there are currently two distinct Innovate UK (IUK) clusters; one concentrated around Peterborough to the north and Cambridge (including Huntingdon) to the south, respectively. Both are classified as 'Research and Development Collaborating' clusters.

Table [●]. IUK Funding. (Source: DSIT, IUK funding data to January 2023).

Breakdown of Innovate UK funding across both Clusters	Peterborough Innovate UK cluster	Cambridgeshire Innovate UK Cluster
IUK funding (% of all companies across the UK)	0.3%	2.4%
Companies benefiting from IUK funding	133	988 companies
Estimated number of employees benefiting from IUK funding	24,500	40,700
Collective company turnover IUK recipients	£5bn	£18bn
IUK Funding distribution by company size (where known)	28% established 9% scale up companies 14% SMEs 12% start-up	16% established 19% scale up companies 21% to SMEs 23% start-ups

There are sectoral similarities in both Peterborough and Cambridgeshire clusters; namely, Life Sciences, Food Technology, Net Zero, Digital, Cyber and Electronics Manufacturing. Specifically, Peterborough also has a distinct and growing Bio Science sector. Alongside this, there is evidence of clearly defined and concentrated sectoral footprints in the south of the geography across multiple sectors including Advanced Materials, Advanced Manufacturing, Photonics, Quantum Economic, Medical Technologies, Omics (Biochemical), Pharmaceuticals, Computer Hardware, Agricultural Technology, Artificial Intelligence, Clean Tech, Telecommunications and Life Sciences (Source: DSIT Innovation Clusters Map).

This current level of economic activity coupled with significant public investment in innovation demonstrates the presence of two distinct and high performing clusters when compared to other clusters across the UK. This provides a strong foundation to enable economic growth across established and emerging sectors under the proposed governance arrangement.

Overall, Option C could make it simpler for stakeholders to understand, engage and work with the authorities through the creation of a brand identity with a clear and distinguishable brand for each council area. This is also supported by the sector analysis from ‘Cambridge Ahead’ which highlights that over the past decade sectoral clustering has increased. Supporting the existing clusters

and providing an economic bridge to the surrounding parts of the region is a realistic approach to maximising the benefit of growth.

4.1.6 How Option C can provide capacity to deliver economic growth

All the existing councils have demonstrated strong capabilities to plan and agree a local economic strategy, define clear economic priorities and develop and deliver projects in accordance with local, regional and national strategies. They each ensure that pipeline projects within their respective local authority boundary or cross-boundary are captured by the Cambridgeshire & Peterborough Combined Authority to ensure effective monitoring and engagement with national infrastructure partners and central government.

Following reorganisation, the two new unitary councils would continue to work proactively with CPCA to secure further funding, progress project delivery and ensure economic benefits are realised to maximum effect. Under any new governance arrangement, they will remain resolute in retaining enablement and delivery of economic growth as a guiding and core principle.

As already highlighted, Option C provides the opportunity to use existing delivery capacity most efficiently. The scale of the two authorities will enable them to dedicate the necessary resources to economic growth. The division and different economic opportunities will enable each to focus and develop more specialist skills and knowledge. All of these factors make it more likely that this option will support the maximisation of growth in the region.

4.1.7 The importance of place connections

As Cambridge is the major employment hub in the region, large numbers of people travel from South Cambridgeshire, East Cambridgeshire and Huntingdonshire into Cambridge daily for the innovation sectors and universities. The Guided Busway and key roads support this flow.

The travel data shows that both Unitaries are very self-contained in terms of commuting compared to some areas. The North-West Unitary has an internal containment rate of 78% with inbound commuters (40,000) coming mostly from South Kesteven. The South-West Unitary also has a containment rate of 78% with inbound commuters (72,000) coming mainly from West Suffolk. (source: Local Partnerships Travel to Work Analysis).

This supports the case for Option C, which keeps the City and commuter belt areas within what would be the South-West Unitary and will support the development of a cohesive strategy for transport, housing and skills. In what would be the North-West Unitary, Peterborough attracts commuters from the more residential district council areas of Fenland and East Cambridgeshire to work in priority sectors such as manufacturing and logistics.

The alignment of land use, housing, and transport planning can be jointly managed by the two new unitary councils to reduce congestion and support workforce needs, with each developing a focus on the sectors specific to their area to support local employment and productivity.

4.1.8 How can Option C help deliver pipeline infrastructure projects?

The Cambridgeshire & Peterborough Combined Authority Pipeline Tracker consolidates approximately 140 pipeline projects across all relevant local authorities; detailing project type, project status and potential project value coupled with other known expected outputs and benefits.

Based on available project data as of August 2025, Option C results in 51% (61) of all projects falling in the north (U1 option) and 49% (59) of projects in the south (U2 option). Similarly, under this option, 60% (27) of infrastructure projects would be captured in the north and 40% (18) in the south. By comparison, options A and B, would result in a less balanced apportionment of projects with the number of projects for Option A at 60%:40% and Option B, 70%:30%. Under Option A, 64% (29) of infrastructure projects would fall under option U1 with 36% (16) under option U2. Overall, Option B could potentially lead to a less balanced apportionment of infrastructure projects with 76% (34) located under Option U1 and 24% (11) under Option U2.

Of the known total value of projects, Option C results in a significant proportion of potential investment in the north (77%) to the benefit of Peterborough, Fenland and/or East Cambridgeshire. Similarly, Option A could potentially result in 78% of investment in the north.

Table •: Pipeline tracker (Source: Analysis of CPCA Pipeline Tracker, August 2025)

	Option A		Option B		Option C		Option D		
	U1	U2	U1	U2	U1	U2	U1	U2	U3
Overall distribution of pipeline projects (%)	60%	40%	70%	30%	51%	49%	34%	31%	35%
Distribution of infrastructure projects by total	29	16	34	11	27	18	19	15	14
Potential investment (%)	78%	22%	79%	21%	77%	23%	4%	75%	21%

As CPCA would act as Sponsor for specific projects, with the local authority acting as delivery lead, no option would significantly hinder the delivery of existing or planned infrastructure arrangements.

It is important to stress that the Pipeline Tracker provides a snapshot of pipeline projects to date, and this will fluctuate based on project progression, approvals and prioritisation against combined authority and local strategic objectives, respectively.

At both the authority and regional level partners will need to continue to work to ensure that an equitable share of infrastructure and other investment is delivered in both unitary areas. Both private and public sector needs to be understood in the context of return on investment. In many cases the benefit cost ratio (BCR) used to assess public sector investment will be easier to demonstrate in the Cambridge area. This should not be to the exclusion of other investment that will assist growth and contribute to the wider objectives for the region.

4.1.9 The importance of housing

All three authorities in the North-East Unitary have significant housing growth ambitions reflected in local plans via large scale developments, emerging new settlements and targeted growth supported by local plan allocations and housing approvals.

- Peterborough is pursuing a high rate of delivery through large-scale settlements and annual targets of over 1,000 homes.

- Fenland is focusing on concentrated growth, supported by both Local Plan allocations and housing approvals across the district.
- East Cambridgeshire is accelerating delivery via emerging new settlements and evolving Local Plan objectives.

With respect to the South-West Unitary, the merging of the three existing authorities provides the opportunity to enable the delivery of sustainable housing, with access to community and social infrastructure. This will meet the needs of existing residents and support the economic growth of the area. The Greater Cambridge Housing Strategy (2024–2029), identifies the key objectives for increasing overall housing supply with an emphasis on affordable homes and meeting diverse housing needs. Greater Cambridge has increased its housing target significantly, driven by a need to address affordability, sustainability, with several large-scale development projects. Huntingdonshire is scaling up its delivery ambitions, aiming to increase completions to meet future population and housing demand, via a new local plan. The Huntingdon Housing Strategy 2020–2025 (mid-term review) highlights the capability that the area will bring to housing delivery. It highlights that key actions around affordability and needs of specific groups have been achieved. This has been parallel to the ongoing delivery of strategic sites and the general housing targets set by the Huntingdonshire Local Plan (2011–2036).

Housing ambitions are facilitated by Option C in the following ways:

- Growth prospects supported by complementary Huntingdonshire and Greater Cambridge strengths.
- New unitary boundaries aligning with local plan areas and facilitating improvements in cross boundary coordination.
- It makes land available to support housing growth and underpin economic development.
- Creates moderate to high potential to meet housing targets, which can be readily managed.
- Housing delivery will be integrated with infrastructure and transport improvements.
- Enables consistent approaches to affordability, design quality and environmental standards.
- Supports Homes England CPCA Strategic Place Partnership initiative.

To meet the local growth plan, sufficient affordable housing will be needed. This is particularly the case in the North-East, which is very people-centric, with industries reliant on people being located nearby. The South-West by contrast is more tech-focused with workers more widely spread and drawn from a wider travel to work area.

The larger geographic area provides more scope to deal with these housing needs and challenges, balancing challenges and opportunities linked to varying values across the area.

4.1.10 Transport and connectivity

Two unitary councils will be simpler than three to administer from a transport perspective. Having a simpler structure will also help to provide more cohesion with regional planning, to be able to negotiate with the CPCA and other bodies such as Highway England. However, Option C will result in the county priorities splitting, with the South-West Unitary focusing on innovation and high-tech connectivity. There will be the ability to pull different levers to support growth and streamline processes such as highways consents alongside planning which could reduce time and cost of work.

The Guided Busway sits entirely in the proposed South-West Unitary, simplifying governance, investment, and planning for its future expansion. The North-East Unitary has capacity for new housing and infrastructure beyond that unlocked by existing Levelling Up funding. Transport planning will need to be cognisant of development proposals that emerge on the back of such investment, and also the desire to support the further growth of the logistics sector.

Overall, the North-East, South-West split enables strategic investment and should mitigate against planning friction with the latter more focused on growth emerging from Cambridge while the former looking to develop wider connectivity into the Midlands. There will, however, be a need for collaboration on certain major transport infrastructure such as the A14, for example, which is the backbone across the whole region. This will also be the case for the A142 which will have to play an important role in linking Fenland and East Cambridgeshire to the A14.

4.1.11 Challenges that Option C can effectively address

The Cambridgeshire & Peterborough region is home to both high-growth economic areas (such as Cambridge and Peterborough) and economically challenged places (such as parts of Fenland and Huntingdonshire). Option C addresses challenges of economic growth in the following ways:

- Providing scale and leadership needed to attract public and private investment into key growth corridors, including the A14, A47, and the Oxford–Cambridge Arc.
- Creation of two larger authorities with more financial resilience and capacity to respond to opportunities and potential threats in relation to economic growth.
- Creates simpler, more effective local governance structures.
- Removes duplication and complexity, fragmented economic governance.
- Drives forward long-term housing and economic growth ambitions with clearer strategic alignment and unlocks full potential of innovation clusters.
- Positions both Unitaries to better engage in future infrastructure funding opportunities.
- Provides an efficient structure to help engage with infrastructure providers, enabling the delivery of infrastructure which could otherwise become a barrier to growth. This is particularly relevant in relationship to water and power where land and connections are required.

The North-East Unitary has a focus on building upon key regional strengths in logistics and agri-tech. It has regeneration potential through targeted investment and new housing delivery including the supply of affordable housing to underpin economic growth and prevent economic disparities between the two unitary areas.

The South-West unitary provides innovation-led growth, an R&D hub and a corridor anchor, with land availability to facilitate housing and commercial growth which in turn enables more efficient leveraging of the Cambridge innovation cluster.

In each area these will support the building of a brand with businesses being able to engage with a single authority to good effect as a unified voice.

Theme 4.2 – Financial sustainability

Section summary

This section looks at the financial sustainability of Option C. Having just one council might seem cheaper on paper, but it would be too large and difficult to manage effectively. A three council model was also tested, but found costly to set up and slow to pay back.

Option C offers the best balance, spreading savings more fairly and creating a more stable outcome for residents. The change would cost around £14m to deliver but is expected to save about £6m a year, paying for itself within four years.

There will be some extra costs from separating existing county services like staff, systems and assets, but these are likely to be lowest under this option. Overall, the region's reserves and debt levels are healthy. While council tax changes will need careful management, the financial case for Option C is strong and achievable.

4.2.1 The financial benefits of Option C

Instinctively, the cost base of a single unitary for the entirety of the region should be lower than the cost of two or more unitaries and this is illustrated through the work of the County Councils Network and PricewaterhouseCoopers.⁶¹ Although there are larger savings in management and back-office costs with a single unitary, there are wider financial and non-financial costs from operating a single authority across such a significant geography that need to be taken into account, and which make a two unitary option preferable. The reasons for this are explored in Section 3 – Option appraisal.

⁶¹ countycouncilsnetwork.org.uk/updated-financial-analysis-evaluating-the-importance-of-scale-in-proposals-for-local-government-reorganisation

It should be noted that a three unitary option has been subject to a high-level assessment based on the following configuration:

Option D

Unitary 1 Peterborough / Huntingdonshire – partial

Unitary 2 Fenland / Huntingdonshire – partial / East Cambridgeshire

Unitary 3 South Cambridgeshire / Cambridge City

Option E

Unitary 1 Peterborough / Fenland / East Cambridgeshire

Unitary 2 Huntingdonshire

Unitary 3 South Cambridgeshire / Cambridge City

However, the level of apparent recurring savings relative to the transition costs involved in establishing Unitary 2 and Unitary 3 gave insufficient confidence that those councils could get to a net benefit, positive payback position within a sufficient time period of five years. Hence, this option has not been progressed.

A two unitary option based on Huntingdonshire being part of a South-West Unitary, along with South Cambridgeshire and Cambridge City, should deliver a similar level of benefits in total as the other ‘two unitary’ options under consideration.

The preference for the combination under Option C, i.e. combining Huntingdonshire with Cambridgeshire City and South Cambridgeshire is based upon three reasons.

Firstly, it results in a more equitable distribution of the savings across the North East and South-West unitaries. This is largely a result of the greater scale that is created in the South-West Unitary by coupling Huntingdonshire with Cambridgeshire City and South Cambridgeshire rather than East Cambridgeshire, the only geographic but smaller alternative as proposed under Option A.

Secondly, having an additional district alongside Cambridgeshire City and South Cambridgeshire results in a more equitable impact for council taxpayers, in terms of the projected general fund positions of the new councils, compared to the positions projected by other options and the position if LGR did not occur.

Thirdly, it eliminates the payback concern that exists for a two-district unitary as proposed under Option B and which was part of the reason, as noted above, that the three unitary option was dismissed.

4.2.2 Estimated transitional costs, ongoing costs, and ongoing savings, using the CIPFA model

In estimating the transition costs for Option C, an assessment was undertaken of the level of management resource that each unitary council would need, relative to what exists currently across the seven existing councils. The resulting saving would be dependent on a redundancy programme and an approximate cost has been computed for that. A proportion of the staff being made redundant may be eligible for retirement benefits which would produce an additional pension cost and an approximation has been included for that too. Under wider transition costs, account has been taken of the need to resource:

- Public consultation.
- The creation and operation of shadow councils.
- Induction of new staff and members.
- Recruitment.
- A transition programme.
- Changes to ICT systems.
- The closedown of legacy councils.

There will also be the cost of reconfiguring service provision which could be significant and for which no assessment has been made at this stage. It would be expected that the payback economics would be tested as part of service level business cases. These will start to be commissioned once a decision is made on the unitary models being taken forward.

On the same basis, the savings that have been assessed exclude those that could come from reconfigured services. The savings that are included account for expected reductions in:

- Management resource.
- The cost of the democratic function, principally councillors and therefore the cost of allowances.
- Third party spend.

It may be that once new delivery models are defined capital may be realisable from the administrative and operational property portfolio, but experience from other authorities indicates that this can take a significant period of time and beyond five years post-merger to achieve. The prevailing, post-pandemic, operating model for councils means that staff reductions arising from reorganization are unlikely to generate any further property mothballing savings of significance beyond those achieved already.

The table below is taken from the completed CIPFA Financial Template model and summarises the modelled estimates of costs and savings described above.

Table [x]: Summary profile of projected savings and transition costs.

Financial information	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
	1 Apr 26 to 31 Mar 27	1 Apr 27 to 31 Mar 28	1 Apr 28 to 31 Mar 29	1 Apr 29 to 31 Mar 30	1 Apr 30 to 31 Mar 31	1 Apr 31 to 31 Mar 32	1 Apr 32 to 31 Mar 33	1 Apr 33 to 31 Mar 34	1 Apr 34 to 31 Mar 35	1 Apr 35 to 31 Mar 36	1 Apr 36 to 31 Mar 37	Total Year 0 to Year 10
Set up transitional costs (without inflation) £'000s	Sign convention: additional costs or loss of income are +ve.											
Total	-	7,024	5,956	-	-	-	-	-	-	-	-	13,980
Annual on-going incremental costs (without inflation) £'000s	Sign convention: additional costs or loss of income are +ve.											
Total	-	-	-	-	-	-	-	-	-	-	-	-
Annual on-going incremental benefits/savings (without inflation) £'000s	Sign convention: savings -are +ve in brackets.											
Total	-	-	(3,572)	(6,395)	(6,350)	(6,305)	(6,261)	(6,218)	(6,218)	(6,218)	(6,218)	(53,754)
Grand total	-	7,024	3,384	(6,395)	(6,350)	(6,305)	(6,261)	(6,218)	(6,218)	(6,218)	(6,218)	(39,774)

The table shows that upfront costs have been modelled of c. £14m during the shadow council and first year of unitary operation with recurring savings starting in the first year of unitary operation and maximising in the second year at c. £6.2m per annum.

4.2.3 Expected payback period

The CIPFA template table above shows that the total transition costs of £13.98m are distributed across two years, the first representing the year of the shadow councils and the second year representing the first year, post Vesting Day.

There are immediate recurring savings in the first year, largely attributable to staff and councillor allowances, which increase into the second year and are supplemented from the savings from third party spending as a result of scale economies secured through re-procurements and contract negotiations.

This profile achieves payback in year 4 of the analysis which equates to year 3 of the new council's existence.

4.2.4 Estimated disaggregation costs of County functions

Irrespective of the two unitary option that is ultimately chosen, the strategy for disaggregating the functions of the county council will be the same. In practical terms, the operational footprint of Peterborough City Council's tier one level services will expand across the district areas that fall into the North-East Unitary and the footprint of the county council's services will contract back to the footprint of the remaining district areas that create the South-West Unitary. The main financial implications of this are with respect to the workforce, systems, assets and associated borrowing as detailed in the table below.

Table [x]: disaggregation costs

Element	Financial implications
Workforce	<ul style="list-style-type: none"> The North-East Unitary will contain a mix of city and county council staff performing the same roles on different terms and conditions. Terms and conditions will need to be harmonised as part of a wider programme of work involving service re-design and job evaluation. <p>It is worth noting the potential timescales involved with this recent example taking place six years after the new councils came into being as a result of LGR.⁶²</p> <ul style="list-style-type: none"> There will need to be an actuarial assessment of how the assets and liabilities of the county pension fund that Peterborough and the five districts all participate in are re-assigned across the North-East Unitary and South-West Unitary based on current and past employees. <p>It is expected that the South-West Unitary will inherit the administering authority responsibility for the pension scheme.</p>

⁶² bcpcouncil.gov.uk/news-hub/news-articles/trade-unions-accept-new-proposal-on-new-pay-structure-for-bcp-council-staff

Element	Financial implications
Systems	<ul style="list-style-type: none"> • The transition phase will require data sharing protocols to cover data transfer exercises and access rights to legacy council systems. • There will be a period where both new councils will need access to legacy systems which will increase licensing costs. • Legacy systems will also need upgrading and potentially replacing to accommodate the needs of the new councils.
Assets	<ul style="list-style-type: none"> • The ownership of county council assets located within the footprint of North-East Unitary will need to be transferred and will include a number of depots, offices and libraries.
Debt	<ul style="list-style-type: none"> • An exercise will need to be undertaken to assign borrowing linked to transferring assets. This can be a complex exercise and has proved difficult for other local authorities formed through LGR.⁶³

At this stage, there has been no quantification of the costs involved in the above work. However, much of it will cost the same regardless of which option is chosen. There are some costs that will be driven by the scale of the North-East Unitary. For example, the more officers that transfer from the county into the North-East Unitary, the larger the likely costs of terms and conditions harmonisation. The county also has existing shared service partnerships with other existing unitary councils which are likely to remain more economic for the South-West Unitary to retain, rather than terminate, the larger the South-West Unitary is. For both these reasons, Option C is likely to be the most preferable from a cost of disaggregation perspective.

4.2.5 Reserves for each constituent council

The published usable reserves position for each council, excluding, where applicable, the reserves ring-fenced in housing revenue accounts is shown in the table below for the last three years.

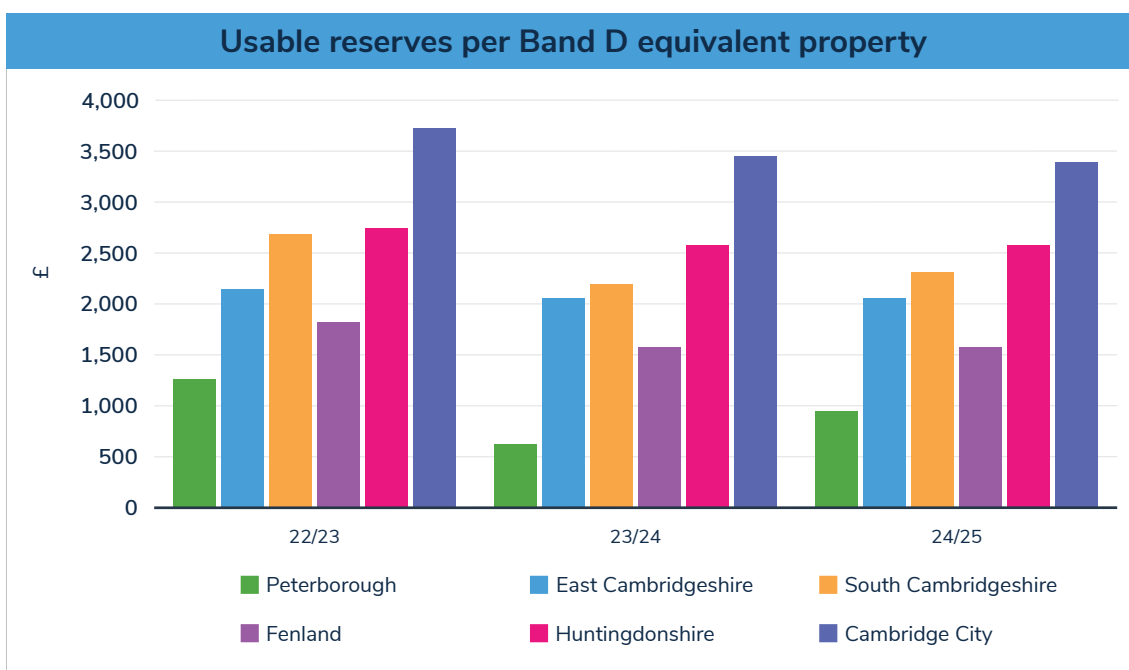
⁶³ [bbc.co.uk/news/articles/c8994w3zed5o](https://www.bbc.com/news/articles/c8994w3zed5o)

Table [x]: Usable reserves balances for Cambridgeshire & Peterborough councils over the last three years.

Usable reserves	2022/23	2023/24	2024/25
Peterborough	77,959	48,176	29,799
East Cambridgeshire	27,758	30,071	33,464
Cambridgeshire County	322,681	280,702	263,373
South Cambridgeshire	92,168	73,352	84,644
Fenland	16,978	17,037	16,551
Huntingdonshire	92,281	96,789	103,137
Cambridge City	113,781	107,202	105,849
Total	743,606	653,329	636,817

The graph below is based upon the values above, divided by the number of Band D equivalent council tax properties in each council. The amount per property attributable to the county council has been added to the equivalent district value to get a total per property by district.

Graph [x]: Usable reserves position per Band D equivalent property.



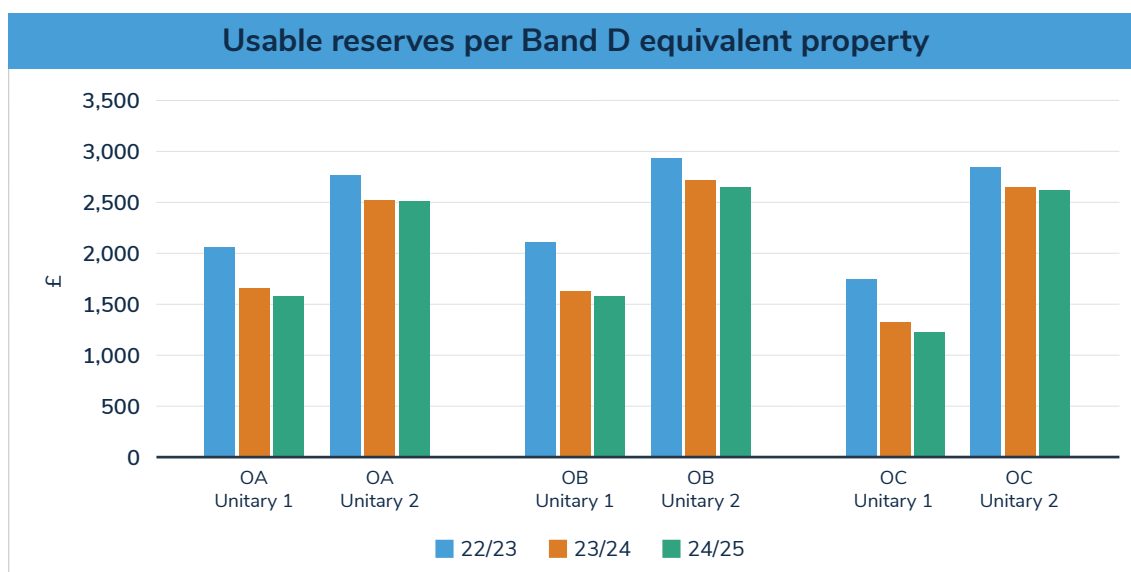
The values above reflect funds retained for general fund activity and, as part of which, can be used to help achieve the annual balance required. It also includes funds for capital activity, generated through either capital grants, capital receipts or development activity i.e. via Section 106 agreements or community infrastructure levy. These funds will be transferred into the new councils under LGR with the table below showing how each option would compare had they existed in the proposed combinations at each of the year end dates.

Table [x]: Usable reserves balances for Cambridgeshire & Peterborough councils over the last three years, grouped into the unitary options.

Option A	2022/23	2023/24	2024/25
Unitary 1	333,373	273,939	261,646
Unitary 2	410,233	379,390	375,171
Total	743,606	653,329	636,817
Option B	2022/23	2023/24	2024/25
Unitary 1	410,115	341,865	332,860
Unitary 2	333,491	311,464	303,957
Total	743,606	653,329	636,817
Option C	2022/23	2023/24	2024/25
Unitary 1	226,203	169,691	156,961
Unitary 2	517,403	483,635	479,853
Total	743,606	653,329	636,817

The values above have also been analysed on a per Band D equivalent council tax property. The graph and table below shows the position across all three years.

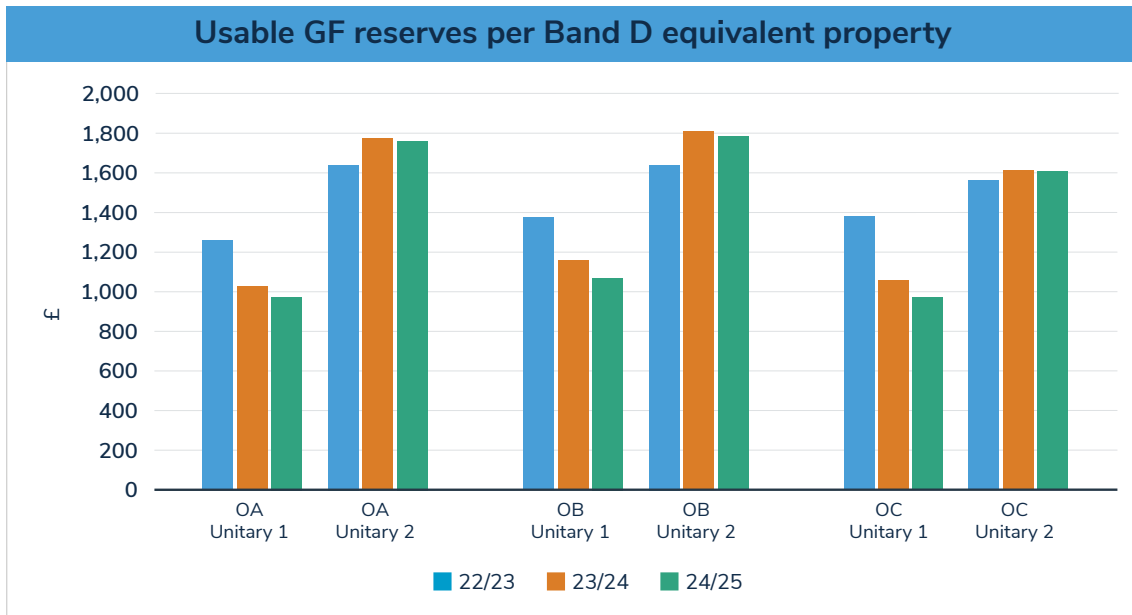
Graph [x]: Usable reserves position per Band D equivalent property for LGR options.



	Option A			Option B			Option C	
	Unitary 1	Unitary 2		Unitary 1	Unitary 2		Unitary 1	Unitary 2
2022/23	2,050	2,738	0	2,090	2,870	0	1,750	2,825
2023/24	1,685	2,532	0	1,742	2,680	0	1,313	2,641
2024/25	1,609	2,504	0	1,697	2,616	0	1,214	2,620

In each of the options, a significant element of the apparent mismatch between reserve balances across the two unitaries is largely due to the capital associated with development activity. This is more significant for Huntingdonshire, South Cambridgeshire and Cambridge City reflecting the greater development activity in these districts compared to the more rural districts of East Cambridgeshire and Fenland. The same graph and table are shown below but solely based on reserves held for revenue purposes which is more reflective of financial resilience as these are the funds that could be used to help achieve balanced general fund positions going forward.

Graph [x]: Usable revenue reserves position per Band D equivalent property for LGR options



	Option A			Option B			Option C	
	Unitary 1	Unitary 2		Unitary 1	Unitary 2		Unitary 1	Unitary 2
2022/23	1,293	1,668	0	1,367	1,651	0	1,369	1,546
2023/24	1,044	1,768	0	1,130	1,816	0	1,055	1,628
2024/25	960	1,762	0	1,085	1,782	0	949	1,624

4.2.6 Debt implications and potential impacts on sustainability

A review of the level of indebtedness of each of the existing Cambridgeshire & Peterborough authorities does not suggest the need for any red flags to be raised. The debt positions are stable and where levels are higher than national benchmarks, these are sufficiently covered by the revenues generated by the assets being financed.

The table below shows each council's capital finance requirement (CFR) as a percentage of its core spending power (CSP) for 2023/24 and compares this to national benchmarks for equivalent council types.

Table [x]: Council debt levels as a % of core spending power and compared with national benchmarks.

2023/24 Data	CFR £'000s	CSP £'000s	CFR/ CSP	Bench- mark	
Peterborough	638,328	186,945	341%	130%	Unitary – no HRA
East Cambridgeshire	10,571	9,171	115%	428%	District – no HRA
Cambridgeshire County	1,074,600	515,130	209%	102%	County
South Cambridgeshire	384,844	17,491	2,200%	1,461%	District – HRA
Fenland	13,471	13,765	98%	428%	District – no HRA
Huntingdonshire	72,341	18,615	389%	428%	District – no HRA
Cambridge City	288,721	19,172	1,506%	1,461%	District – HRA

The table shows that Cambridgeshire, Peterborough, South Cambridgeshire and Cambridge City all have higher borrowing when compared to their respective benchmarks. However, analysis of their debt trajectories, based on previous five-year values shows that debt levels, as a percentage of CSP, are either stable or decreasing.

Fig [x]: Five year historic CFR/CSP trajectories.



High levels of debt are often associated with financial vulnerability. However, levels of debt should be looked at alongside equity and asset values as well as incomes that arise from those assets. For instance, HRA authorities have high levels of debt but also high asset and equity values. In these cases, those assets provide income, in the form of dwelling rents (as well as commercial property income), that contributes to servicing and paying down the debt.

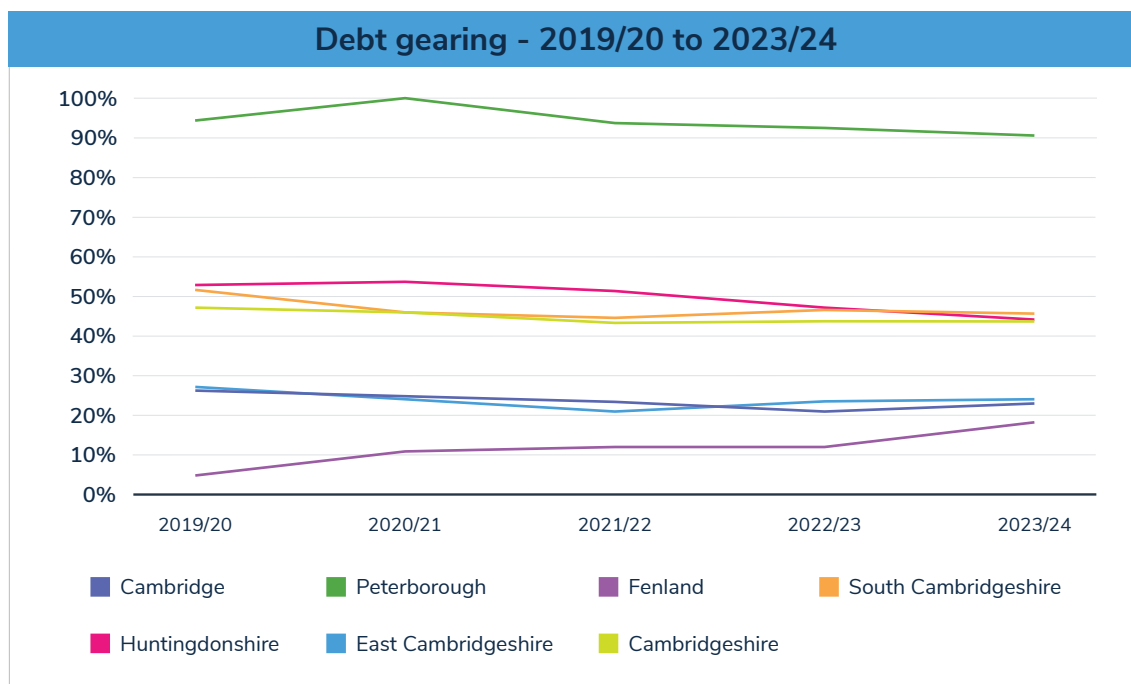
Debt gearing is also important to consider as it is a measure of the level of debt to equity and provides additional context in respect of capital health. Councils with high debt gearing have a higher proportion of assets underpinned by borrowing and will likely have debt financing costs over a longer period and might be more susceptible to interest rate changes over that period as well as the uncertain funding outlook.

Table [x]: Council debt gearing compared with national benchmarks.

2023/24 Data	CFR £'000s	Equity £'000s	Gear- ing	Bench- mark	
Peterborough	638,328	66,373	91%	50%	Unitary – no HRA
East Cambridgeshire	10,571	33,789	24%	40%	District – no HRA
Cambridgeshire County	1,074,600	1,353,569	44%	35%	County
South Cambridgeshire	384,844	488,372	44%	37%	District – HRA
Fenland	13,471	60,876	18%	40%	District – no HRA
Huntingdonshire	72,341	84,846	46%	40%	District – no HRA
Cambridge City	288,721	972,086	23%	37%	District – HRA

Debt gearing is higher than the relevant benchmark average at Peterborough, Cambridgeshire, Huntingdonshire and South Cambridgeshire, three of whom also have higher than average debt levels as per the earlier Table [••]. However, as Graph [••] below shows, for each of these councils, the trajectory is either stable or declining based on the last five years of data.

Graph [x]: Five year historic debt gearing trajectories



There are two types of debt financing costs; i) Interest payments – the interest payable on external borrowing; and ii) Minimum Revenue Provision – an amount set aside in the revenue budget to repay debt.

Debt financing costs as a proportion of CSP is used as a measure of the extent to which an authority’s resources are used to service and pay down borrowing. This measure should be reviewed with care as it can be misleading to conclude that high debt financing costs are necessarily a sign of vulnerability because making additional (voluntary) provision for debt repayment, arguably prudent, would result in higher debt financing costs and the measure takes no account of income including HRA dwelling rents and commercial property rental income.

So as a gauge for debt affordability, debt financing costs and incomes from assets should be considered together as set out in the analysis in Table [x] below.

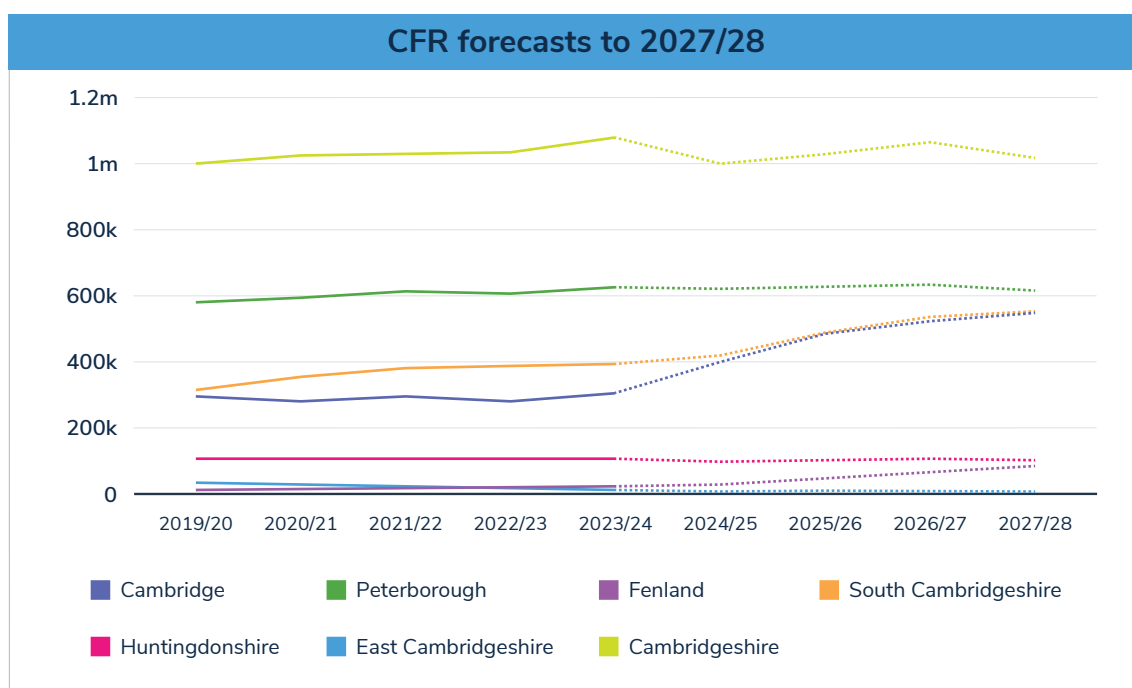
Table [x]: Council debt financing costs.

2023/24 Data	Interest payable £'000s	MRP £'000s	Total £'000s	% of CSP	HRA rents £'000s	Invest- ment property income £'000s
Peterborough	18,788	18,693	37,48	20%		
East Cambridgeshire	91	319	410	4%		
Cambridgeshire County	34,690	25,774	60,464	12%		8,678
South Cambridgeshire	8,533	1,147	9,680	55%	34,162	2,079
Fenland	683	383	1,066	8%		90
Huntingdonshire	394	2,660	3,054	16%		3,922
Cambridge City	7,494	314	7,808	41%	44,460	10,547

Debt financing costs do stand out as high for Cambridge and South Cambridgeshire, but both these authorities have significant rental income in order to cover financing costs.

Looking ahead, the capital and asset strategies for each council project CFR requirements are as shown in the graph below.

Graph [x]: CFR forecasts to 2027/28.



This shows a fairly static position for all but the two HRA authorities, where the CFRs are projected to increase, driven by stock investment requirements.

4.2.7 Council tax base implications

The table below shows the number of Band D equivalent properties in each of the Cambridgeshire & Peterborough councils.

Table [x]: Analysis of council tax bases⁶⁴

Option A		Option B		Option C	
Unitary 1		Unitary 1		Unitary 1	
Peterborough	62,606	Peterborough	62,606	Peterborough	62,606
Fenland	32,129	Fenland	31,129	Fenland	32,129
Huntingdonshire	66,254	Huntingdonshire	66,254	East Cambridgeshire	33,271
		East Cambridgeshire	33,271		
Sub-total	160,989 52%		194,260 63%		128,006 41%
Unitary 2		Unitary 2		Unitary 2	
East Cambridgeshire	33,271	South Cambridgeshire	68,458	South Cambridgeshire	68,458
South Cambridgeshire	68,458	Cambridge City	46,600	Cambridge City	46,600
Cambridge City	46,600			Huntingdonshire	66,254
Sub-total	148,329 48%		115,058 37%		181,312 59%
Total	309,318 100%		309,318 100%		309,318 100%

Each council has made, within their medium-term financial plans (MTFP), an assumption about the rate of growth in their tax bases which averages out as c. 1% per annum. Using this growth rate as an assumption and also assuming each council will increase council tax at the maximum rate allowed, produces a baseline level of council tax revenue against which the impact of council tax harmonisation can be assessed i.e. the need for residents in the new unitary councils to, sooner or later, be paying the same rate of council tax rather than the rate associated with their previous council.

⁶⁴ https://assets.publishing.service.gov.uk/media/67cab2ba8247839c255ae419/Council_Taxbase_Local_Authority_Level_Data_2024.ods

The table below shows show how much the council tax rate would need to change in each of the legacy areas under LGR to achieve a Day 1, harmonised rate that results in no loss of income relative to the baseline. The percentage movement assumes the 4.99% has already been applied. For example, under Option A, residents in Peterborough would experience a rise of over 10% in council tax in their first year, with the rate for residents in the ex-Fenland district being less than the previous year.

Table [x]: Day 1 harmonisation rate changes.

Option A		Option B		Option C	
Unitary 1		Unitary 1		Unitary 1	
Peterborough	5.10%	Peterborough	5.14%	Peterborough	4.34%
Fenland	-5.97%	Fenland	-5.93%	Fenland	-6.65%
Huntingdonshire	-1.49%	Huntingdonshire	-1.45%	East Cambridgeshire	-0.94%
		East Cambridgeshire	-0.18%		
Unitary 2		Unitary 2		Unitary 2	
East Cambridgeshire	2.37%	South Cambridgeshire	1.22%	South Cambridgeshire	0.59%
South Cambridgeshire	0.55%	Cambridge City	-1.75%	Cambridge City	-2.36%
Cambridge City	-2.40%			Huntingdonshire	1.11%

4.2.8 Challenges and risks associated with LGR and impacts on sustainability

There are a range of constraints, risks, issues and dependencies associated with the financial case for LGR.

Constraints – the main constraint is securing sufficient capacity and capability to deliver the LGR programme. A budget of £3m has been included in the transition cost estimate, for all two unitary options, to cover the costs of recruiting and backfilling the additional staff that will be needed to deliver the LGR programme.

Risks – there are a range of financial risks surrounding the LGR process, the most prominent and their mitigations are shown in Table [●●] below.

Table [x]: Key risks and mitigation

Risk	Mitigation
Sub-optimal decision making by existing councils with respect to their assets and resources	Protocols and agreements will be put in place around recruitment, contracts, major projects and transactions in advance of shadow councils being created that will then have approvals over such decisions
It becomes difficult to both retain staff and recruit into vacancies within existing councils	A strategy will be developed for working with the interim and consultancy market as well as retaining talent, in a cost effective manner, within the local government sector across Cambridgeshire & Peterborough
Projected savings are not realised at either the scale or within the timescales predicted	A prudent approach has been taken in assessing the potential savings attached to Option C, with only the most visible and deliverable included in the projections
Projected costs are higher and more expansive than estimated	Further work is on-going to investigate areas that have yet to be fully explored, for example, the aspects of disaggregation noted in Table [●●] above
Dependent upon decisions taken with council tax harmonisation, LGR could result in the new councils being financially worse off than their predecessors	Members to be briefed early on the different harmonisation options available and the consequences for residents

Issues – the main financial issue is that council tax will need to be harmonised and that this will result in a permanent and, potentially, material loss in income for local government in the Cambridgeshire & Peterborough region unless a decision is taken to harmonise at the inception of the new councils, requiring varied changes in tax rates for council tax payers that could be considered inequitable.

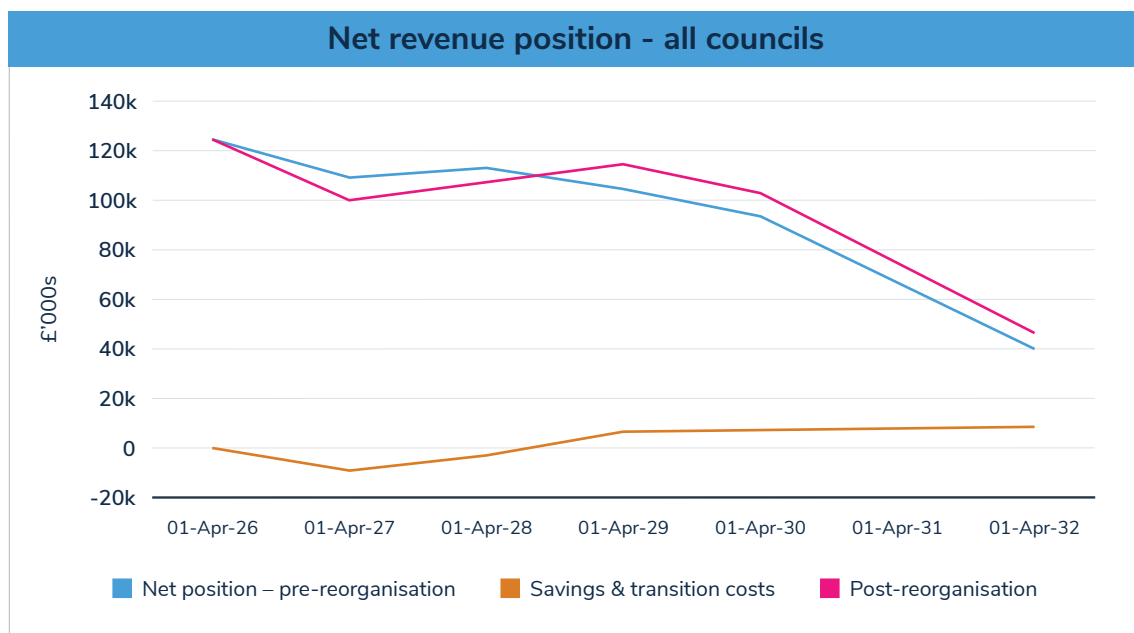
Dependencies – the financial implications of LGR are being calculated and considered in advance of the full impact of the forthcoming Fair Funding Review being known. The financial option work and its conclusions are dependent upon the outcome of the Fair Funding Review not being materially different to what has been advised at the time of this work. The projections are also based on timescale assumptions which are dependent upon timely decision making around the national programme. Finally, there will be

significant service restructuring required, the costs of which have not been included for reasons noted above. However, the viability of LGR is dependent upon these being achievable within an affordable payback period.

4.2.9 The finance picture for both authorities over 5-10 years

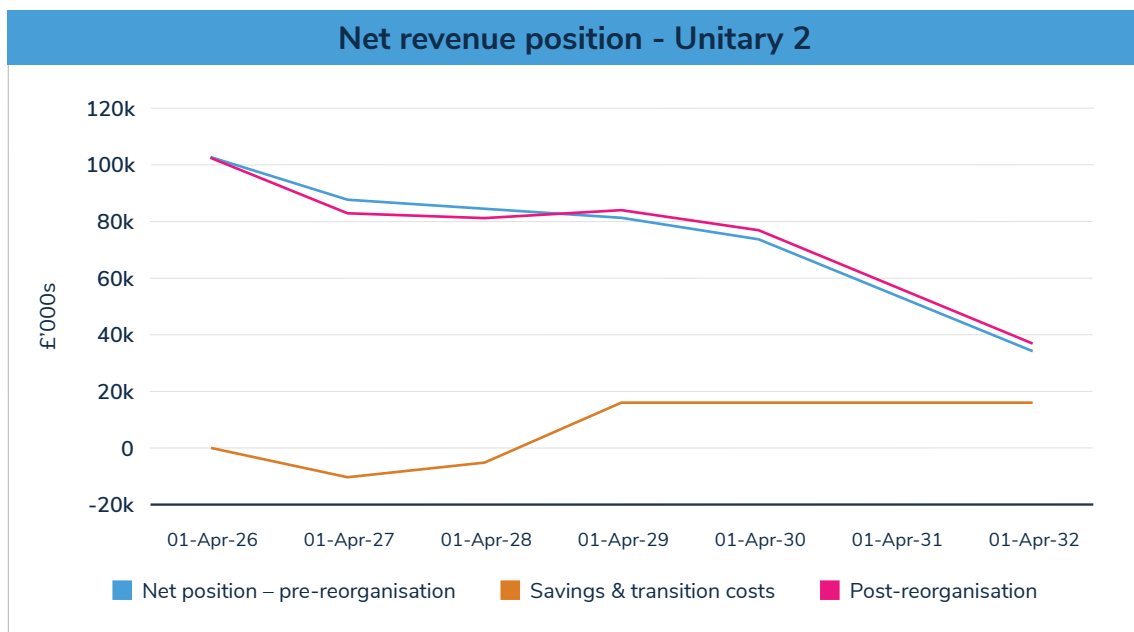
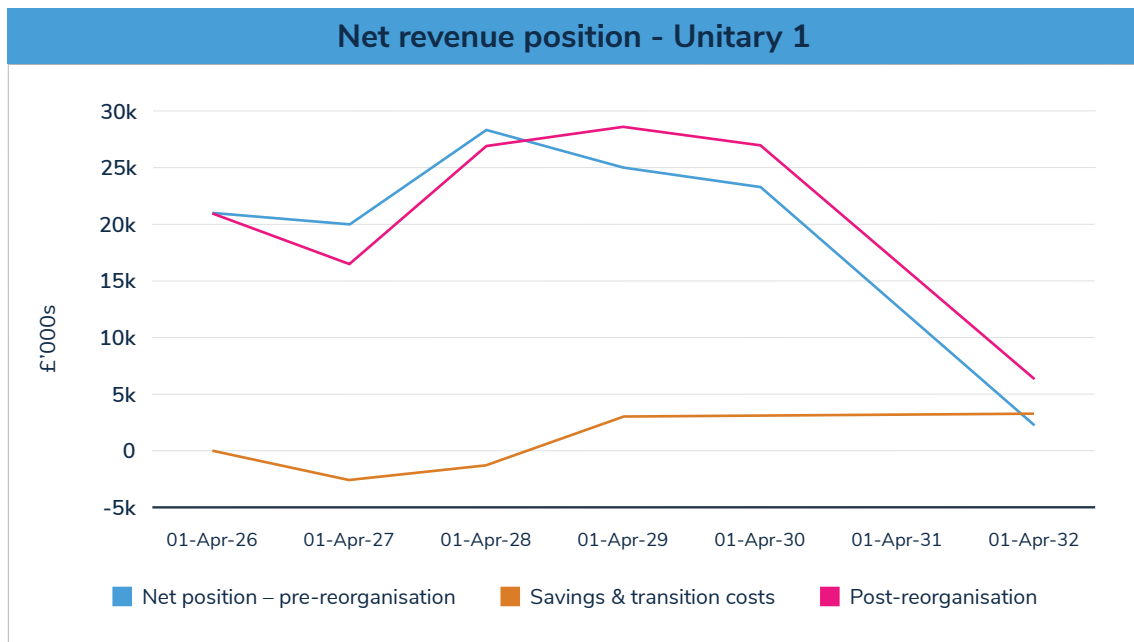
The graph below shows the combined baseline position for existing councils in Cambridgeshire & Peterborough based on Fair Funding estimates produced by Pixel Financial Management. It overlays this position with the savings and transition costs discussed above to produce a post-reorganisation net position.

Graph [x]: Combined baseline position for all authorities – pre and post re-organisation.



The graphs below are replicates of Graph [x] above but show the position for each of the two new unitaries based on the combined values, pre-reorganisation and then as a single unitary, post re-organisation i.e. baseline plus savings and transition costs.

Graph [*]: Net revenue position for each unitary authority under Option C.



Theme 4.3 – Public services

Section summary

This section looks at how public services would work under the new councils. It examines how two new unitary authorities could keep essential services stable from Day 1, while also creating space for long-term improvements. By joining county and district services together, the new councils could reduce duplication and improve communication.

High-risk services such as adult social care, children's services and homelessness will have strong transition plans to protect vulnerable people. Over time, the new councils can use shared data and knowledge to deliver more joined-up services that focus on outcomes rather than bureaucracy.

4.3.1 Overview

The Option C proposal prioritises safe, legal, and sustainable public service delivery whilst maintaining a strong ambition for longer-term transformation and continuous improvement. The proposal outlines how statutory functions will be ensured to continue up to and beyond Vesting Day alongside establishing key principles for ensuring that challenges in the region are addressed and opportunities for positive outcomes are met.

This theme directly addresses Adult Social Care, Children's Services (including SEND and Education), Public Health, and interconnected local government responsibilities such as housing, homelessness and community safety. There is also a focus on operational services such as waste and street cleaning to highlight how disruptions will be managed and ensuring a maintained focus on delivering a 'first-class' service.

The proposal recognises the need to focus on high-risk services, such as Adult's, Children's, SEND and homelessness, not only because of their inclusion in the government's guidance, but also due to their complexity and potential for severe negative impacts on vulnerable residents if not delivered safely. The proposal therefore prioritises robust transition arrangements, clear service models, and strong partnership working.

4.3.2 Key principles for the region's approach to service delivery

- **Place-based focus** – service design that makes sense for specific localities; addressing the challenge of balancing urban/rural needs in the area.
- **Prioritising inclusive growth** – ensuring that both unitary authorities service delivery works to ensure a vibrant and growing economy with a focus on housing development to build healthy, vibrant communities.
- **Joined-up working and a 'one-team' collaborative culture** – combining district and county services will provide opportunities for open channels of communication and advanced data sharing to aid with early help.
- **Prevention as the guiding star** – a prevention focus maintained in all high-risk areas, capitalising on existing district-level services like housing and leisure to support a wrap-around approach.
- **Use what works well already** – the identification of positive working in the region and a focus on maintaining this going forward.
- **Capitalising on existing assets and scale** – use of additional resources through LGR to support high-risk services.
- **Partnership working and collaboration** – maintain strong connections and existing partnerships with the NHS, Police, ICB, VCSE, whilst ensuring that new opportunities for partnership working are explored, particularly within front-line neighbourhood support.
- **Commissioning at scale** – use existing relationships with partners to collaborate on commissioning to achieve value for money and efficiencies.
- **Value for money** – the two unitary authorities should work to increase productivity, efficiency and innovation in all aspects of service delivery. They should be outcome-focused with a view to continuously improve.

These principles have been used to create a suggested Target Operating Model for the new unitary authorities – the domains of which are:

Outcome driven

Solutions which are based on providing demonstrable outcomes and making a difference, rather than being driven by process; underpinned by data, insight and analysis; streamlining delivery and balancing risk and reward as opposed to red-tape and bureaucracy; focusing on what really matters and who is best placed to secure the outcomes needed.

Innovation in productivity and efficiency

Making services more efficient to deliver value for money. This includes improving enabling services to ensure effective operational support and a smooth customer experience. Digital transformation is integral to this.

People

Ensuring that on-the-ground services deliver for people and are place-based. Growth should prioritise the needs of residents and the new unitary authorities should be forward-thinking in their approach to delivering positive outcomes, hailing prevention as a key driver.

Governance and effective decision-making

Ensure that the new authorities can make effective decisions that are evidence-led. It is important that risks are effectively managed and that a robust PMO is in place to manage programme delivery.

Strategic thinking

Ensuring that service delivery links back to the authority's corporate plan and the strategic vision for the future. This helps the new authorities deliver on key priorities.

Stability

Ensuring financial stability and the effective capacity to deliver all of the above.

4.3.3 Safe and Legal Requirements alongside future transformation options

Table [*]: Potential delivery models underneath Option C

Service area	Day 1 delivery model	Future transformation options
Adult Early Help & Reablement	Existing locality teams transferred to new councils.	Embedded into neighbourhood models; potential use of digital triage and reablement services.
Care & Support Planning (Older People, LD, MH)	Teams lifted and shifted; existing Section 75 agreements continued.	Renegotiate Section 75 to support local integration; embed LD and Autism into neighbourhood teams.
Children's Social Care	Locality-based teams, Early Help, SEND and safeguarding transferred.	Strengthened locality integration; expansion of in-borough fostering and residential provision.
Education & SEND	Admissions, school improvement, SEND casework transferred.	Co-commissioning with schools; expand in-area SEND provision to reduce out-of-county placements.
Public Health	Statutory services (sexual health, substance misuse, health checks) transferred.	Closer integration with ICS and neighbourhood health networks; stronger prevention-led focus.
Housing & Homelessness	Housing and homelessness prevention teams transferred from districts into new councils.	Integration of housing, health, and social care responses; early intervention to prevent homelessness; and ensuring pipeline of delivery. Focus on getting people into work and staying there. Maximise system wide prevention alongside greater focus on enablement of people and places to solve problems for themselves.

Service area	Day 1 delivery model	Future transformation options
Operational Services	Ensure safe and legal delivery of services, including waste collection, disposal and highways management (amongst other duties). Teams lifted and shifted and operating by locality.	Combine services into one, allowing for collective oversight of the area and greater efficiencies. Maintain localized hubs where needed.
Planning	Ensure safe and legal delivery of statutory services, including processing of planning applications and statutory committees. Teams lifted and shifted and maintained by locality.	Bring teams together to create one shared planning service with increased oversight. Streamline planning processes and create efficiencies by taking a risk-based approach. Work together with the CPCA to create a strategic vision for the area that moves beyond district geographies.
IT/Digital	Colleagues have access to all systems and data to enable effective continuation of service and to reduce occurrences of communications being misrouted and missed interventions.	Developing joined-up proactive services utilising data-informed decisions, and citizen-centric design, working across peer councils, blue light services and the third sector to ensure early interventions and outcome focused support.
Leisure	Existing locality provision maintained, and assets transferred to new authorities.	Greater interconnection of leisure to social care and wider provision of the service to enable end-to-end health provision. Leverage connections to health partners to create a holistic view of residents. Expand existing leisure provision to the new unitary geography, to ensure equitable service delivery across the patch.

Service area	Day 1 delivery model	Future transformation options
Transport	Shared service to begin with to manage re-negotiation of contracts.	Disaggregation of transport service by locality.
Customer Services/ Revenues & Benefits	Customer service 'front door' in place for Day 1 – one website and one phone number established for residents. Revenues & Benefits service in place for collection and payment of monies. Team potentially still localised.	Revenues & benefits team harmonised and brought together in line with council tax harmonisation. Customer services team structure fully established with shared service priorities and opportunities for one-front door for residents and businesses.
Corporate support services	Teams brought together on Day 1 – harmonise high priority systems such as payroll, finance. Maintain separate systems for low priority. Harmonise key HR policies and terms and conditions.	Create new shared culture and team organisation with new teams fully aligned.

Please note – the above table does not include all county and district services but provides a snapshot of those high-risk services and how the new unitary authorities might approach service delivery.

4.3.4 Budget position

Table [*]: Estimated budget position per service for each unitary

All figures are in £	Adult social care	Central services	Children's social care	Cultural and related services	Education services	Environment and regulatory services	Highways and transport services	Housing services (GFRA only)	Planning and development services	Public health	Total budget
North East Unitary	183,833	28,177	101,459	7,745	39,656	43,206	22,352	6,816	9,788	22,750	465,782
South West Unitary	185,355	9,642	64,163	17,301	57,755	65,768	16,118	17,938	15,905	24,767	474,712
Total budget	369,188	37,819	165,622	25,046	97,411	108,974	38,470	24,754	25,693	47,517	940,494

The budget position for Option C is outlined above⁶⁵. It highlights the major role that Adult's and Children's play in the financial picture of the two new unitary authorities, taking up a major percentage of the overall budget.

In total, Adult's accounts for roughly 40% of each unitary budget, with Children's accounting for 21% of the North-East unitary budget and 13% of the South-West budget. It is therefore crucial that high-quality services are delivered that also generate efficiencies and value for money whilst retaining safe and legal delivery – especially, given the size of the service in the councils' budgets.

[Table **:.] Spend per resident (2025). (Source: Newton).

Service	North-East	South-West	Metric
Adults Social Care	£401	£332	Spend per resident
Childrens Social Care	£295	£148	Spend per resident
SEND	£220	£181	Spend per resident
Homelessness	0.9%	0.7%	% of households in TA

⁶⁵ Budget Report – LINK

Estimated spend per resident for Option C is outlined above. Whilst there is sometimes imbalance between the two unitary authorities, it should be noted that the North-East unitary will have sufficient scale to address challenges and there is scope for the new authorities to commission at scale to generate service improvement at lower cost.

[Table *:] Demand increases (Option C). (Source: Newton).

Unitary	% Total pop. supported by People Services 2025	% Total pop. supported by People Services 2040	% Change from 2025-2040	% Change ASC (2025-2040)	% Change CSC (2025-2040)	% Change SEND (2025-2040)
North-East	4.33%	5.68%	47%	22%	-2%	129%
South-West	2.70%	3.50%	54%	27%	9%	105%

Demand increases are also outlined above. These increases will see additional resource needs within each authority. However, the impacts of the fair funding review have highlighted a more equitable balance in the region, particularly with Option C (Option 6), which sees minimal difference in RNF between the two unitary authorities.

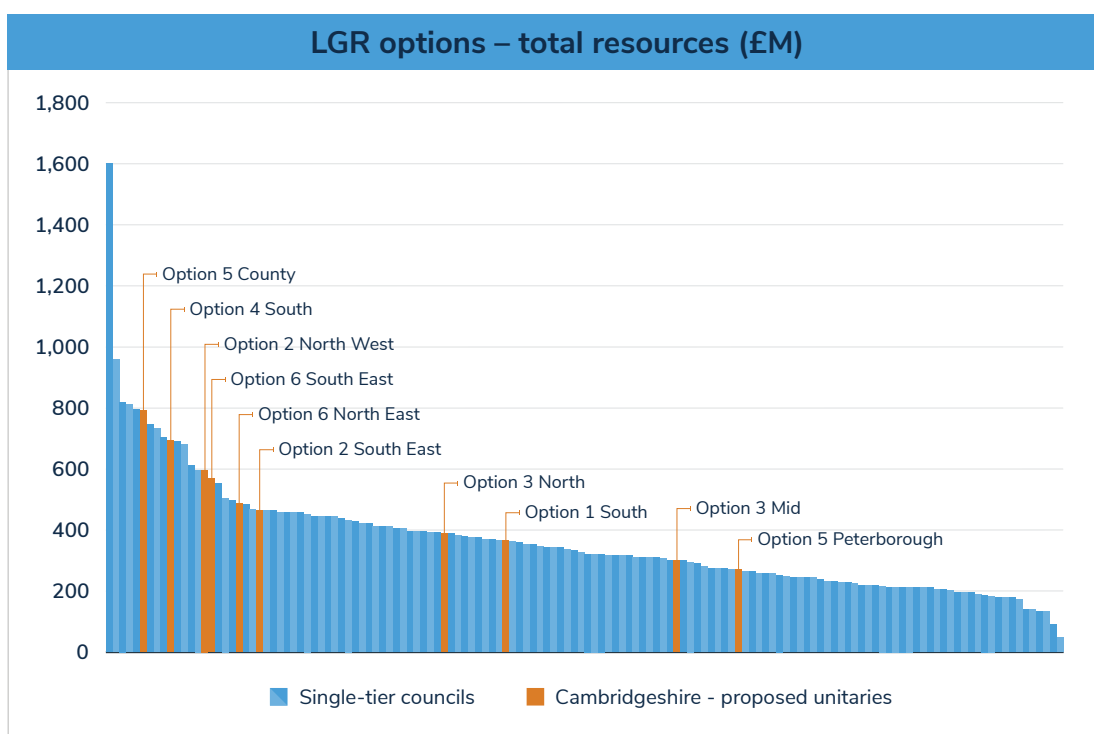


Figure {•}: Total resources according to RNF (PIXEL).⁶⁶ (Source: PIXEL Fair Funding).

66 PIXEL Fair Funding – Link

4.3.5 Adults/Health

National picture

Adult Social Services is one of the most high-risk services that councils provide, given the services position as one of high spend and high demand. However, it is vital that the work is done now to get delivery right, given the complexity of the services provided as well as the potential negative impact on service users if there is failure to ensure continuity on Vesting Day.

The main services that Adult Social Care provides includes:⁶⁷

- Assessment, information, advice, and guidance.
- Personal care and domiciliary support.
- Supported living and day opportunities.
- Residential and nursing care.
- Reablement and post-hospital recovery.
- Community-based prevention and advice.
- Market shaping.
- Safeguarding.

The Care Act 2014⁶⁸ is the main legislation that informs Adult Social Care Services, outlining the duties of Local Authorities to provide assessment against a national eligibility threshold, develop care and support plans for vulnerable adults and ensure personal budgets are received. There are two distinct but overlapping client groups in ASC:

- **Working Age Adults, 18-64 (WAA)** – including those with physical disabilities, learning disabilities, autism, or mental health needs.
- **Older Adults (OA)** – often requiring support with frailty, dementia, or recovery post-hospitalisation.
- ASC services also provide support for children aged 14-18 in their transition from Children's to Adult's Services.

There are several challenges faced by ASC services nationally – particularly, demographic pressure and rising demand, workforce challenges in recruitment and retention and the fragility of markets as well as financial pressure and cost inflation. This proposal seeks to address the challenges that are acutely felt in Cambridgeshire & Peterborough by adhering to the principles outlined above – particularly, by maintaining a focus on prevention and place-based delivery.

⁶⁷ [Impower-DCN-ASC-LGR-Report-2025-FINAL-compressed-version.pdf](#)

⁶⁸ [Care Act 2014](#)

Cambridgeshire & Peterborough – what does the region look like now?

In Cambridgeshire & Peterborough, Adult Social Care Services are provided by two upper-tier authorities in an area where demand and type of need changes substantially according to geography.

Quality assurance and inspections – There is currently no published CQC local-authority ratings for either Cambridgeshire or Peterborough. However, both areas run mostly Good-rated services except for improvements needed in Learning Disability community teams in Cambridgeshire.

Demand and need trends – The below table highlights the district-level difference in % of cases throughout Cambridgeshire & Peterborough as well as the level of spend per adult. There's a higher % of cases in Huntingdonshire and South Cambridgeshire. However, the highest spend per adult is felt in Fenland, Cambridge City and Peterborough.^{69 70}

Table [●]: Distribution of adult social care cases and spend in the region.

	Approx. adults receiving care	% of cases	Approx. annual spend (£m)	Spend per adult (£)
Huntingdonshire	~2,000	25%	44.0	~£22,000
South Cambridgeshire	~1,600	20%	33.6	~£21,000
Fenland	~1,400	18%	33.6	~£24,000
Cambridge City	~1,400	18%	32.2	~£23,000
East Cambridgeshire	~800	10%	16.0	~ 20,000
Cambridgeshire total	~7,900	100%	~159.4	~£22,100 avg.
Peterborough	~2,900	N/A	~£65.0	~£22,400

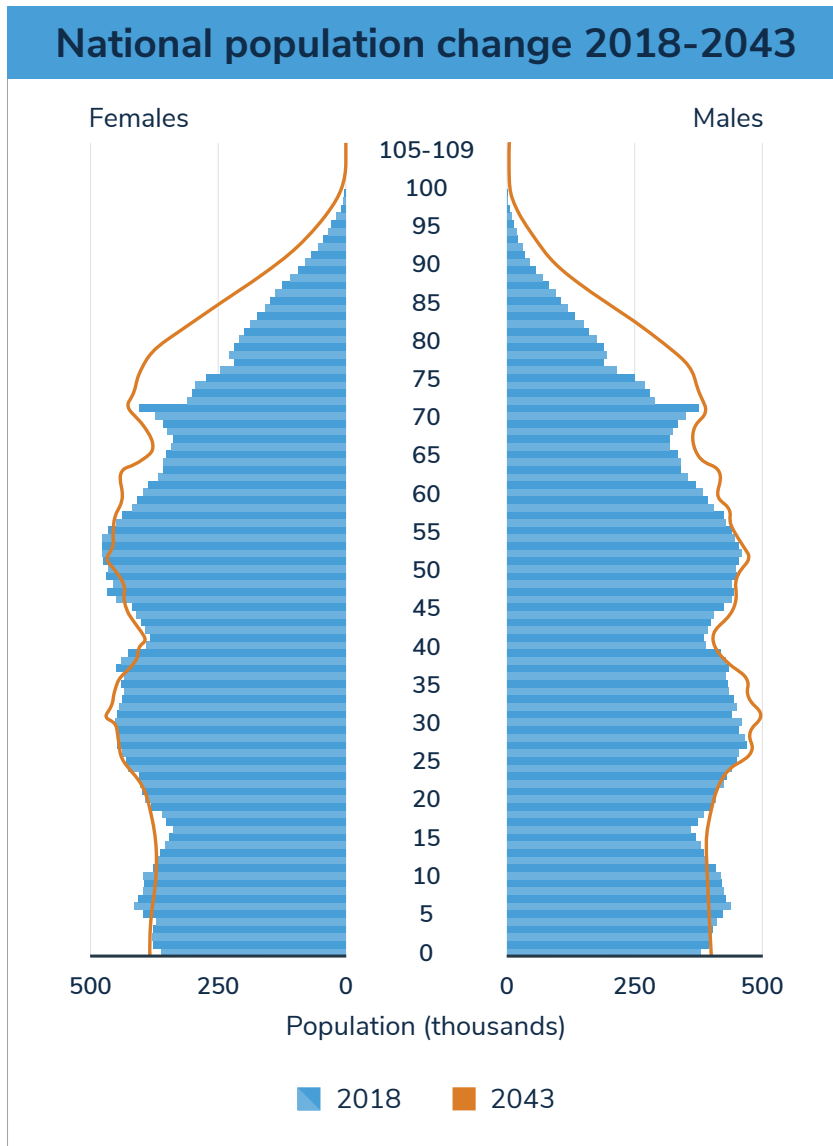
* District population estimates: Based on ONS 2021 mid-year estimates. Caseload: Based on proportional estimates derived from Cambridgeshire County Council Adult Social Care Account, JSNA 2023 data and other public sources. Illustrative and estimated Annual Spend based on weighted averages (£m) reflecting historic caseload and cost-per-user averages rather than actual spend. Cambridgeshire average reflects build-up of spend by district, if 700 'unallocated' cases are included the County average falls to around £20,200 per adult.

69 [Population estimates for the UK, England, Wales, Scotland and Northern Ireland – Office for National Statistics](#)

70 [Cambridgeshire & Peterborough Insight – JSNA 2023](#)

The region is also facing an increase of 48% for the 65+ population from 2021-2036. The 85+ population is estimated to increase by 110% with predicted increases for people living with dementia, people experiencing a fall, people with complex conditions and people with multiple co-morbidities.

Figure •: National population change 2018-2043.



The chart above shows the increase in the 65+ population. We focused on 2021-2036.

Table •: Market demand in older people's accommodation by district.

	Total market demand in 2021	Total market demand in 2026	Total market demand in 2031	Total market demand in 2036
Cambridge City	687	722	756	791
East Cambridgeshire	556	581	606	631
Fenland	930	972	1,013	1,055
Huntingdonshire	1,077	1,125	1,174	1,222
Peterborough	1,231	1,287	1,343	1,399
South Cambridgeshire	928	969	1,011	1,052
Total	5,409	5,656	5,903	6,150

The total market demand for residential and nursing homes is highlighted above.⁷¹ By 2036, the North-East unitary would see a market demand of 3,085 units and the South-West unitary would see a market demand of 3,065 units. This demonstrates an even split between the two unitary authorities and a relative balance in demand for residential homes.

The greatest % increase in older adults will be felt in East Cambridgeshire, South Cambridgeshire and Huntingdonshire. However, the chart below highlights that the trend is felt throughout the region with Cambridgeshire & Peterborough as a whole facing a 26.1% rise in older adults. It is a challenge that each unitary will have to face and address.

⁷¹ [Older People's accommodation demand profiles](#)

[Figure 7]: Cambridgeshire & Peterborough, older people (65+), all age bands, persons. Change between 2021 and 2031. (JSNA, 2023⁷²).

Population Numbers at 2021	Population Numbers at 2031	Change between 2021 and 2031	Change % between 2021 and 2031
Cambridge 16,620	Cambridge 20,160	Cambridge 3,540	Cambridge 21.3%
East Cambs. 18,225	East Cambs. 23,960	East Cambs. 5,735	East Cambs. 31.5%
Fenland 23,405	Fenland 29,180	Fenland 5,775	Fenland 24.7%
Hunts. 36,540	Hunts. 46,200	Hunts. 9,660	Hunts. 26.4%
South Cambs. 31,800	South Cambs. 40,765	South Cambs. 8,965	South Cambs. 28.2%
Cambs. 126,585	Cambs. 160,270	Cambs. 33,685	Cambs. 26.6%
Peterborough 30,590	Peterborough 37,915	Peterborough 7,325	Peterborough 23.9%
Cambs. & P'boro. 57,175	Cambs. & P'boro. 198,190	Cambs. & P'boro. 41,015	Cambs. & P'boro. 26.1%

A similar trend is also felt in working age adults with complex needs demands with a population increase of 21% up to 2040, leading to a steady rate of increased need for 38 units per annum in Cambridgeshire.⁷³

Workforce data – In 2023/24, the staff turnover rate in Cambridgeshire & Peterborough currently stands at 27% and the vacancy rate was 7.4%. The number of total posts needs to increase by 31% to manage additional population growth.

Recruitment and retention is therefore a challenge felt in the sector and the unitary authorities configured in Option C will need to use initiatives to garner workforce morale and support. This could include building on some of the work that Peterborough City have been doing in their workforce support plan with their upskilling initiatives or Cambridgeshire County’s localised initiatives, such as the Care Home Support Team and their improved appraisal and progression systems.⁷⁴ Connectivity can also be utilised in the region to attract talented staff. Option C allows well-connected areas to stay together, that is in line with the FEMA model, allowing greater opportunity for retention and recruitment.

⁷² [Cambridgeshire & Peterborough Insight – JSNA 2023 – Demography – Predicted future change](#)

⁷³ [Cambridgeshire Specialist Supported Accommodation Needs Assessment 2024](#)

⁷⁴ [ICB summary 2024_Cambridgeshire and Peterborough](#)

Current partnership working – In Adult Social Care, there are five partnership boards in the region, co-ordinated and supported by Cambridgeshire County Council and Peterborough City Council.⁷⁵ They are:

- Older People’s Partnership Board.
- Carers Partnership Board.
- Learning Disability Partnership Board.
- Physical Disability Partnership Board.
- Sensory Impairment Partnership Board.

Each partnership board includes residents who frequently use health and/or social care services (Independent Members), voluntary sector service providers and statutory services, operational managers and commissioners from health and social care services.

The region also has the Integrated Care System which brings together health and care organisations with councils and the VCSE sector which is focused on tackling issues within the region that can impact residents’ ability to live independently and healthily.

Existing examples of best practice and opportunities

A national innovation programme involving Cambridge University Hospitals and SCDC integrates health effectively into urban planning through the development of Northstowe. The initiative includes accessible housing for care workers, integrated community facilities and a focus on wellbeing through design and infrastructure.⁷⁶

The Network for Addressing Isolation and Loneliness in Cambridgeshire & Peterborough (NAILCAP) is a collaborative initiative aimed at reducing social isolation among older adults. It brings together voluntary sector partners, local authorities, and health services to co-produce solutions to tackle loneliness. The aim is to share best practice among organisations, improve signposting and help each other to meet demand and gaps in services.⁷⁷

⁷⁵ [ICB summary 2024_Cambridgeshire and Peterborough](#)

⁷⁶ [health-and-wellbeing-update-in-and-around-northstowe.pdf](#)

⁷⁷ [Network for Addressing Isolation and Loneliness in Cambridgeshire and Peterborough \(NAILCAP\) | Cambridgeshire County Council](#)

Key challenges in the region that need to be addressed

Ageing populations – constitute around 60% of social care recipients in both Cambridgeshire & Peterborough, with numbers rising.

Cost pressures – driven by demographic changes, high inflation, wage pressures, and complexity of care needs, resulting in projected increases of around 25% in five years and 60% in 10 years.

Managing inequalities – high demand and deprivation is concentrated in the North, with notable disparities with the South. For example, there is currently a 10-year life expectancy gap between men in the poorest areas of Peterborough and the most affluent areas of Cambridge.

Market shaping – risk of lasting resilience in smaller providers.

Workforce shortages – recruitment and retention remain critical issues with high turnover and vacancy rates.

System fragmentation and integration challenges – despite the ICS, fragmentation between health and social care still affects continuity. Transitions from Children’s to Adult’s are also noted as needing improvement, highlighting an opportunity for more joint-up working.

Why Option C is a sustainable option for ASC?

Option C		
	Unitary Authority 1 ECDC / FDC / PCC	Unitary Authority 2 CC / HDC / SCDC
Total population	424,000	516,000
% population 65+	18.5%	17.9%
% population under 18	22.5%	19.6%

Population distribution is fairly evenly split in terms of the % of WAA’s and OAA’s. Capacity needed is also evenly distributed between both options – the North sees 41% capacity needed with the South at 39%.

Both unitary authorities will have the scale and size needed to deliver an effective adult’s and children’s service. Challenges with workforce recruitment can therefore be more easily addressed and greater scale will also give more commissioning power to the new unitary authority.

Option C. 1 – In the Southern unitary, Huntingdonshire’s high caseload will be balanced by South Cambridgeshire’s below-average care needs and spend per adult resident. Despite the difference in care needs, both authorities also face similar challenges in their ageing populations and increased complexity of need. This will be alongside City’s focus on complex urban care needs. The new Adult Social Care service will need to be well equipped to manage both. However, Option C allows a balanced spread of resources with sufficient scale to manage demand.

Option C. 2 – In the Northern Unitary, similar differences will be felt in that Peterborough’s focus on working-age adults with complex mental health issues will have to be balanced by the focus on ageing populations of East and Fenland. However, the high spend per adult and high care needs in Fenland can be offset by the low needs felt in East Cambridgeshire. Localised, place-based working will be seen as vital in this unitary to manage rurality challenges.

A vision for reform in Option C

LGR provides significant opportunity for re-thinking how councils deliver Adult Social Care Services – particularly, with how district and county services can be aligned more closely to deliver on prevention and capitalise off districts’ knowledge of local communities.

It is important that both unitary authorities drive reform that truly answers local need, addressing the challenges identified above. Option C provides the best configuration for this reform as it allows:

- Balanced scale and size to manage service delivery effectively.
- **Combines similar challenges and needs** – the North can effectively address rurality whilst the South combines the ageing population focus of South and HDC.
- **Demand/need is well-balanced in both areas** – the low-need of East balances out the high needs of Peterborough and Fenland and the low-need of South balances out the high caseload of Huntingdonshire.

Key focus for reform will be:

- Providing a hyper-local approach that seeks to involve service users in co-designing services. This will particularly address the challenge of rurality as well as disparity of needs between the urban and the rural.
- **Collaborating for scale** – joint commission services where cross-boundary collaboration offers better outcomes and value for money, such as safeguarding adults board, transfer of care hubs.

- **Joined-up working for prevention** – combining district and county services through organisational structures that provide constant connection and communication. For example, ensuring housing sits within or next to social care.
- **Micro-providers and neighbourhood teams** – support the micro-provider market in the region by bringing together providers with residents to support the wider use of personal budgets.
- **Expansion of district services that provide prevention** – implementing wider operations of services that are already doing work in the prevention space, for example leisure. This includes scaling up what works well – for example, the existing work Huntingdonshire is doing with the NHS/ICB on co-located health hubs.⁷⁸ This work could be a model for wider expansion and could create savings for health services through place-based prevention.

Case studies for prevention

The below case studies outline some of the positive work that district councils are already doing to support prevention in Cambridgeshire & Peterborough. Local Government Re-Organisation and the creation of unitary authorities provides an opportunity to join-up District and County services to ensure a stronger connection between prevention and care. This can be achieved through shared data and information but also through referrals to prevention initiatives and analytics to predict demand and need. The below examples highlight the initiatives that could be scaled up and connected more closely to care.

Active for Health

Active for Health⁷⁹ is a Tier 2 equivalent Adult Weight Management Programme, led by Huntingdonshire District Council and scaled outwards to Fenland. It is for adults 18+ with a BMI of at least 25 or 23.5 for BAME groups. The Scheme runs over 12-weeks initially and is aimed at achieving weight loss, thus alleviating obesity pressures on health services. In total, the scheme has successfully reduced 698 kg throughout the entire programme. This successfully reduces the BMI of participants which can save the NHS and social care significant amounts of money. Whilst this can be hard to measure, a cardiovascular event can cost around £4,855 – if the scheme reduces the likelihood of cardiovascular events occurring, then it can effectively create value for money.

⁷⁸ [Journey 3: Health Embedded – Huntingdonshire.gov.uk](#)

⁷⁹ [Active for Health – Huntingdonshire.gov.uk](#)



Figure [●]: Active for Health.



Figure [●]: Falls Prevention.

Falls Prevention

Active Lifestyles at Huntingdonshire District Council deliver a wide-ranging programme of regular classes for older adults. A section of these classes are evidence-based falls prevention classes. These classes include Strength and Balance (Otago), Postural Stability Exercise and Chair Based Yoga.

The team has also developed a nine-week course, 'Staying Active', aimed at preventing frailty. This includes functional fitness testing at week one and week nine which measures progress against key activities that help with daily living.

In total there are twelve different older adult type activities delivered and 72% of participants have successfully completed the course. Whilst it is again hard to measure the exact financial impact of this work, the average cost of a fragility fracture in older adults is £8,350, again presenting an argument for a prevention-focus in health and social care.

4.3.6 Childrens

National picture

Children's Services is another high-risk and vulnerable service that is again, high spend and high demand.⁸⁰ The pandemic has only served to exacerbate these pressures, due to the limitations it imposed on children's social development, in turn affecting their learning and achievements and health and wellbeing.

It is more important than ever that the new authorities get children's services delivery right to manage this increased complexity and demand. Children tend to represent at least 20% of the residents in an area and children's services can provide a positive influence on this cohort, that can contribute to creating happy adults thus managing future demand and reducing reliance on the care system.

The main services that Children's Social Care provides includes:

- Safeguarding and Protection.
- Supporting children in need.
- Promoting wellbeing.
- Children in Care.
- Care Leavers.
- Early Help and Prevention.
- Special Educational Needs and Disabilities (this to be covered separately).
- Education.
- Working with partners.

⁸⁰ [DCN-Staff-College-Childrens-Services-report.pdf](#)

There are a few pieces of legislation that govern Children's Services but a key one is the Children Act 2004.⁸¹ This sought to build on its predecessor from 1989 to improve inter-agency cooperation – introducing duties for agencies such as police and health services to safeguard children. It also defines the role of the DCS to discharge the education and children's services functions of the local authority. They are ultimately responsible for:

- Providing support to families to help them stay together where possible.
- Protecting children from harm.
- Arranging alternative care when necessary.
- Ensuring access to education.
- Identifying and addressing issues impacting the social and economic wellbeing of children.

There are several challenges faced by children's services nationally – particularly, increased demand and complexity of demand, an increase in child poverty, financial pressures including a shift away from early intervention spending and an increase in need for temporary accommodation, thus increasing spend.

There are several key national strategies that will also impact the role of Children's Services in the future.

These include:

- The Best Start in Life Strategy⁸² – includes the ambition to create Best Start Family Hubs in every local authority area.
- Health reforms designed to rebalance spending towards preventative and community services.
- A Curriculum and Assessment Review in Autumn 2025,⁸³ with a focus on making the assessment process more inclusive and equitable.

It is important that any proposal is in line with the national government's vision for children's service delivery. This proposal keeps in line with the UK government's shift towards prevention which is why it is a key aspect of the vision for future service delivery.

⁸¹ [Children Act 2004](#)

⁸² [Giving every child the best start in life – GOV.UK](#)

⁸³ [Curriculum and Assessment Review: interim report – GOV.UK](#)

Cambridgeshire & Peterborough – what does the region look like now?

In Cambridgeshire & Peterborough, Children’s Social Care Services are provided by two upper-tier authorities in an area where demand and type of need changes substantially according to geography.

Quality assurance and inspections – In Peterborough, the Ofsted rating for Children’s services recently moved from Good to Inadequate⁸⁴ due to a lack of support for care-leavers. Cambridgeshire maintained a requires improvement grade, but improvements have been made since the split from Peterborough.⁸⁵

Both areas are getting early help right with support marking positive across the board. However, the quality of social care assessments is generally considered poor and there’s a lack of capacity and stability of the workforce in both councils. Youth help also consistently performs worse than early years – both in terms of homeless youth and care leavers. Out-of-hours support was seen as a key challenge with consistency and responsiveness a concern.

Demand and need trends – The below table highlights the financial trends felt in the region.^{86 87} It demonstrates a regional increase in Children Looked After and Children In Care and highlights the different causes for budgetary pressures. In Cambridgeshire, rurality has had a greater impact on SEND transport provision and both areas are facing significant workforce challenges.

84 [Peterborough City Council – Open – Find an Inspection Report – Ofsted](#)

85 [Cambridgeshire County Council – Open – Find an Inspection Report – Ofsted](#)

86 [Appendix A- MTFS 2025-28.pdf](#)

87 [Integrated Finance Monitoring Report – Outturn 2024-25](#)

Table [●]: Financial trends.

	Cambridgeshire	Peterborough
Cash growth 2023/24 to 2024/25	+£19m (+26%) – inflation on placements, SEND transport and a £4.8m demographic pressure for rising numbers of children in care.	+£7m (+14%) – mainly to cover a 5% rise in children looked after and agency social worker costs.
Share of council net revenue budget	~25% (adult social care 39%, place and others 36%).	~25% (adult social care 33%, place and others 42%).
Cost-drivers called out in MTFS	<ul style="list-style-type: none"> • Inflation on external residential / IFA fees (+7%). • Home-to-school SEND transport inflation (+8%). • Demographic step-ups for 30 extra high-cost CLA and complex-disability packages. • £3m contingency for agency social work. 	<ul style="list-style-type: none"> • Sharp rise in 10-17 year-old CLA (422 at March 24). • Care-leaver accommodation costs up 18%. • £1.5m Children's Social-Care Prevention Grant built into base. • Reliance on agency social workers still >20%.

The below table also highlights a comparison against national trends in terms of caseload. The region tends to be below average – particularly, with regard to Child in Need. For Children in Care and Child Protection Plans, Peterborough exceeds the national average with Fenland having the highest rate in Cambridgeshire demonstrating a higher level of need in the North of the region and potentially more instances of children at risk of harm.⁸⁸ Throughout the region, the Early Help Assessment rate is higher than the England average, highlighting a strong preventative offer. Whilst this is plateauing due to demand pressures, it demonstrates an area of good practice that should be maintained.

⁸⁸ [Cambridgeshire & Peterborough Insight – 2024 Children and Young People JSNA](#)

Table •: Childrens Social Care Case rate by District

Authority	Approx. under-18 pop. ONS 2023	CiC rate per 1,000 ⁸⁹	CiN rate per 1,000	CPP rate per 1,000	Early help cases per 1,000
Cambridge City	~21,500	4.5	19.0	2.3	13.0
East Cambridgeshire	~18,600	3.5	14.8	1.8	12.1
Fenland	~24,400	6.1	23.5	3.1	14.3
Huntingdonshire	~40,200	3.9	17.4	2.1	11.8
South Cambridgeshire	~38,800	1.9	7.0	0.8	7.2
Cambridgeshire	~143,500	4.8	19.2	1.9	11.2
Peterborough	~54,500 ⁹⁰	7.4	26.4	7.0	29.5 ⁹¹
National average	–	7.0	33.3	4.2	N/A

Table •: Childrens Social Care Prevalence Rates under Option C (Source: Newton).

Unitary	Under-18 pop. ONS 2023	CiC prevalence	CPP prevalence	CiN prevalence	Early help prevalence
North-East	~97,500	68	31	132	602
South-West	~100,500	41	25	41	256
National Average	–	70	51.8	332.9	No national rate collected

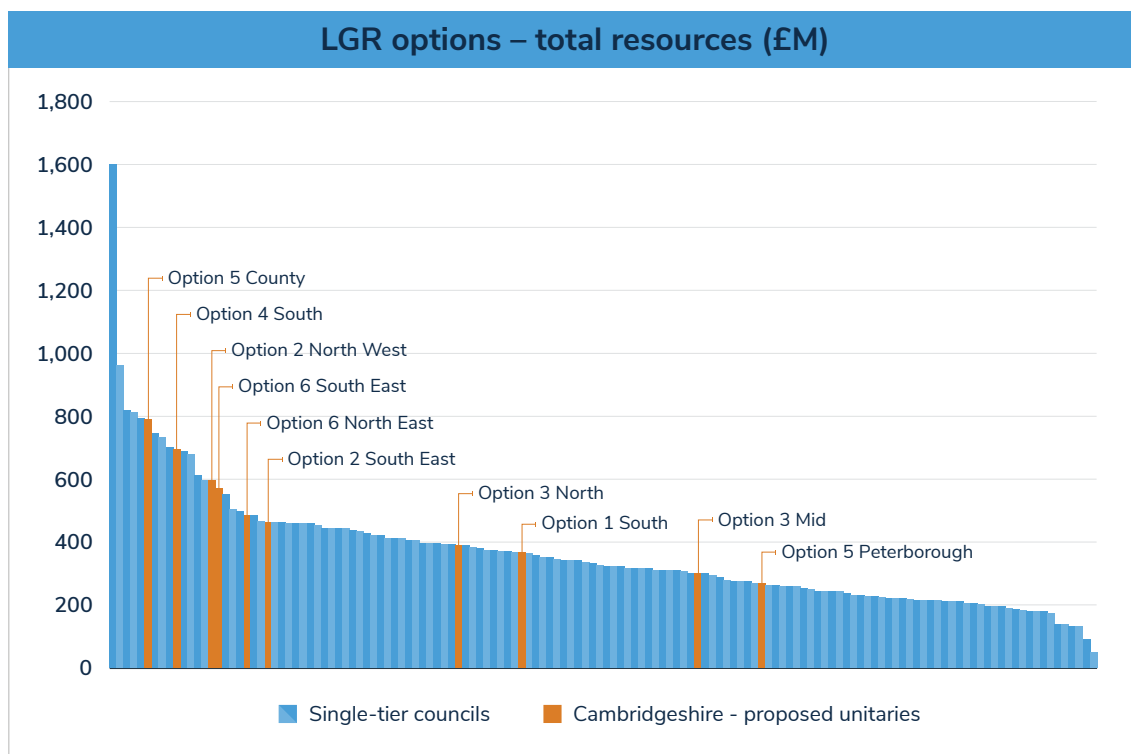
⁸⁹ Cambridgeshire and Peterborough rate from cambridgeshireinsight.org.uk/2024-cyp-jsna

⁹⁰ Rates for Peterborough are calculated using 42,000 under 18's from 'Children's Social Care Caseload 2023-24' compiled by their Business Intelligence team before the ONS mid-2023 population estimate (54,500) was published. This more recent population estimate is expected to be incorporated in future DfE returns, which may lead to adjustments in published rates.

⁹¹ Peterborough's figure represents Early Help Assessments (EHAs) and is not directly comparable to 'active cases' data from other authorities. The Association of Directors of Children's Services estimate that EHAs average around 26 per 1000 (authorities with family-hub funding ~29; without ~23).

Despite a lower-than-average care rate, it must be noted that sharp differences are felt between the districts. Geographical inequality is demonstrated in the stark difference in need between Fenland and South Cambridgeshire. It is important that the new unitary authorities can sufficiently address geographical differences and rurality through targeted place-based responses. This is further highlighted by the table above, outlining the different prevalence rates for the unitary options. Whilst the table highlights some discrepancies in terms of demand and need, this isn't to say that the two unitary authorities aren't viable as they are still significantly below the national average in all measures. The increased demand and need in the North-East can also be met by the recent fair funding review which sees a more equitable balance of resources in the region, as demonstrated by the below graph (Option C = Option 6).

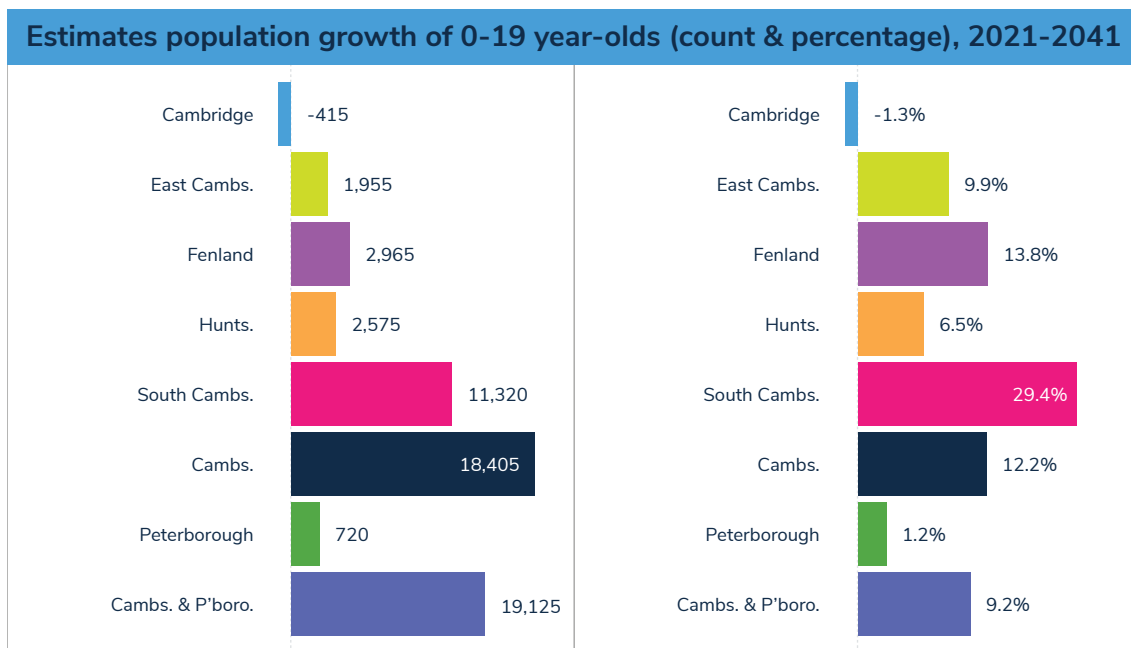
Figure [●]: Total resources according to RNF (PIXEL).



The below graph from Cambridgeshire Insight⁹² highlights population trends up to 2041. Children under five numbers are increasing at a steady rate. However, there has been considerable growth of those aged 5-14, particularly in the cities of Cambridge and Peterborough. The demand for Children's social care services will therefore only increase alongside increased complexity – the 2024 JSNA highlighted an increase in mental health, neurodivergence and physical and/or learning disability cases alongside adverse childhood experiences.

92 [CYP-JSNA-exec-sum_FINAL_Jan25.pdf](#)

Figure [•]: Estimates population growth of 0-19 year-olds (count and percentage), 2012 to 2041. (Source: ONS 2021 Census and 2041 Cambridgeshire County Council population forecasts.)



These regional trends in demand and need are not dissimilar to those felt nationally but it is important that any proposal considers planning for the future as well as addressing key regional challenges.

Workforce trends – According to a 2022 workforce development framework for Children’s Services by Cambridgeshire & Peterborough,⁹³ agency work has increased dramatically in the region. The table below highlights the distribution.

More than 70% of posts in 2022 were unfilled in some front-line teams, with Family Safeguarding and Assessment feeling the biggest impact. The strategy outlined some key interventions for workforce support, including retention payments, partnerships with external agency to support the Assessment Service and apprenticeships with the Step Up to Social Work programme. However, this strategy is yet to be reviewed and workforce challenges are still an area that the new unitary authorities will have to address. However, the strong connectivity in Option C can bolster recruitment and retention by attracting talented staff the region, particularly in well-connected hubs like Huntingdonshire.

93 [5. Appendix 1 Workforce Development Framework August 22.pdf](#)

Current partnerships – the Cambridgeshire & Peterborough Safeguarding Children Partnership Board⁹⁴ is a central multi-agency body coordinating Children’s safeguarding efforts in the region. It includes statutory partner membership from both upper-tier authorities, the Integrated Care Board and Cambridgeshire Constabulary. It is also supported by several other relevant agencies, including education providers, VCSE, youth offending services, district councils, probation services and NHS trusts.

The partnership is currently focused on three key areas: neglect, child sexual abuse and child criminal exploitation and some of their recent developments have focused on separating the front door to increase local responsiveness, launching a new referral pathway to address risks in peer and community contexts and updating the threshold documents for referrals.

Other relevant partnerships/collaborations in the region include: the Children’s & Maternity Partnership led by Cambridgeshire Community Services NHS Trust;⁹⁵ FullScope Collaboration focused on supporting Mental Health Services;⁹⁶ and Integrated Neighbourhood Teams.⁹⁷

Current examples of best practice in the region – Cambridgeshire & Peterborough Public Health recently supported peer-led mental health guidance for young people. This was developed with Fullscope and was aimed at empowering youths to support each other. The ‘Help You, Help Them’ toolkit⁹⁸ was co-created with local youth to provide practical, accessible guidance for supporting peers and to respond safely and effectively to mental health crises.



Figure [●]:
Fullscope.

94 [Peterborough Information Network | Cambridgeshire and Peterborough Safeguarding Children Board](#)

95 [Children’s & Maternity Partnership | CPICS Website](#)

96 [Fullscope – Home](#)

97 [Integrated Neighbourhood Teams \(INTs\) – Cambridgeshire & Peterborough](#)

98 [Help You Help Them](#)



Figure [●]:
Fenland Youth
Work Network.

Cambridge Junction⁹⁹ supports CYP mental health through inclusive arts programmes. Their Creative Learning department prioritises access and empowerment through free, inclusive programmes like Junction Young Company, co-creation and professional mentorship and targeted support through partnerships and film projects.

The Fenland Youth Work Network¹⁰⁰ was launched in 2024, introducing youth-led initiatives like 'Inspire Youth Through Sports' and 'Fenland Youth Tribe.' The projects fostered safe spaces, resilience and community ties with over 200 young people engaged, leading to improved wellbeing and reduced exploitation. Tangible outcomes included improved access to food, clothing and services, successful youth-led campaigns for skate park lighting, and reduced risk of exploitation.

Key challenges in the region that need to be addressed

Cost pressures – reactive services that don't adequately address prevention and post-pandemic increases in complex adolescent case work as well as unaccompanied asylum-seeking children has led to an increase in cost pressures and demand.

Managing inequalities – high demand and deprivation is concentrated in the North, with notable disparities with the South. Peterborough and Fenland both have comparably high needs therefore any proposal would have to address disparity.

⁹⁹ [Cambridge Junction | Music, Comedy, Theatre & Community Venue](#)

¹⁰⁰ [Supporting a community response to the emerging local needs of young people in Fenland through the creation of a place-based youth work network | Local Government Association](#)

Inadequate youth provision – particularly in Peterborough but also Cambridgeshire. Youth provision is consistently labelled inadequate, particularly in terms of care leavers and transition into Adult’s Services. Specialist mental-health provision is also becoming a core service under this banner.

Workforce shortages – recruitment and retention remain critical issues with high turnover and vacancy rates.

System fragmentation and integration challenges – despite the ICS, fragmentation between health and social care still affects continuity. Transitions from Children’s to Adult’s are noted as needing improvement.

Why Option C is a sustainable option for CSC?

The below table highlights the district-level difference in case figures by authority in the region. The Northern Unitary (PCC/FDC/ECDC) has a combination of low-need (East) with the higher needs of Peterborough and Fenland. Peterborough’s needs tend to come from their higher under-18 population and need for youth provision whereas Fenland is due to deprivation-driven cases and a higher concentration of children’s homes.

The Southern Unitary (HDC/SCDC/CCC) combines the high caseloads of Huntingdonshire with the low needs of South Cambridgeshire and the diversity of City which sees a higher proportion of older teens as well as several high-demand geographic areas. Whilst Huntingdonshire has a high case load, it does have average intervention rates and a strong early help presence.

Table •: Approximate caseload breakdown by authority (2023/24).

	Approx. children in care	Children in need	Child protection plans	Early help cases	Approx. % of Camb. under 18s
Cambridge City	97	410	50	280	15
East Cambridgeshire	65	275	35	225	13
Fenland	150	575	75	350	17
Huntingdonshire	155	700	85	475	28
South Cambridgeshire	75	275	30	280	27
Cambridgeshire total	*646	*2,755	275	1,610	(100)
Peterborough	409	1,477	277	1,861	(100)

* Figures for Cambridgeshire city/districts are approximate estimates based on available data from Cambridgeshire County Council and JSNA documents for 2023-24, figures for Peterborough are drawn from Council reports. The discrepancy between the total number of children in care and in need across Cambridgeshire and the sum of children assigned to specific districts is likely to reflect children placed outside Cambridgeshire; children that have no fixed or permanent address; and administrative categorisation, where some children receiving services may not have a clearly recorded district designation.

Table •: Numbers of childrens social care cases by proposed unitary authorities.

Unitary	Approx. children in care	Child in need	Child protection plans	Early help cases
North-East: PCC/FDC/ECDC	624	2,327	387	1,050
South-West: CCC/HDC/SCDC	327	1,385	165	1,035

Table• : % population within proposed unitary authorities. (Source: Newton).

Option C		
	Unitary Authority 1 ECDC/FDC/PCC	Unitary Authority 2 CCC/HDC/SCDC
Total population	424,000	516,000
% population 65+	18.5%	17.9%
% population under 18	22.5%	19.6%

Population distribution is evenly split in terms of the % of U18's. Both unitary authorities have a strong balance of urban and rural need, with the North being able to address rurality challenges and the South has the scale to effectively address population and demand growth. As both unitary authorities will be effectively balanced in terms of size and scale, there will be greater capacity for both to effectively work together where needed but to maintain a sharp focus on the specific needs of geographic areas.

Smaller unitary authorities will also be better placed to deliver a localised approach – something that is sorely needed for addressing rurality changes and difference in needs across the rural and urban nature of the region. A 'one size fits all' approach will be quite limited in achieving this and smaller scale can allow greater opportunity for exploring co-designing services with the VCSE with a more intimate knowledge of local communities.

Opportunities for reform

LGR provides significant opportunity for re-thinking how councils deliver Children's Social Care Services – particularly, with how to align district and County services more closely to deliver on prevention and capitalise off districts' knowledge of local communities.

It is important that both unitary authorities drive reform that truly answers local need, addressing the challenges identified above. Option C provides the best configuration for this reform as it allows:

- Balanced scale and size to manage service delivery effectively.
- **Combines similar challenges and needs** – the North can effectively address rurality and high youth provision whilst the South can effectively strengthen their early help focus.
- **Demand/need is well-balanced in both areas** – the low-need of East balances out the high needs of Peterborough and Fenland and the low-need of South balances out the high caseload of Huntingdonshire.

The key focus for reform will therefore be:

- Providing a hyper-local approach that seeks to involve service users in co-designing of services. This will particularly address the challenge of rurality as well as disparity of needs between the urban and the rural.
- **Collaborating for scale** – joint commission services where cross-boundary collaboration offers better outcomes and value for money.
- **Joint-up working for prevention** – combining district and county services through organisational structures that provide constant connection and communication. For example, ensuring housing sits within or next to social care as well as leisure, etc.
- **Ensuring that wider organisational strategies deliver for high-risk services** – in particular, using a strong focus on inclusive growth to deliver on house-building targets and ensure investment in skills opportunities for young people. This links back to joint-up working and ensuring that teams talk to each other to understand how they can collectively work to reduce demand on the system.
- **Micro-providers and neighbourhood teams** – support the micro-provider market in the region by bringing together providers with local residents to support the wider use of personal budgets.
- Ensuring that the voice of the child is heard effectively and that case work focuses on achieving the best outcomes possible.
- Early intervention in school settings to support independence and positive choices in youth. This includes health provision, such as allowing external funding for sports and PE sessions that are on top of current provision in schools. This could have multiple positive outcomes, particularly for youth mental health as well as physical development.

Case studies for prevention

Childhood Healthy Weight Initiative

A place-based targeted intervention for St John's and Thongsley Primary schools in the North Huntingdonshire 'Oxmoor' catchment area. This locality has the highest childhood obesity rates in the district which correlates to the higher indices of deprivation. To align with Government's National Childhood Measurement Programme (NCMP) to tackle childhood obesity, reception and year 5 age groups were selected to participate in advance of their year 6 assessment.

The programme featured 12-weekly physical activity sessions interspersed with fun and informative healthy eating elements to improve children's understanding of leading a healthy lifestyle. Fitness challenges were measured at baseline, week six and week 12 to assess changes in their physical activity levels.

The average cost of weight management for children annually is around £6,100, including interventions, medications, direct healthcare costs and mental health costs. At the end of the scheme, 194 children improved their fitness challenge score from baseline to week 12. It can be safely assumed that the programme could have successfully reduced weight management costs for the NHS.

Youth work case study

In Huntingdonshire, the Resident Advice Team provide direct support to vulnerable residents before they reach the point of potentially needing care. An example of this is in their recent support of a youth struggling with food and money – the Resident Advice Team supported them to get food from their local food bank and through an application to the household support fund to help with food and energy costs. They also contacted the support worker to ensure that they were aware of her attempts to contact the council as well as the posts they were putting on social media, making them more vulnerable to exploitation.

The above example highlights the need to ensure joint-up working is successfully achieved and that relevant agencies are connected and speaking to each other. Re-organisation will make this process easier to facilitate and will ensure there is 'one front door' for residents.

4.3.7 SEND/Education

National picture

In a recent report by the Isos Partnership in 2025, the current SEND system in England was described as ‘broken.’ The reasons for this assessment were outlined as ‘a combination of unexpected need and unintended perverse incentives in the system... alongside a general squeeze on public resources,’¹⁰¹

The report later outlines four key facts:

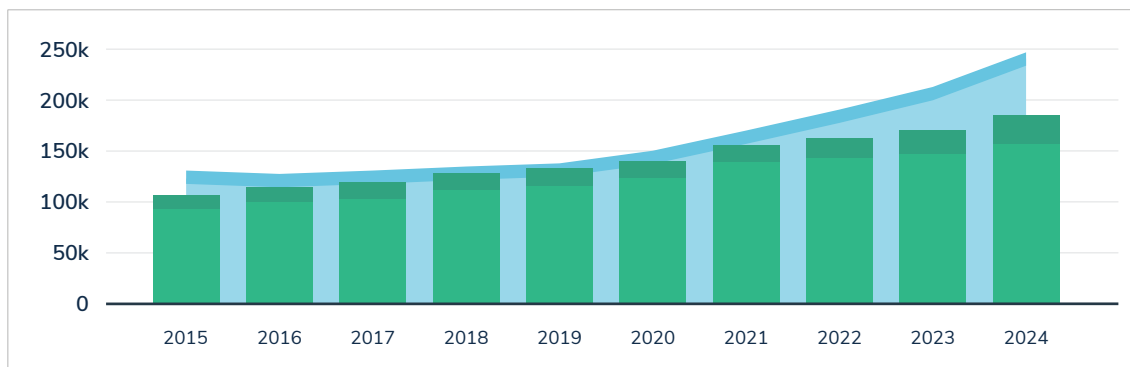
- There are many more children and young people than ever before in England being identified as having special educational needs.
- There are more children than ever before whose needs are not being met in their local mainstream school and are requiring special provision.
- More money than ever before is being invested in special needs, but even that is very significantly less than what is actually being spent by schools and local government.
- And, despite that rapidly rising expenditure, on average outcomes for children and young people with SEND have not improved and neither has the overall satisfaction of families.

On a national scale, councils are seeing increased demand and pressure on SEND provision, with an increase in EHCPs of 140% over 10 years. This increase has massively outstripped population increases and the age groups responsible for 85% of the growth are 5-10 year-olds, 11-15 year-olds and 16-19 year-olds.

This rise exacerbates cost pressures – the average cost of placing a child with an EHCP in a mainstream school in 2023/24 was £8,200 whereas placing a child in a state-funded special school was £25,000. The below graph highlights how placements in special schools is only rising, squeezing the budgets of Local Authorities even further.

¹⁰¹ static1.squarespace.com/static/5ce55a5ad4c5c500016855ee/t/669fcedacd1a1f608546f52b/1721749338168/SEND+report.pdf

Figure [●]: Chart showing the numbers of children and young people with EHCPs placed in mainstream schools and units and special schools between 2014/15 and 2023/24. (Source: Education, health and care plans, 2024, DfE).



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
State-funded special	96,655	100,174	103,568	111,387	118,999	125,398	132,131	140,036	145,850	155,045
INMSS	12,827	13,721	14,942	15,483	17,532	19,641	21,746	24,412	25,886	29,802
Mainstream schools	108,640	106,708	103,910	108,615	117,360	129,967	147,004	165,125	186,842	219,012
Units	13,129	12,943	17,816	16,271	17,652	18,235	20,464	21,284	20,122	22,236

In wider education, national trends indicate that there are still inequality gaps with parental education remaining a strong predictor of attainment in England. According to the OECD, 76% of young adults with tertiary-educated parents attain a degree, compared to 37% of those whose parents didn't complete secondary education.¹⁰²

The Education Policy Institute recently highlighted some key challenges that schools are facing nationally. In particular, there is a lack of clarity around funding with improved targeting needed for disadvantaged children, the need for a child poverty strategy and consistent increases in absences and declines in participation.¹⁰³ These widened gaps in attainment have been multiplied by the Covid-19 pandemic which led to significant learning losses, especially in maths and literacy, with 98% of teachers surveyed reporting that their students were behind.¹⁰⁴

¹⁰² [Education at a Glance 2025: United Kingdom](#)

¹⁰³ [Foreword & executive summary – Education Policy Institute.](#)

¹⁰⁴ [Learning during the pandemic: review of research from England – GOV.UK](#)

These challenges have meant that SEND and Education are high on the Government's and Council's radar due to the pressures it puts on local government. As such, there are several policy initiatives taking place which this proposal bears in mind with its approach:

- Transformation of the SEND system with recent fairer funding announcements retaining the DSG statutory override until the end of 2028 with a new bespoke formula to recognise home to school transport costs.
- A curriculum and assessment review, reporting in Autumn 2025, with a focus on making assessment more inclusive and equitable and ensuring that the subject offer is relevant to future economic, social and environmental needs.
- Alignment of inspections of schools and social care reforms.

Cambridgeshire & Peterborough – what does the region look like now?

Quality assurance – Ofsted Full Area SEND inspection outcome 'Arrangements lead to inconsistent experiences and outcomes for children and young people with SEND' (May 2025).¹⁰⁵

Ofsted Joint Area SEND Revisit (2016 Framework) outcome 'Progress judged sufficient in 4 of 5 previously identified weaknesses; not sufficient in preparing for adulthood' (March 2022).

Local SEND inspections have highlighted major areas of improvement within the region. Some consistencies include timeliness concerns in response to EHCP issuance, assessment pressures and improvements needed in communication and transparency with families.

In terms of differences, Peterborough is experiencing significant budget strain pressures with a need to increase specialist placements whereas Cambridgeshire's access to mental health services is poor as well as their preparation for adulthood. The North unitary will need to consider Peterborough's challenges whilst both organisations will have to grapple with the improvements needed in Cambridgeshire.

¹⁰⁵ [Cambridgeshire County Council – Open – Find an Inspection Report – Ofsted](#)

Demand/Need trends

In Cambridgeshire, EHC plans have increased by 90.7% from 2019-2025. This is in comparison to Peterborough’s 53% increase and the national average of 80.4%. The region is therefore facing a significant rise in demand.¹⁰⁶

The time taken to issue EHC plans is vastly different in each upper-tier authority. Peterborough City Council are significantly quicker at issuing, with 89.4% of cases responded to within 20 weeks. In comparison, Cambridgeshire County only has 8.8% of EHCPs responded to – in law, 20 weeks is the threshold for which a plan should be issued once applied for. The below data could perhaps be explained by the difference in size and scale between the unitary authorities – Peterborough is smaller and therefore more reactive, with a lower caseload. This highlights how smaller unitary authorities could demonstrate similar strengths in response times.

Chart • :Cambridgeshire County Council.

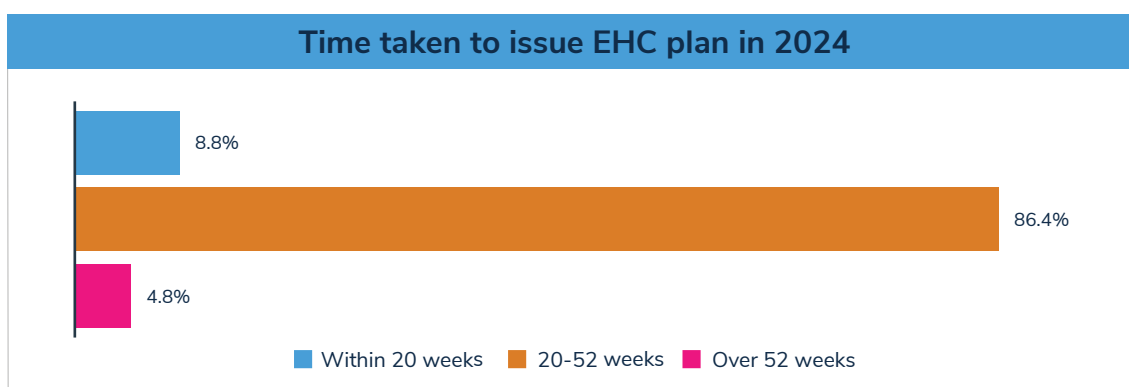
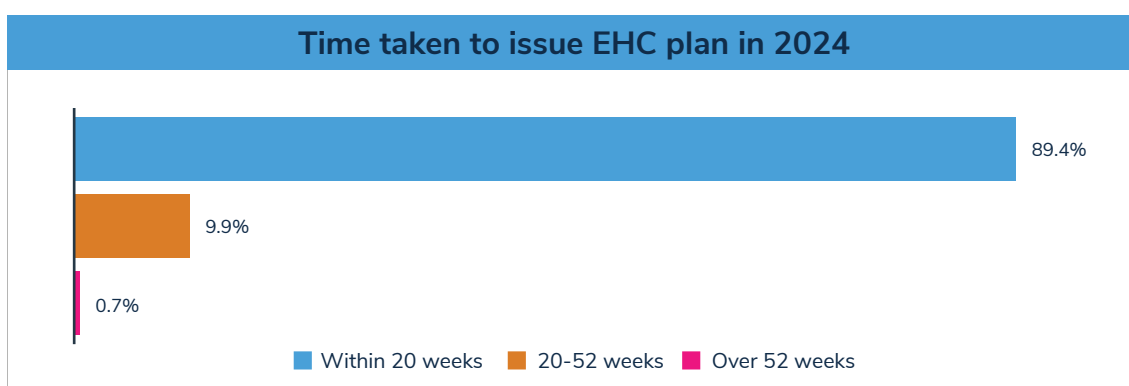


Chart • : Peterborough City Council:



(Source: Local Area SEND Dashboard, House of Commons Library).

¹⁰⁶ Local area dashboard: Special educational needs and disabilities (SEND) in England Local area dashboard: Special educational needs and disabilities (SEND) in England

Table •: SEND, approximate EHCP breakdown by authority (2023).
 (Source: Derived from overall 2023 EHCP counts (~7,000 Cambridgeshire pupils), SEND Sufficiency Statement 2023 projections, and recent place-planning data)^{107 108}

	Under-18 population	Estimated EHCP pupils	EHCP prevalence (%)
Cambridge City	~21,500	~1,190	5.5%
South Cambridgeshire	~38,800	~1,610	4.2%
Huntingdonshire	~40,200	~1,750	4.4%
Fenland	~24,400	~1,470	6.0%
East Cambridgeshire	~18,600	~980	5.3%
Cambridgeshire total	~143,500	~7,000	4.9%

The above table highlights the EHCP breakdown by district in Cambridgeshire. Fenland Cambridge City and East Cambridgeshire have the highest SEND prevalence. In the North-East, Fenland’s has a higher concentration of need with their special school (Meadowgate Academy) operating at or over capacity. Workforce recruitment is a challenge and SEMH expansion is needed. This contrasts with East Cambridgeshire mixed needs profile with ASD, hearing impairment and MLD common. The area faces challenges in that limited local specialist places mean a reliance on out-of-area placements. Peterborough’s prevalence is at 4.7%, demonstrating a slightly lower percentage with most of their need coming from ‘communication and interaction’ issues (mainly autism).

In the South-West, City’s prevalence at 5.5% reflects their urban challenges and potentially better access to diagnostic services. Autism spectrum disorder dominates their need profile, perhaps due to proximity to autism-specialist provision. Huntingdonshire sees a lower rate of 4.4% with speech, language and communication needs and ASD dominating. Rurality creates challenges for specialist provision access but the new Prestley Wood school in Alconbury Weald has absorbed their growing complex-need cohort. South Cambridgeshire has a low prevalence rate at 4.2% but is seeing rapid growth through new developments. Autism and moderate learning difficulties dominate.

¹⁰⁷ [CCC-SEND-Sufficiency-Statement-March-2023.pdf](#)

¹⁰⁸ [SEND-Sufficiency-Strategy-PCC.pdf](#)

Table [●]: SEND budgets.

Authority	High-Needs Block 2024-25*	Change on 2023-24	Notes
Cambridgeshire County Council	£89.7m (after place-funding deductions)	+£2.2m (+2.5%)	Pupil-driven share of the national High-Needs formula plus an extra £3.9m 'safety-valve' top-up for 2024-25. (Dedicated schools grant (DSG) 2024 to 2025 This allocation)
Peterborough City Council	£42.2m (after deductions)	+£2.0m (+5.1%)	Allocation rises faster than Cambridgeshire's because of higher EHCP growth (35% in three years).

* The High-Needs Block is part of the DSG that funds statutory SEND duties: special-school budgets, mainstream top-ups, independent placements, alternative provision and SEN Support services. Figures refer to DSG High-Needs Block allocations after place-funding deductions, as defined by the DfE in March 2025.

Table [●]: Financial trends in SEND in Cambridgeshire & Peterborough.

	Cambridgeshire	Peterborough
Per-pupil High-Needs funding (2024-25)	~£3,350 per 0-24 resident	~£4,550 per 0-24 resident – among the highest in the East of England
In-year pressure	Forecast overspend £11m (mainly out-county places and EHCP top-ups); DSG deficit forecast to be £49m in 2026/2027	Forecast overspend £5.7m ; DSG deficit £6.3m despite 1% transfer from Schools Block Grant
Recovery actions	500 new special-school places (2023-27), branding-review and inclusion funding panel	Repurposing PRU capacity, expanding SEMH free-school places; bid for DfE 'Delivering Better Value' wave-2 support

The above tables highlight the financial positions of both upper-tier authorities, taken from the most recent MTFs. Notably, Cambridgeshire County Council have signed up to a safety valve agreement with additional DSG funding – this increases year on year as per the table below. This was to support the

repayment of their current deficit and commits Cambridgeshire to meeting certain saving targets and conditions to balance the books. This is something to bear in mind when the new unitary authorities take on the service.

Table [●]: DSG Safety Valve Payments to Cambridgeshire County Council.

Year	The Department agrees to pay to the authority an additional £m of DSG by year end
2022-23	£19.60m
2023-24	£5.88m
2024-25	£5.88m
2025-26	£5.88m
2026-27	£11.76m

Table ●: Education snapshot. (Source: 2024 JSNA)¹⁰⁹

Theme	Metric	Cambridgeshire	Peterborough	National average
Free School Meals	Proportion of pupils eligible for FSM (2022/23)	20.5%	27.6%	23.8%
SEND	% of pupils with an EHCP (2022/23)	17.8%	15.4%	18.4%
SEND	% of children receiving SEN support (2022/23)	12.3%	11.1%	13.6%
School readiness	% of pupils with a good level of development at end of Reception (2022/23)	66.2%	63.1%	67.2%

¹⁰⁹ [DSG Agreement between Cambridgeshire and Government](#)

Theme	Metric	Cambridgeshire	Peterborough	National average
School readiness	% of pupils eligible for FSM with a good level of development at end of Reception (2022/23)	39.8%	48%	51.6%
Educational Attainment	Average attainment 8 score at GCSE	48.6%	43.2%	46.2%
Pupil absence	Pupil absence rates	6.6-7.5%	6.6-7.5%	7.4%

The above table provides a snapshot of attainment metrics in the region. It is worth noting that school readiness is the only metric that is below national average throughout the region. Cambridgeshire tends to perform better than Peterborough with regard to the other themes. However, this may mask potential regional inequalities. One key theme in the region is that, whilst services are sometimes performing well on the whole, the area is geographically and demographically diverse, so inequalities persist.

Home to school transport provision is another challenge that both upper-tier authorities are facing. Rising demand has shown an increase in spend on school taxis, particularly in Cambridgeshire. This isn't helped by an uneven distribution of school provision in the County. In urban centres, schools are more densely populated. However, in areas like South Cambridgeshire and Fenland District Council/East Cambridgeshire District Council, there are larger catchment areas where more pressure will be placed due to new developments and growth. This is an area that both unitary authorities will need to focus on when addressing SEND and Education Provision.

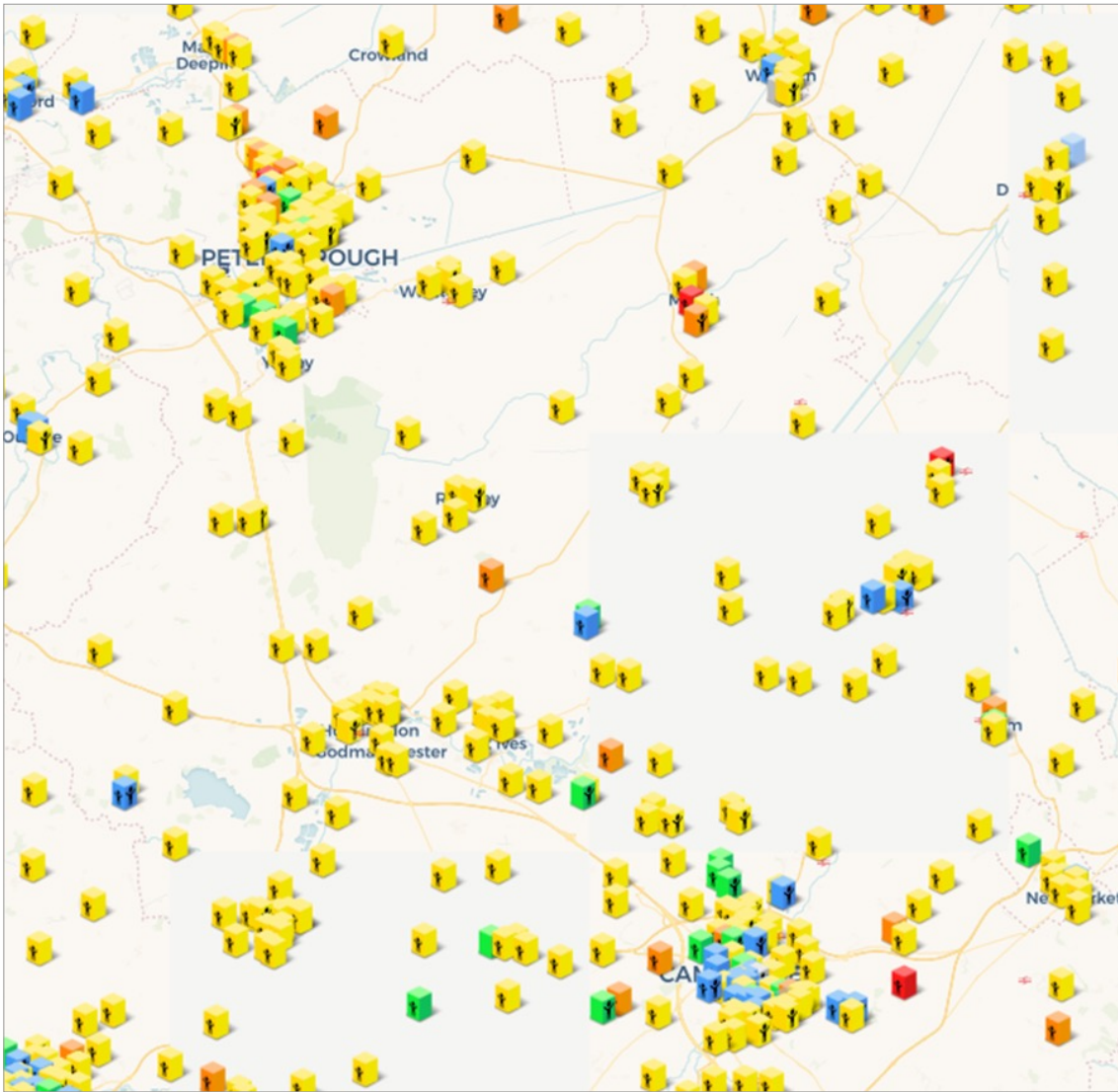


Figure [●]: (Source: Locating School Finder)¹¹⁰

Workforce – there are a number of workforce challenges felt in the region in education and SEND. The recent Local Skills Improvement Plan highlighted a 22% drop in teaching employment in Fenland and Peterborough since 2022 and teaching vacancies have rose by 81% compared to pre-pandemic levels.¹¹¹ Both councils have outlined significant staffing pressures and challenges in workforce ageing and staff retention.

Current best practice – despite the above challenges, there are several positive initiatives taking place in the region. These include:

- The Inclusion for All Strategy¹¹² focused on early identification, mainstream inclusion, and financial sustainability.

¹¹⁰ [The Best School Finder & School Catchment Area Checker | Locating](#)

¹¹¹ [Local Skills Improvement Plan](#)

¹¹² [New 'Inclusion for All' SEND Strategy to focus on early support | Cambridgeshire County Council](#)

- **SEND Ordinarily Available Toolkit¹¹³** – providing guidance for mainstream schools on support for those without an EHCP.
- **The SEND Hubs Network in Peterborough¹¹⁴** – hosted by schools, each hub focuses on a specific SEND area (e.g. autism, ADHD).
- Shared regional strategies including the Cambridgeshire & Peterborough SEND strategy¹¹⁵ focused on inclusive education, multi-agency collaboration, and lifelong learning and the All-Age Autism Strategy, promoting autism-friendly services and environments across both authorities.
- **Alconbury Weald** – a collaborative, cost-effective and forward-thinking approach was taken between HDC/CCC/Developer to deliver SEND provision as part of embedding a new sustainable community to meet future identified need.

Partnerships in the region – there are several existing partnerships in the region to build on with the new organisations, including:

- **Cambridgeshire & Peterborough SEND Executive Board¹¹⁶** – attended by both upper-tier authorities, the Integrated Care Board, Parent Carer Forums, Education, health and social care leaders and VCSE. Aims are to: improve EHCP timeliness and quality; enhance co-design with families; strengthen transitions to adulthood; and expand specialist provision.
- **Cambridgeshire Area SEND Partnership** – including the ICB and local authorities working together on joint commissioning of services; coordinated assessments and therapies and early help and inclusion initiatives. Their recent Inclusion for All strategy has been praised by Ofsted for improving early identification.

Key challenges in the region

The above analysis has highlighted several challenges that need to be addressed through LGR, including:

- **Regional disparities** – educational attainment is often unbalanced in the region, with areas like Fenland and Peterborough achieving less than South Cambridgeshire and City, due to differences in affluence and deprivation.
- **Rurality and accessibility** – rural areas face increased barriers to access, particularly in villages in South, Fenland and East. Unitary authorities will need to address transport and connectivity issues as well as ensuring maintained service provision.

¹¹³ [SEND Ordinarily Available Provision Toolkit](#)

¹¹⁴ [Peterborough Information Network | Peterborough Specialist SEND Hub Network](#)

¹¹⁵ [Peterborough Information Network | Peterborough Specialist SEND Hub Network](#)

¹¹⁶ [SEND Strategy & Pledge – Pinpoint](#)

- **Differences in demand growth** – whilst the North faces higher need, the greatest growth will be felt in the South leading to an increase in demand. A greater connection between Education and Planning will be needed to address demands and ensure that provision is given.
- **Workforce pressures** – both upper-tier authorities are facing cost pressures with agency provision due to lower retention rates and higher turnover/vacancies.

Why Option C is a sustainable option?

Table ●: Predicted spend underneath Options A/B/C/D in SEND. (Source: Newton).

Scenario	Proposed authority	Predicted spend for scenario 2025	SEND services cost 2025 (gross placements cost and staffing)	Predicted spend for scenario 2040	SEND services cost 2040 (gross placements cost and staffing)
Baseline	CCC	£186.7m	£137m	£661.6m	£457m
	PCC		£50m		£205m
Option A	UA 1: FDC/HDC/PCC	£186.7m	£110m	£661.6m	£400m
	UA 2: CC/ECDC/SCDC		£77m		£261m
Option B	UA 1: CC/SCDC	£186.7m	£60m	£661.6m	£204m
	UA 2: ECDC/FDC/PCC		£127m		£458m
Option C	UA 1: ECDC/FDC/PCC	£186.7m	£93m	£661.6m	£348m
	UA 2: CC/HDC/SCDC		£93m		£313m
Option D – Three Unitary Authorities	UA 1: FDC/PCC	£186.7m	£76m	£661.6m	£291m
	UA 2: ECDC/HDC		£51m		£167m
	UA 3: CC/SCDC		£60m		£204m

The cost of service for SEND in both unitary authorities is evenly balanced, with the North spending £86m and the South spending £87m. This is the most balanced option in terms of cost of the service, with the fairer funding review also providing a bolster to high needs areas in the North. In 2040, Option C still provides the most balance, in comparison to others, demonstrating an even distribution of cost and need.

Table •: Predicted spend on educational provision underneath Option A/B/C/D
(Source: Newton)

Scenario	Proposed authority	Mainstream				Maintained Special Schools			
		2025	2030	2040	% change	2025	2030	2040	% change
Baseline	CCC	£201	£237	£329	64%	£250	£295	£409	64%
	PCC	£201	£237	£329	63%	£251	£296	£411	63%
Option A	UA 1: FDC/HDC/PCC	£198	£233	£324	64%	£245	£289	£402	64%
	UA 2: CC/ECDC/SCDC	£206	£242	£336	64%	£260	£306	£425	63%
Option B	UA 1: CC/SCDC	£211	£248	£344	63%	£266	£313	£435	63%
	UA 2: ECDC/FDC/PCC	£197	£232	£322	64%	£245	£289	£401	64%
Option C	UA 1: ECDC/FDC/PCC	£202	£238	£330	63%	£248	£292	£406	64%
	UA 2: CC/HDC/SCDC	£201	£237	£329	64%	£254	£299	£415	64%
Option D	UA 1: FDC/PCC	£205	£241	£334	63%	£249	£294	£408	64%
	UA 2: ECDC/HDC	£187	£220	£306	63%	£236	£278	£385	63%
	UA 3: CC/SCDC	£211	£248	£344	63%	£266	£313	£435	63%

Scenario	Proposed authority	Independent Non-Maintained Special Schools				Other			
		2025	2030	2040	% change	2025	2030	2040	% change
Baseline	CCC	£1,327	£1,562	£2,167	63%	£313	£370	£514	64%
	PCC	£1,319	£1,554	£2,156	63%	£314	£370	£513	63%
Option A	UA 1: FDC/HDC/PCC	£1,367	£1,609	£2,230	63%	£298	£352	£490	64%
	UA 2: CC/ECDC/SCDC	£1,282	£1,509	£2,095	63%	£343	£405	£562	64%
Option B	UA 1: CC/SCDC	£1,376	£1,619	£2,245	63%	£364	£429	£595	64%
	UA 2: ECDC/FDC/PCC	£1,296	£1,528	£2,120	64%	£297	£351	£488	64%
Option C	UA 1: ECDC/FDC/PCC	£1,329	£1,565	£2,169	63%	£299	£353	£491	64%
	UA 2: CC/HDC/SCDC	£1,323	£1,558	£2,163	63%	£331	£391	£544	64%
Option D	UA 1: FDC/PCC	£1,461	£1,711	£2,362	62%	£301	£356	£495	64%
	UA 2: ECDC/HDC	£1,141	£1,343	£1,862	63%	£291	£343	£475	63%
	UA 3: CC/SCDC	£1,376	£1,619	£2,245	63%	£364	£429	£505	64%

There is also little variation in unit costs with both unitary authorities seeing roughly the same % change up to 2040.

SEND and Education provision is therefore **evenly balanced** underneath Option C, with both unitary authorities grappling with similar challenges in terms of balancing urban need with rurality.

One key reason Option C is the best option for Education provision is the **natural transport links** inherent in both the North and the South. Connections between East Cambridgeshire and Fenland are stronger than those between East Cambridgeshire and Huntingdonshire. This is similar to the fact that Huntingdonshire’s connection to Cambridge is greater than to the Eastern part of the region. In turn, Fenland has greater public transport connections to Peterborough and East Cambridgeshire, compared to Huntingdonshire. These transport connections are vital in addressing home to school transport issues but also, the strong economic identities of each unitary can work to increase funding and address regional issues like rurality.

Balance in population and scale is also necessary for addressing the sharp increases in demand expected in the South due to new developments. The below table highlights the estimated population increase for school aged residents. South Cambridgeshire sees the greatest population increase therefore there is an expected increase in demand for services. Scale and resources will be needed to meet this demand –existing transport connections to Huntingdonshire can be leveraged to support need. It will also provide the Northern unitary with sufficient scale whilst allowing the ability to implement localised, place-based working.

Table •: School age population numbers and % by district (Source: Newton).

District	School aged population by year			Percentage growth in school aged population from 2025-2040	Average percentage of Authority school aged
	2025	2030	2040		
Cambridge	16.6k	15.8k	15.8k	-5%	10%
East Cambridge	13.1k	12.6k	12.7k	-3%	13%
Fenland	14.2k	14.3k	14.2k	0%	13%
Huntingdonshire	26.5k	26.1k	26.8k	1%	13%
Peterborough	39.3k	38.1k	36.6k	-7%	16%
South Cambridgeshire	27.2k	27.9k	31.5k	16%	15%

Opportunities for reform

In order to deal with the challenges above, the opportunities for reform in SEND/Education should be the following:

- **Organisational structures that facilitate effective communication and joint working** – the connection of planning to education provision as well as leisure and health can provide greater outcomes for young people.
- **Economic growth that complements care** – the economic visions of the two unitary authorities should work to address social care provision and provide the connections needed address rurality challenges. Looking at the location, and models for delivery of new facilities and services.
- **A hyper-local approach** – as outlined above, disparities in the region exist and no two childrens' experience is the same. The two unitary authorities are small enough to provide hyper-local, place-based approaches to SEND provision that can be effectively tweaked to support regional differences.
- **Prevention** – improved prevention and placing importance on district-level services to provide early support and care for SEND students.
- **Improved workforce strategies and incentives** – increase in incentives for SEND support workers and teachers, with clear pathways for progression. Greater economic focus on transport provision could also clear barriers to workplace access.

Whilst there will be disparities and key regional differences between the two unitary authorities, there are similar challenges felt throughout the region. The above list should be the focus of both unitary authorities to effectively address the rural/urban divide, demand growth in the South and deprivation in the North.



Figure [●]:
PEDALs.

Case Studies of district prevention

SEND Pledge Art Competition¹¹⁷ – artwork competition held in Peterborough and Cambridgeshire to launch the joint SEND strategy. Winning artworks were used to create the posters to illustrate the qualities that the councils will display.

PEDALS¹¹⁸ – inclusive cycling initiative in Huntingdonshire offering instructor-led sessions using adapted bikes for children and adults who require additional support. It promotes physical activity, social inclusion, confidence building and family participation. It's a local SEND-friendly initiative combining recreation with accessibility.

4.3.8 Homelessness

National picture

In the UK, homelessness affects a wide range of people, including those who are sleeping rough and sofa surfing. It also includes those without a permanent home and those in temporary accommodation.

In line with UK legislation on housing and homelessness, local authorities are responsible for:

- **Assessment** – assessing all eligible applicants who are homeless or at risk.
- **Advice and information** – provided to all, including those not eligible for assistance.
- **Interim accommodation** – required if applicants are eligible and in priority need.
- **Main housing duty** – applies if homeless is not prevented or relieved and the applicant meets eligibility criteria.

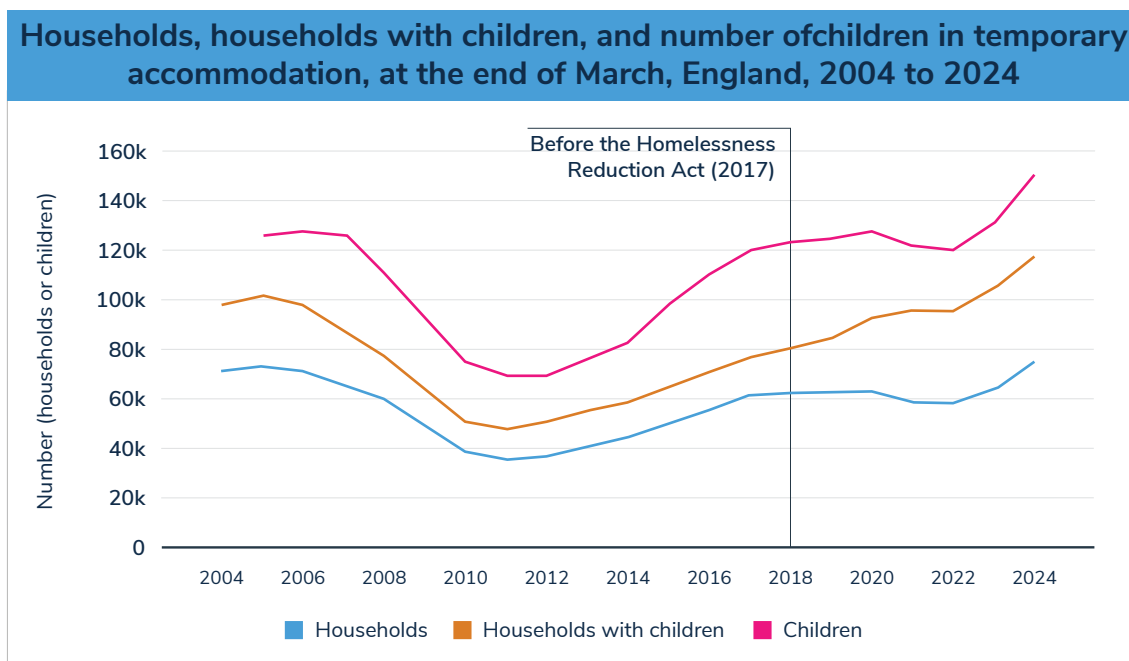
One statutory duty that local authorities have is the provision of settled accommodation. According to the Office for National Statistics,¹¹⁹ 2024 saw the highest level recorded for number of homeless households owed a homelessness duty. 324,990 households in the UK make up this number, an increase of 8.8% from 2022/3. A similar trend has been seen in number of households in temporary accommodation, particularly with households with children. Demand and need for accommodation is therefore increasing, causing more pressure on districts and unitary authorities to provide capacity.

¹¹⁷ [Peterborough Information Network | SEND Strategy 2019 – 2024 \(Local Offer\)](#)

¹¹⁸ [PEDALS – Huntingdonshire.gov.uk](#)

¹¹⁹ [Homelessness in the UK – Office for National Statistics](#)

Figure ●: The number of household, and households with children, in temporary accommodation in England are at record highs. (Source: ONS).



According to the LGA, councils' budgeted net spend on homelessness services has increased by £604m (77.4%) from 2019/20 to 2024/5. This figure is due to the increasing costs of providing services but also complex contributory factors such as asylum and resettlement issues.¹²⁰

Rising costs have also been driven by extensive use of temporary/emergency accommodation, and private sector leasing schemes due to insufficient social housing. More households have been pushed into crisis due to increased cost of living and rent increases.

The UK government have recently announced significant measures to address homelessness, including an increase in funding by £1bn, plans to abolish Section 21 'no fault' evictions and the development of a new cross-government homelessness strategy, aimed at reducing reliance on B&Bs, streamlining funding structures and building more social and affordable housing.

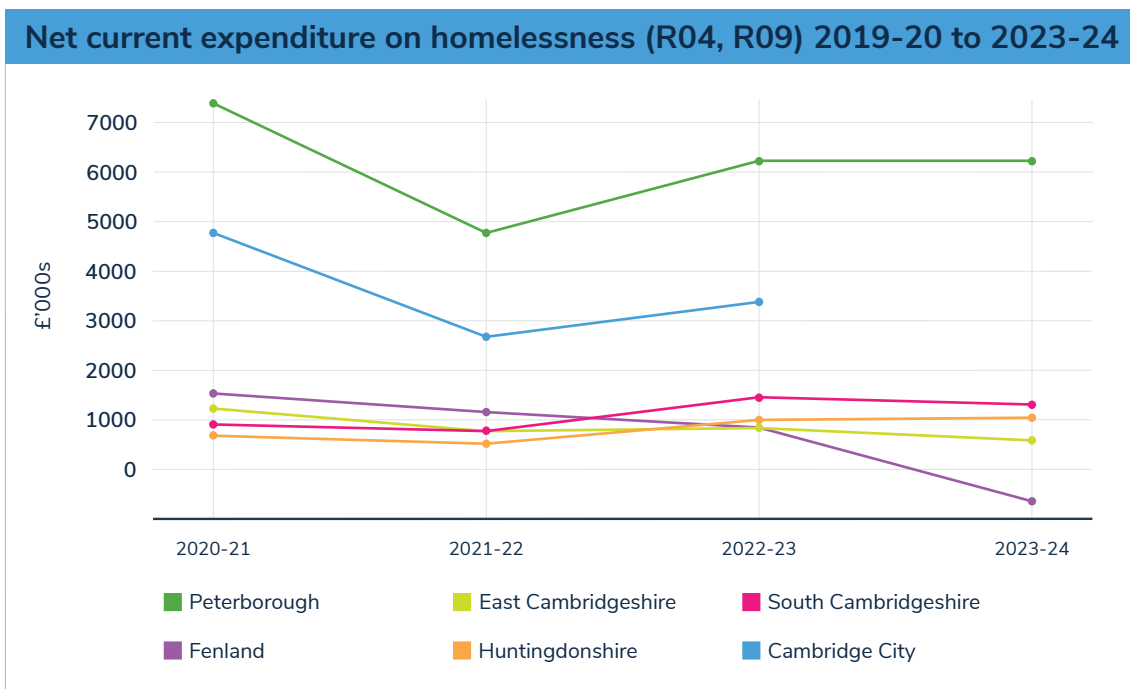
This cross-departmental strategy is particularly important for ensuring that a pro-active approach to homelessness is taken through preventative measures whilst tackling the root causes of demand that is affecting local authority budgets. This proposal seeks to position itself in alignment with the Government's vision for tackling homelessness and works to tackle the issues acutely felt in Cambridgeshire & Peterborough.

¹²⁰ [Homelessness and Rough Sleeping Strategy Position Statement | Local Government Association](#)

Cambridgeshire & Peterborough – what does the region look like now?

Demand/Need trends

Chart ●: Title. (Source: MHCLG Revenue Outturn – Net current expenditure, line H09 ‘Homelessness’, which captures all revenue spend on assessment, prevention/relief work, temporary accommodation, Housing First projects, rough-sleeping services, etc., net of specific grants and client income. Some capital and other revenue spend related to homelessness from other council budgets will not be picked up in these official statistics.)¹²¹



Current expenditure on homelessness up to 2023/24 is outlined in the graph above. It highlights how Peterborough and Cambridge account for two-thirds of homelessness spend in the region, due to urban pressures and high temporary-accommodation use. The more rural areas see less spend. However, South Cambridgeshire and Huntingdonshire are seeing a steady increase in demand.

¹²¹ [Local authority revenue expenditure and financing England: 2024 to 2025 – first release – GOV.UK](https://www.gov.uk/government/statistics/local-authority-revenue-expenditure-and-financing-england-2024-to-2025-first-release)

Table •: Homelessness Demand by District (Cambridgeshire & Peterborough)

District	Homelessness Applications (2024/25)	Rough Sleepers in Autumn 2024	Duties owed – either prevention or relief	Number of families in TA at end of Q4 2024/25 (Snapshot on the date)
Cambridge City	772	26	772	163
Peterborough	1,679	16	1,679	327
Fenland	630	7	470	75
South Cambridgeshire	620	1	591	75
East Cambridgeshire	448	3	434	17
Huntingdonshire	870	9	864	114

The above table provides a snapshot of homelessness data in the region. The highest homelessness figures are in the urban centres of Cambridge and Peterborough, closely followed by Huntingdonshire due to its built-up market town areas. The lowest need is felt in the more rural districts of South Cambridgeshire, East Cambridgeshire and Fenland.

Table •: Homelessness cases by unitary authority under Option C.

Unitary	Homelessness applications (2024/25)	Rough Sleepers in Autumn 2024	Duties owed – either prevention or relief	Number of families in TA at end of Q4 2024/25 (Snapshot on the date)
North-East	2,757	26	2,583	419
South-West	2,262	36	2,227	352

Consequently, Option C allows a balance in need across the region, with Peterborough's very high caseload balanced with the low needs of Fenland and East Cambridgeshire. The above table provides a summary of need in 2024/25 by the unitary authorities suggested in Option C. As the table shows, there

is a balance in demand across the region, with neither authority significantly worse off, or disadvantaged.

Unitary specific challenges

North-East – the North-East unitary will have significantly high TA needs and family homelessness rates in Peterborough although rough sleeping has recently stabilised. Fenland's family homelessness rates have also increased alongside their B&B usage due to a significant shortage of move-on housing. In comparison, East Cambridgeshire has the lowest homelessness caseload for any Local Authority in the country but has a strong focus on prevention, with a 76% success rate in threatened evictions. It must be noted that rural hidden homelessness could also persist. However, the low needs of East Cambridgeshire balances out the high needs of Peterborough whilst providing increased scale of resources to address TA needs and established best practices in prevention. Shared issues such as hidden homelessness could also be effectively addressed.

South-West – a similar pattern can be seen in the South-West unitary, with Cambridge City dominating homelessness provision. High rates of applications and increases in family homelessness is brought on by the housing affordability pressures felt in the city. Visible homelessness is also quite acute. In comparison, South Cambridgeshire faces moderate levels of homelessness but a rise in family homelessness and more relief rather than prevention cases. Huntingdonshire has a combination of both urban and rural homelessness with again, an increase in family homelessness. This is a key issue that the South-West unitary will have to address.

However, need is balanced across the geographic area of Option C and the new unitary authorities will be better placed to connect homelessness/housing services to partner organisations or other services, such as social care.

Currently, there is a lack of alignment in working practices in the region, in terms of data collection and statistics used. It can therefore be difficult to determine and compare homelessness rates in the region. During the lead-up to implementation, it will be important for councils to start working together to understand differences in approach and to focus on harmonising data. The high rates felt due to housing affordability can be addressed more readily through ensuring alignment of working practices, particularly with South Cambridgeshire and Cambridge City, as stock-holding authorities.



Figure [●]: Off the streets project.

Current best practice – despite the above challenges, several initiatives have been introduced in the region to address issues. This includes:

- **The Cambridgeshire & Peterborough Homelessness Transformation Report¹²²** – outlines a collaborative, multi-agency approach with practices of integrated commissioning, co-design with service users and data-driven planning.
- **‘Housing First’ initiatives¹²³** – particularly in Cambridge City, where a pilot programme was launched to provide housing as the first support mechanism to rough sleepers and provide wrap-around care after.
- **‘Off the Streets’ project¹²⁴** – pioneered by Peterborough City Council and the Light Project Peterborough, the project focused on providing immediate and longer-term support for people sleeping rough. This included providing emergency night shelter pods in local churches, multi-agency support with personalised action plans for individuals and the ‘Garden House,’ Peterborough’s homeless hub with a central access point for advice.

Partnerships – there are several existing homelessness partnerships in the region that should be maintained and/or strengthened by LGR. This includes:

- **The Housing Board** – covering the six Local Housing Authorities of the Combined Authority area, plus West Suffolk as an original partner to the Cambridge Sub-Region. The Board works collaboratively on strategic

¹²² cambridgeshireinsight.org.uk/wp-content/uploads/2020/08/Cambridgeshire-Homeless-Transformation-project-Main-Report-June20.pdf

¹²³ [Housing First In Cambridge – Interim Report.pdf](#)

¹²⁴ [Safer Off The Streets Peterborough](#)



Figure [●]:
Housing First
initiatives.

housing issues across the seven districts. It also includes representation from Public Health, Social Care, criminal justice partners as well as the major Registered Providers of Social Housing across the area.

- **The Sub Regional Homelessness Group** – which sits beneath the Housing Board brings together the homelessness leads from each authority to work collectively on strategic and operational issues to tackle homelessness. This includes multiple pathways to highlight early intervention opportunities, particularly between public sector partners, to ensure that prevention activity is prioritised where possible. These pathways cover areas such as care leavers, hospital discharges and prison leavers and the continuation of these partnerships to address homelessness will be key moving forwards.

Key challenges in the region

In line with the above overview of demand and need, the following key challenges will need to be addressed by the new unitary authorities:

- **Increase in TA usage and lack of provision/capacity** – this is particularly acute in rural areas where B&Bs are predominantly used.
- **Prevention focus** – prevention initiatives could potentially control the cost and demand of services, particularly with TAs. Increased resources through LGR could help to drive this focus.
- **Family homelessness** – currently the fastest-growing cohort in the region. Joint-up services with social care could work to provide greater data analytics to predict demand but also to provide wrap-around care and support. Both unitary authorities will have to focus on this growth.

- **Greater housing provision** – the growth focus of both unitary authorities will be key to providing more social housing which could combat the rental gap that drives homelessness. The rise in rent is most acutely felt in the South so the South-West should prioritise this. However, the economic coherence of the region will be well-placed to drive this.
- **Balancing urban/rural demands** – both unitary authorities will have to face balancing the urban demands of Peterborough/Cambridge and their challenges around visible homelessness with rural challenges around provision and invisible homelessness.

Why Option C is sustainable/the best to deliver?

Option C provides an effective balance of geography and scale to effectively address homelessness challenges, with more commissioning power to leverage external providers for temporary accommodation provision. Both unitary authorities will have a greater voice to reach out to public sector partners and community organisations to effectively create multi-partner solutions to complex problems and more resources allows more capacity for prevention.

The joining-up of homelessness and housing provision with social care allows for wrap-around solutions and clearer pathways for vulnerable residents to access advice and support, particularly for those with multiple disadvantages.

Homelessness: households owed a duty

Demand for homelessness support for 2025 has been modelled.

This analysis has modelled the demand for homelessness support for 2025. This analysis shows the variation in 2025 demand for homelessness support based on what duty is required. This will identify if certain scenarios are creating unitary authorities that have a high demand variation in 2025 as well as an increased demand to baseline scenario. This is shown both as a % of total households in that scenario and a total number of households. See the table below.

Table [●]: % of households owed duties underneath Options A/B/C/D.
(Source: Newton)

Scenario	Proposed authority	% of total households assessed as owed a prevention duty	% of total households assessed as owed a relief duty	% of total households assessed as owed a main duty*
Baseline	CCC	0.63%	0.49%	0.25%
	PCC	1.20%	0.69%	0.26%
Option A	UA 1: FDC/HDC/PCC	0.92%	0.55%	0.27%
	UA 2: CC/ECDC/SCDC	0.55%	0.52%	0.22%
Option B	UA 1: CC/SCDC	0.48%	0.54%	0.23%
	UA 2: ECDC/FDC/PCC	0.89%	0.54%	0.26%
Option C	UA 1: ECDC/FDC/PCC	0.93%	0.62%	0.24%
	UA 2: CC/HDC/SCDC	0.62%	0.47%	0.26%
Option D – Three Unitary Authorities	UA 1: FDC/PCC	0.99%	0.67%	0.26%
	UA 2: ECDC/HDC	0.79%	0.40%	0.26%
	UA 3: CC/SCDC	0.48%	0.54%	0.23%

* Main duty is households assessed, following relief duty end, as unintentionally homeless and priority need. Therefore, there may be cases of a household included in both relief and main duty count.

In terms of demand, the above table highlights the variations between the two unitary authorities. Option C has the lowest demand variation for households owed a prevention duty with a 0.31% difference between the two authorities (A = 0.37% and B = 0.41%). C also has the smallest variance for households owed a main duty although the difference is minimal. C does have the greatest variance in relief duty provision, but this is again, minimal, between the options.

Both geographies are similar in their vision of place and identity – they both have an anchor city that provides growth and balance for the remaining rural areas. As such, the high homelessness needs of the urban centres are balanced by the low-needs in rurality areas – it will be important for both unitary authorities to consider the differences between the two and to maintain place-based working to solve regional issues.

Both geographies also allow for growth provision in housebuilding, as explored in the inclusive growth section. Increased scale of resources and land in the North-East allows the expansion of Peterborough and the South-West's current house-building agendas are aligned, with rapid growth expected in

South Cambridgeshire. This provision of growth will support with managing homelessness demand and need over time, potentially providing capacity for housing-first schemes and more affordable housing generally.

Vision for reform

In order to deal with the challenges above, the opportunities for reform in homelessness should be the following:

- **Organisational structures that facilitate effective communication and joint working** – the connection of housing delivery and homelessness services to social care will allow more effective data-sharing, a greater understanding of local need and clear accessibility for residents. This could work to support residents with complex needs.
- **Economic growth that complements homelessness need** – the economic visions of the two unitary authorities should work to increase affordable housing supply and providing capacity for temporary accommodation to deal with local challenges. Ability to design outcome focused delivery of housing, ensuring the right type and mix in the right locations. Building in flexibility to respond to changing needs such as Afghan / Ukraine etc. to provide wrap-around support for vulnerable residents.
- **A hyper-local approach for rural and urban needs** – different approaches for the urban centres in comparison to rural districts to address differing needs and challenges.
- **Prevention** – initiatives to improve prevention and provide more wrap-around care, including pursuing housing first pilots. RAIT work – examples such as Barking & Dagenham where they were looking at early indicators of homelessness (such as missing Council Tax) and using that to get in before it became costly. Data-informed, insight and outcome driven.
- **Prioritise family homelessness** – both unitary authorities should prioritise addressing family homelessness by connecting more closely with social care and prioritising S106 negotiations for affordable three-bed units.
- **Wider commissioning** – collaborate with partners to commission provision at scale, particularly with regard to temporary accommodation. In the South-West Unitary, there will be a need to bring together stock-holding and non-stock holding LAs. However, the two unitary authorities can still leverage their close relationships to commission at scale for those areas not covered.



Figure [●]:
Homes for
Ukraine scheme.

Case studies of district prevention

Resident Advice Team at Huntingdonshire – have provided support for form-filling to vulnerable residents, particularly for those not suitable for TA or pressed for time. This simple support can save residents being evicted and made homeless, providing tangible outcomes for local people. Their work also helps save the council money by reducing demand on services.

Homes for Ukraine scheme – the support provided to Ukrainian guests arriving with sponsors under the HfU scheme has focussed on resolving issues that may have led to homelessness situations within this cohort. Providing resources to work on negotiation and mediation with host sponsors, rematching to alternative hosts where necessary, and assisting households into more settled housing solutions in either the private or social rented sectors has meant that there have been very few instances of actual homelessness from within the HfU scheme. This has meant that this cohort have not placed significant additional demands and pressures on temporary accommodation and the homelessness responsibilities of the council.

The Action on Energy Initiative is a partnership involving Cambridgeshire County Council and all the districts below. It is a partnership that works to provide advice on how to maximise the energy efficiency of residents' homes allowing them to save money on bills and cut their carbon emissions. In particular, the member councils help administer government grants to help low-income households install energy-efficiency improvements and low-carbon heating. This work helps to alleviate some of the negative effects of the cost-of-living crisis, allowing residents to feel more financially secure and comfortable in their homes and reducing the likelihood of homelessness or negative health impacts.

4.3.9 Wider public service delivery

Whilst this proposal has explored in depth the services outlined by the Government as ‘high-risk’, there is a vast array of services that councils provide beyond those that are classed as ‘people centred.’ This includes place-based services such as planning, operations and leisure alongside corporate enabling services and digital/customer services. In this section, the proposal considers how Option C can best facilitate the delivery of these public services and an approach to ensuring safe and legal delivery alongside transformation.

Principles for delivery

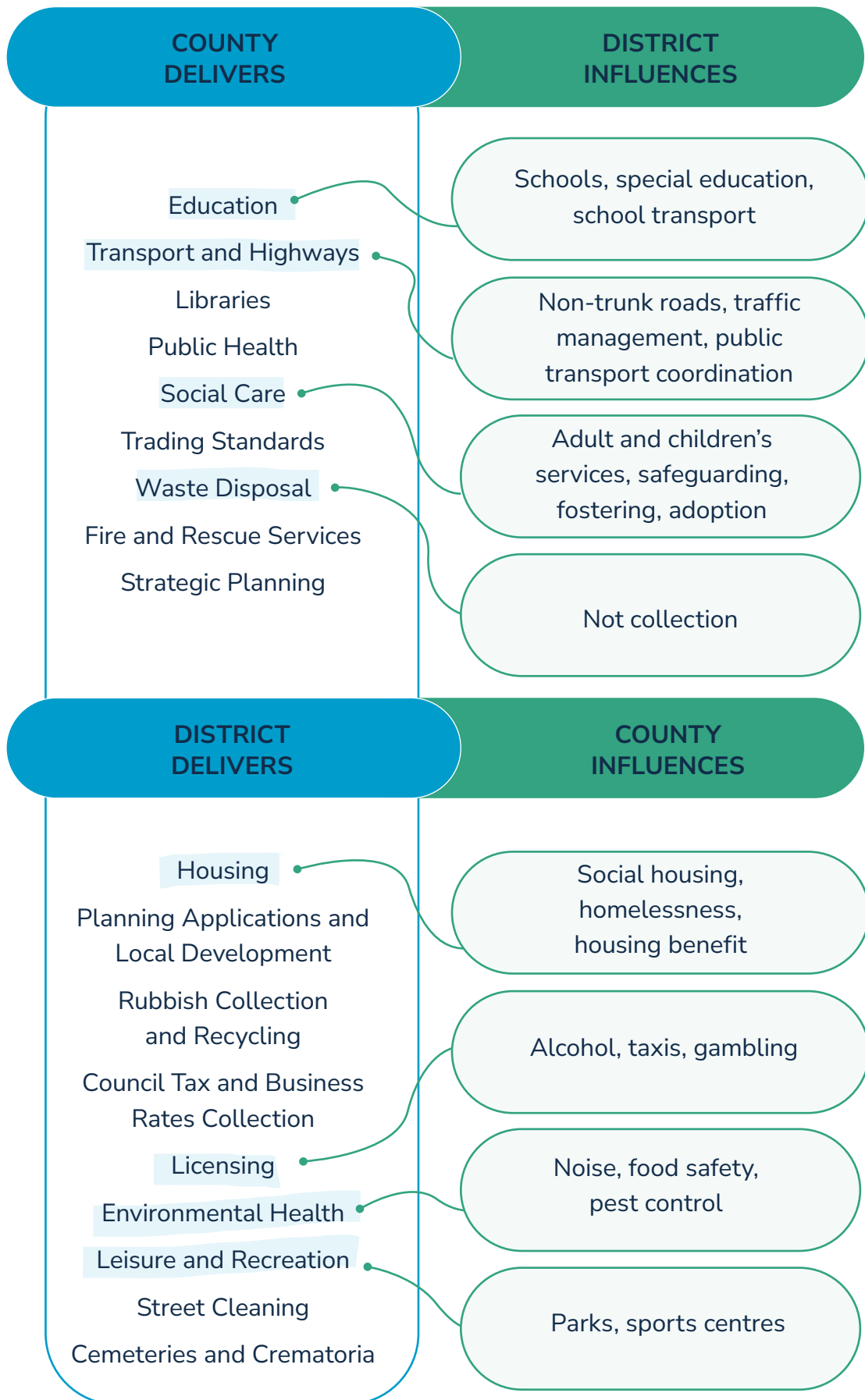
Earlier, a set of principles for delivering public services in the new unitary authorities were outlined. These principles are centred around the opportunities that LGR can bring by combining two tiers of governance, allowing for a more localised, preventative approach with the breaking down of organisational barriers and a greater voice to lobby and commission at scale. This could be commissioning within social care as explored above or having a greater seat at the table within the CPCA or on a national scale. This proposal leverages these opportunities to outline a new vision for delivery, that strives to be:

- Localised and tailored to specific community needs – place based/focused.
- Pro-active and forward-thinking, using digital solutions and shared data to predict need and providing a strong offering of prevention.
- Collaborative and joint-up, with services that have the digital means to talk to each other and share data across the organisation for more efficient working.
- Interconnected with other public service providers, allowing a greater understanding of the local area and the ability to use multiple services and providers to solve complex issues.

Place-based service delivery

There are several place-based services that both lower and upper-tier authorities deliver in the area – particularly planning, operations, leisure, community centres/libraries and highways. The delivery of these services should remain focused on local areas and needs, with two balanced unitary authorities allowing an appropriate size and scale for the two authorities to remain closely connected to local communities and to understand their pinch-points and challenges.

Delivery by tier



Economic development

Transformation opportunities

- **Growth and waste** – combining waste planning/collection/disposal with planning and economic development can provide opportunities to streamline services and find outcome-driven solutions, rather than passing on responsibility. Services can more readily talk to each other, with waste routes potentially being optimised by greater integration with highways and planning and take account of future growth. This could also result in long-term benefits around recycling and carbon reductions as well as greater operational efficiencies. Procurement and Asset maintenance are both huge areas in waste management; and there are examples of combining the procurement at scale, with localised asset management which allows scope for innovation, and potential growth of private sector SMEs. For example, HDC Food Waste vehicles were jointly procured with SCDC and we work with Envar on Garden Waste disposal.
- **Improving service spend** – increasing the scale of local authorities gives the opportunity to provide economies of scale and to balance spend with capacity. For example, the regional Pixel report outlined that Cambridge City currently has a very high share of RNF for Environmental, Protective and Cultural Services. A greater size and scale in the South could balance this out.
- **Breaking down barriers between ‘tiered’ services** – creating connections between services like planning and highways can lead to more efficient ways of working to solve local issues with the opportunity to improve local places and connectivity quicker. Residents can also easily access a ‘one-stop-shop’ leading to the quicker identification of issues with quicker response rates. Streamlining processes such as S278 highway agreements to better align with district planning outcomes to enable development more quickly.
- **Additional assets** – the combination of County and District assets allows for a greater base to deliver services across the area, with community and leisure centres potentially being used for social care or support services. Whilst this way of working is already occurring across the tiers, having control under one authority allows for quicker implementation and a greater understanding of where needs should be met and delivery should be prioritised. This also allows for efficient use of and retention of space, as well as asset disposals to alternative uses, without diminishing access to services.

- **Combining economic development with cultural and museum services** – allows for growth and development of local businesses to build on existing cultural offerings, improving a visitor economy focus in each unitary. Collaboration could lead to increased footfall and economic growth through joint initiatives that capitalise on existing strengths. For example, development of a programme of cultural events which can leverage the opportunities from Universal Studios, and increase footfall to museums, and embed pride in place.
- **Boosting prevention** – harnessing existing leisure and health offerings such as country parks and sports centres can provide a better prevention offering in social care by supporting local health and well-being. Promoting these spaces with existing businesses helps to create healthier and economically active workforces. Data could be more easily accessed between services, identifying vulnerable residents more quickly through operational services local knowledge. Health and well-being strategies can be more readily aligned with local communities to finance community-based delivery for the benefits of all.
- **Greater alignment and reducing variation** – one single authority could allow less variation in planning policies, waste strategies or economic development functions. This means that a coherent identity can be formed in the North-East and South-West, working to maximise positive outcomes and creating efficiencies and positive environmental outcomes. The two new unitaries could also work together on aligned initiatives that benefit the whole region, alongside the CPCA.
- **Social Value Impacts from Procurement** – the combined spend of the new organisation will be impactful and more able to stimulate a return by acting at scale and in an aligned way.
- **Digital transformation in place-based service delivery** – LGR provides an opportunity to re-set how aspects are provided and develop ‘best practice’ in the way that we deliver place-based services, rather than just lifting and shifting traditional methods. An example could be licensing, using digital methods to provide licenses with simplified access for residents to services. This has been implemented in Cornwall¹²⁵ and Trafford Council,¹²⁶ leading to more efficient services and robust compliance tracking.

¹²⁵ [Street trading licence – Cornwall Council](#)

¹²⁶ [Street trading licences](#)

- **Why Option C works for place-based services?**
- Option C joins the **most well-connected areas together with a balanced population size**. Services that are operational like waste and street cleansing will therefore be more efficient without having to travel over a vast geographic area, wasting time and resource.
- **Alignment of local plan and growth objectives** – it joins the high-growth areas of the South together with their high housing objectives, allowing for more focused delivery across the patch. It also couples the more rural areas together in the North, allowing for growth outside Peterborough but with different infrastructure objectives surrounding the geography of the Fens. Linking sectors and opportunities – housing delivery in Hunts whilst Cambs sorts water challenges etc. linking R&D to defence cluster; logistics in North Hunts supporting Peterborough.
- **Effective economies of scale** – having equally sized unitary authorities allows for additional capacity to deliver place-based services whilst also remaining close to communities. Both unitary authorities can capitalise on district councils' knowledge of the local area and district strengths to deliver transformation at scale that suits the distinctive identities of North-East and South-West. The North-East unitary will be placed to capitalise on Peterborough's strong economic growth team to bolster the lack of current provision in Fenland and East Cambridgeshire whilst the South-West has an existing alignment of capacity and expertise that can be strengthened.

How will the new authorities safely deliver place-based services?

There are several statutory duties that councils are responsible for adhering to with regard to place-based services, including waste collection and disposal duties, duties to be able to process planning applications and provide environmental health and licensing services.

As such, the priority will be to provide all statutory services on Day 1 through retaining separate service delivery with the ability to harmonise later. This allows focus on maintaining local delivery, giving time to harmonise systems and organisational structures. The priority will be to establish any statutory committees in shadow form and then within the new unitary authorities to ensure centralised oversight before eventually bringing the services together.

Digital Transformation

LGR provides opportunities for digital transformation, allowing opportunities for developing a digital offering to customers through resident-facing services whilst also improving the way that information is managed internally. This is a 'once in a generation' opportunity to fundamentally redesign services and ensure a digital-enabled future, that will benefit from new capabilities and initiatives.

LGR allows new unitary authorities to be a 'one-stop-shop' for residents with the ability for them to contact the council directly about any issues they are facing, alongside a 'tell us once' approach. Digital solutions should facilitate quick and efficient responses to local issues with services that talk to each other through data to allow a strong reactive approach.

If strong communication can be harnessed, councils can also become more proactive going forward, allowing for stronger data analytics to predict need and provide a well-rounded view of local issues to lead to more positive outcomes.

The key principle driving digital transformation is that the councils should be 'outcome-focused' – the new authorities won't be harnessing technology for the sake of technology but rather, to deliver for residents, improving their quality of life.

The creation of two new unitary authorities also creates an opportunity to ensure CPCA initiatives are delivered through the new authorities, and that data sharing and service partnering are available and built-in from Day 1. A common regional digital approach would create operational efficiencies, improve services and enable joint future developments.

What are the opportunities for digital transformation?

- **One single 'front door' with one customer channel strategy** – opportunities to deliver digitisation of resident services with one front door to manage responses. This makes interactions with the council easier for residents, but it is vital that the back-office is managed effectively to ensure data flows easily between services.
- **Movement from reactive to proactive services through modern data platforms** – shared data platforms within the new authorities can allow for data between services to flow more easily. This means that councils can predict need and demand more easily, but it also allows for a 'single view' of the customer, reducing resident frustrations with councils by harnessing a single citizen view and holding resident circumstances in one place. This also mitigates against government data protection regulations risks of decision-making without knowledge of the full circumstances that could impact outcomes.

- **Better insight and intelligence with partners** – having one single voice of a new unitary authority can sharpen relationships with partners to share data easily, allowing scope for creating single data platforms with Health, Police, Fire and CPCA partners that take into account all service delivery data.
- **Investing at scale for innovative solutions** – the new authority will have the ability to invest at scale due to increased resources and capacity. This means innovative solutions can be utilised more readily, spend can be reduced, and shared software can increase efficiencies.
- **Staff learning and development** – more joined-up services allows for greater opportunity to train and develop staff learning in digital solutions and technology.
- **Digital by design backed up by other approaches for complex/unique cases** – Digital first approach to delivery to enable us to capture data and be efficient, freeing up resources for more complex or dedicated support needs. Recognising that generations are shifting and technology solutions are becoming easier and more inclusive through things like AI and Communication technology. Enabling solutions that allow 24/7 and 365 access; and allow people to access services at home with the potential to be innovative through digital health approaches

Why Option C can help us to deliver digital transformation?

- Both unitary authorities will have sufficient buying power to innovate at scale with the capacity to collaborate, if appropriate.
- Option C keeps the current Southern partnership of 3C ICT intact, without the need to disaggregate services. This also includes current partnerships in 3C Legal and 3C Building Control and Greater Cambridge Shared Waste and Planning. Option C therefore mitigates against any risks of disruption through breaking these up.
- Option C provides us with the opportunity to grow the benefits already in place with joint investment in the 3C ICT structure, ensuring greater certainty and stability in the future due to retained knowledge. Keeping this service will dramatically reduce transition costs and the authority's ability to be safe and legal on Day 1.

How will the new authorities safely deliver digital, IT and corporate services?

It is important that the new authorities recognise the safe and legal requirements for service delivery on Vesting Day. This includes priority systems that need to be harmonised/delivered including HR/payroll, finance, revenues and benefits and ensuring effective contact methods for customers.

This also includes the technology needed to continue working on Day 1, such as customer access cards, laptops, emails, and a phone line/website. The initial focus should also be on cleansing current data, allowing for a swift collation and harmonisation when appropriate. If the authorities data is in good shape, then the disaggregation and aggregation of systems will be simplified, and councils can continue to utilise existing platforms.

The new authorities should effectively prioritise the following within IT for 'Day 1':

- Staff access to systems and data needed to deliver services.
- Payroll system.
- Telephony systems.
- VPN and mobile access to applications.
- Access to data centres and relevant access control.
- Accommodation planning and a clear process for deploying equipment, including door access.
- Ensuring skills/resource/capacity in the ICT service.
- Data compliance is in place including information sharing policies and acceptable use policies.
- Communications and email routing – ensuring that staff are able to communicate with each other and residents.
- Ensuring efficient cyber-security.
- Who's who directories.
- Novation of ICT contracts.
- Websites in place for new authorities and a CRM front door.
- Implementing regional IT leadership joint working groups.
- DPIA's.
- ICT helpdesk in place.

The following will be prioritised for Corporate Services:

- Clear health and safety policies and protocols.
- Compliance with FOI requirements and data protection.
- Clear records management processes, including both online and physical.
- Confirmation of location of working with sufficient office accommodation and file storage.
- PMO capacity and a clear transformation plan beyond Vesting Day.
- Administration processes in place including booking meeting rooms, ID badges, placing orders, etc.
- Finance systems in place, including Revs & Bens, bank account set-ups, HRA processes, etc.
- Single election and committee systems.

The implementation plan outlined below is focused on delivering the above Day 1 requirements, with transformation coming later. Priority systems will be harmonised early, and it is paramount that staff have access to what they need to deliver services. There may be a need to support and share services and systems over the first few years as the independence of the unitary authorities develops.

The scope of the above work cannot be under-estimated. However, Option C allows for a simplified process for implementation due to existing joint platforms and shared services. There is therefore less risk in pursuing Option C, and a smoother transition can be met, particularly in the South-West unitary.

Theme 4.4 – Democratic representation, community engagement, local identity

Section summary

This section focuses on how democracy and local voice will work in the new councils. At present, Cambridgeshire & Peterborough has seven councils and 331 councillors, which can be confusing for residents. Option C proposes two clearer systems with around 74 councillors in the North-East and 86 in the South-West.

The new authorities would adopt modern, efficient governance to make councils easier to understand and more attractive to future councillors and officers.

4.4.1 Democratic representation

As part of the submission to government, councils have been asked to consider the democratic and electoral arrangements for new unitary authorities, subject to later review by the LGBCE.¹²⁷ There is a recognition that through LGR, councillor numbers should be reduced with the LGBCE recommending that numbers should be between 30 and 100. As Cambridgeshire & Peterborough is home to a significant number of county and district councillors, a lot of work has taken place to review the current numbers and to provide a view of the future that outlines an appropriate council size alongside warding arrangements.

4.4.2 Current elector:member ratios

In Cambridgeshire & Peterborough, there are currently 331 elected councillors representing the region. Of this, 270 are district and city councillors and 61 are county councillors. The current system of governance can therefore be confusing for residents, with multiple layers of representation across the two-tier system. The below table highlights the electoral arrangements for each district council:

¹²⁷ [Electoral Arrangements Paper](#)

Table •. *Electorate numbers and ratios by district using wards as a base.*

Council	Electorate June 25	Number of wards	Number of district/city councillors	District/City electorate to member – Council wide
CCC	86,235	14	42	2,053
ECDC	68,825	14	28	2,458
FDC	76,695	18	43	1,784
HDC	140,201	26	52	2,696
PCC	147,183	22	60	2,453
SCDC	128,595	26	45	2,858
Totals	647,734	120	270	Average 2,399

The elector to member ratios across the district and city councils range from 1784:1 in Fenland through to 2858:1 in South Cambridgeshire. At ward level, these differences are even more pronounced, with 1398:1 in Newnham Ward of Cambridge City through to 3365:1 in Brampton Ward of Huntingdonshire.

An analysis of elector:member ratio shows that representation at ward level varies significantly, with 15 wards having fewer than 1,800 electors per councillor and 12 wards with more than 3,000 electors per councillor. This means that on balance there are relatively poor levels of electoral equality across the district and city wards of Cambridgeshire & Peterborough.

Table •: *Electorate totals of District and City Councils in Cambridgeshire, the number of county divisions, and their overall elector to member ratios.*

Council	Electorate June 25	Number of divisions	Number of county councillors	County electorate to member – council wide
CCC	86,235	12	12	7,186
ECDC	68,825	8	8	8,603
FDC	76,695	8	9	8,522
HDC	140,201	17	17	8,247
PCC	N/A	N/A	N/A	N/A
SCDC	128,595	14	15	8,573
TOTAL	500,551	59	61	Average 8,206

In comparison, the above table highlights the electoral arrangements for county council divisions in the region. The council wide elector to member ratio between the district and city councils for their county divisions range from 7186:1 in Cambridge City through to 8603:1 in East Cambridgeshire. It should be noted that these ratios are skewed by two Cambridge City divisions with markedly low electorates (Newnham and Market). With the numbers for those two divisions removed, the average ratio in Cambridge City becomes 7797:1. Analysis has demonstrated that only six divisions are below 7,000 electors per member and three divisions are more than 9,500 electors per member. This means that on balance the county divisions offer somewhat better levels of electoral equality when compared with district and city wards.

In conclusion, it is prudent to use county divisions as the building blocks of new unitary wards as it would lead to largely fairer and more consistent levels of representation.

4.4.3 Option C recommendations

Within Option C, using the county divisions as building blocks, the following electoral arrangements are proposed.

Table •: North-East (East Cambridgeshire/Peterborough City/Fenland) and summary.

Council	Current division	Electorate	Potential councillors	Per member
ECDC	Burwell	9,327	2	4,664
ECDC	Ely North	7,908	2	3,954
ECDC	Ely South	8,094	2	4,047
ECDC	Littleport	7,534	2	3,767
ECDC	Soham North & Isleham	8,490	2	4,245
ECDC	Soham South & Haddenham	9,422	2	4,711
ECDC	Sutton	9,399	2	4,700
ECDC	Woodditton	8,651	2	4,326
FDC	Chatteris	8,335	2	4,168
FDC	March North & Waldersey – Half 1	9,072	2	4,536
FDC	March North & Waldersey – Half 2	9,072	2	4,536
FDC	March South & Rural	8,636	2	4,318
FDC	Roman Bank & Peckover	9,239	2	4,620
FDC	Whittlesey North	8,644	2	4,322
FDC	Whittlesey South	8,939	2	4,470
FDC	Wisbech East	7,544	2	3,772
FDC	Wisbech West	7,213	2	3,607
PCC	Barnack	2,793	1	2,793
PCC	Bretton	6,743	2	3,372
PCC	Central	9,151	2	4,576

Council	Current division	Electorate	Potential councillors	Per member
PCC	Dogsthorpe	6,913	2	3,457
PCC	East	7,602	2	3,801
PCC	Eye, Thorney & Newborough	7,475	2	3,738
PCC	Fletton & Stanground	7,407	2	3,704
PCC	Fletton & Woodston	7,688	2	3,844
PCC	Glington & Castor	5,203	1	5,203
PCC	Gunthorpe	6,804	2	3,402
PCC	Hampton Vale	5,704	2	2,852
PCC	Hargate & Hempsted	7,402	2	3,701
PCC	North	7,221	2	3,611
PCC	Orton Longueville	7,559	2	3,780
PCC	Orton Waterville	7,257	2	3,629
PCC	Park	7,143	2	3,572
PCC	Paston & Walton	7,349	2	3,675
PCC	Ravensthorpe	7,524	2	3,762
PCC	Stanground South	7,745	2	3,873
PCC	Werrington	7,712	2	3,856
PCC	West	4,242	1	4,242
PCC	Wittering	2,546	1	2,546

Summary			
Number of wards/divisions	Number of councillors	Average elector:member ratio	Councillors per unitary division
38	74	4,006	2

The above analysis proposes 38 new unitary wards with 74 councillors with an average elector:member ratio of 4,006. Two councillors per unitary division has been suggested with the exceptions four smaller PCC wards. Peterborough City Council's wards are roughly consistent in size (though broadly smaller) to the county divisions with three elected members each. This proposal recommends that the number of members is reduced to two per ward to ensure equity in representation. Four smaller wards have been maintained and the member number has been reduced from two to one.

March North & Waldersey has been split into two as the division currently elects two county councillors rather than one. By maintaining the electorate ratio, four councillors would have to be suggested for the area if it were to remain the same size. This number of councillors is unwieldy and isn't in line with LGBCE guidance. By splitting the area in two, there is more even representation in both halves of the division.

Table •: South-West (Huntingdonshire/South Cambridgeshire/Cambridge City) and summary.

Council	Current division	Electorate	Proposed councillors	Per member	Deviation
CCC	Castle	6,080	2	3,040	-26.36
CCC	Abbey	6,846	2	3,423	-17.08
CCC	Arbury	6,990	2	3,495	-15.34
CCC	Queen Edith's	7,702	2	3,851	-6.72
CCC	Chesterton	7,925	2	3,963	-4.02
CCC	Petersfield	7,982	2	3,991	-3.33
CCC	Newnham & Market	8,262	2	4,131	0.07
CCC	Cherry Hinton	8,336	2	4,168	0.96
CCC	Kings Hedges	8,518	2	4,259	3.17
CCC	Trumpington	8,563	2	4,282	3.71
CCC	Romsey	9,031	2	4,516	9.38
HDC	St Neots East & Gransden	6,230	2	3,115	-24.54
HDC	Huntingdon West	7,619	2	3,810	-7.72
HDC	Somersham & Earith	7,743	2	3,872	-6.22

Council	Current division	Electorate	Proposed councillors	Per member	Deviation
HDC	Warboys & The Stukeleys	7,802	2	3,901	-5.51
HDC	St Neots Eynesbury	7,856	2	3,928	-4.85
HDC	St Ives North & Wyton	7,972	2	3,986	-3.45
HDC	The Hemingfords & Fenstanton	8,022	2	4,011	-2.84
HDC	St Ives South & Needingworth	8,142	2	4,071	-1.39
HDC	Godmanchester & Huntingdon South	8,172	2	4,086	-1.02
HDC	Alconbury & Kimbolton	8,202	2	4,101	-0.66
HDC	St Neots Priory Park & Little Paxton	8,250	2	4,125	-0.08
HDC	Yaxley & Farcet	8,297	2	4,149	0.49
HDC	Huntingdon North & Hartford	8,344	2	4,172	1.06
HDC	Ramsey & Bury	8,825	2	4,413	6.89
HDC	St Neots The Eatons	9,464	2	4,732	14.62
HDC	Brampton & Buckden	9,580	2	4,790	16.03
HDC	Sawtry & Stilton	9,681	2	4,841	17.25
SCDC	Bar Hill	7,169	2	3,585	-13.17
SCDC	Fulbourn	7,599	2	3,800	-7.96
SCDC	Papworth & Swavesey	7,899	2	3,950	-4.33
SCDC	Sawston & Shelford – Half 1	8,244	2	4,122	-0.15
SCDC	Sawston & Shelford – Half 2	8,244	2	4,122	-0.15
SCDC	Duxford	8,418	2	4,209	1.96
SCDC	Melbourn & Bassingbourn	8,457	2	4,229	2.43

Council	Current division	Electorate	Proposed councillors	Per member	Deviation
SCDC	Histon & Impington	8,551	2	4,276	3.57
SCDC	Longstanton, Northstowe & Over	8,657	2	4,329	4.85
SCDC	Gamlingay	8,785	2	4,393	6.40
SCDC	Linton	8,875	2	4,438	7.49
SCDC	Cottenham & Willingham	9,093	2	4,547	10.13
SCDC	Waterbeach	9,288	2	4,644	12.49
SCDC	Hardwick	9,484	2	4,742	14.87
SCDC	Cambourne	9,832	2	4,916	19.08

Summary			
Number of wards/divisions	Number of councillors	Average elector:member ratio	Councillors per unitary division
43	86	4,128	2

The above table outlines our approach to the South-West unitary – this would see 86 proposed councillors with 43 wards with an average elector:member ratio of 4,128. It is suggested that each ward has two councillors with no variations in the unitary.

In summary, the above recommendations allow the creation of two unitary authorities with balanced elector:member ratios (4,006 vs 4,128) that also factors in district variances, such as smaller divisions in Peterborough and larger ones in Fenland. Both councils are well within the LGBCE's guidance with the number of councillors sitting between the recommendation of 30 and 100.

As per the new legislation in the Devolution Bill, the new unitary authorities will have a Leader and Cabinet model. Currently, the region has two councils with the committee system – Cambridgeshire County Council and East Cambridgeshire District Council. Work will need to be done to determine the new governance and committee structures when the shadow authority is elected however both unitary authorities will comply with the government's recent announcements for a Leader and Cabinet structure.

The reorganisation presents a significant opportunity to reset constitutional frameworks by developing clear, simple, and modern governance structures that embody best practice and reflect the ambitions of the new unitary authorities. This clean slate approach will enable the creation of more efficient and accessible governance arrangements, moving beyond legacy challenges that may have constrained predecessor authorities and building confidence in the new organisational culture. The constitutional reset will embrace digital transformation, incorporating innovative practices such as proxy voting and virtual attendance—both subjects of recent government consultation—to enhance democratic participation and operational flexibility. Furthermore, this foundational work will establish a progressive framework for Member and Officer relationships, supported by comprehensive training and development programmes designed to attract the next generation of talent into local government. By embedding these principles from inception, the new unitary authorities will be positioned as modern, forward-thinking employers and democratic institutions that set the standard for effective local governance.

4.4.4 Community engagement and neighbourhood empowerment

As part of the guidance for LGR, MHCLG have outlined that proposals should ‘enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.’ The above analysis and approach to democratic governance works to ensure effective decision-making. However, it is important that the proposal recognises the importance of the ‘third-tier’ and other public sector organisations whilst also allowing residents to participate in various forms of engagement. It is vital that the new unitary authorities continue to recognise the role that elected members play as central to community leadership and that their relationship with residents is strengthened by widening participation to other relevant groups.

The approach to community engagement builds on the existing structures for local decision-making that exist within the area and draws on examples of best practice. It also identifies examples of best practice elsewhere nationally, particularly in those areas where LGR has already occurred.

Our approach is centred around the following priorities:

- Ensuring clear pathways for residents to access councillors and decision-making so that issues can be raised quickly.
- **Co-design of services with service users** – increased methods of participation for service users to co-produce solutions to complex problems.
- **Cultivating effective partnerships** – ensuring relationships between partners is strengthened by a strong community engagement approach.

- **Inclusive and accessible** – approaches that are accessible to all and inclusive of different user groups and diverse communities.
- **Trust** – making sure that residents trust council services and councillors with decision-making and that outcomes are effectively communicated, providing accountability and transparency.
- These principles are important for ensuring that decision-making is based on local views and knowledge and works to address local need.

How could residents and councillors take ownership and influence decisions?

There are a few examples below of opportunities to expand resident influence in decision-making through the LGR process:

- Structured input into the Community Infrastructure Levy – CIL is already in place in Peterborough, Huntingdonshire and East Cambridgeshire and is currently being explored by South and City. Residents could have a more direct influence on local investment priorities, ensuring that needs are met and that infrastructure design considers the needs of different user groups.
- Involvement in place-based decision-making such as on planning applications, traffic management, refuse collection, pathways and roads. Inclusion of parish and town councils in delivery of key local assets – a previous example in Cambridgeshire is the priory centre in St Neots where the town council was essential in delivering the redevelopment of the community hub.
- Establishing local priorities, particularly through connections to other public sector bodies, such as the police, fire, and health.
- Participatory budgeting trials, allowing local people to allocate funding, building greater understanding of council processes and ownership of allocation. This could include expanding the use of health and wealth funding opportunities whereby local partners and people make decisions on project funding – this approach is currently being used in Huntingdonshire and could be expanded outwards to allow more joint ownership of investment in priority areas to residents.¹²⁸
- Open space meetings where participants create their own agendas, allowing for informal and inclusive discussion with relevant public sector organisations.
- Advisory Groups focused on specific user needs, such as Youth provision or social care. These allow forums for underrepresented residents to access decision-making beyond traditional communications methods.

¹²⁸ [Huntingdonshire Community Health and Wealth Building Strategy – Huntingdonshire.gov.uk](https://www.huntingdonshire.gov.uk/Community-Health-and-Wealth-Building-Strategy)

- Committees/forums in response to area-specific issues – these bodies may have a more specific focus and could be tailored to individual areas specific needs. For example, the North-East unitary’s increased deprivation and poverty could be worked through by a ‘deprivation commission.’
- Neighbourhood planning embedded – potential scope to delegate further planning functions (e.g. decision making) down to them; true local decision making.
- The potential transfer of additional assets to parish and town councils, particularly in light of the Devolution Bill’s Community Right to Buy provisions.
- Promoting and championing the model and the funding opportunities available to the community via the Health and Wealth Building work in Huntingdonshire.

How could the above approaches work in practice?

Currently, residents engage through parish structures where they exist through case work, local drop-ins, community events and informal neighbourhood forums, where opportunity is given to shape priorities and raise local concerns. Members play a convening role as part of this work, facilitating local conversations, supporting place-based work and connecting residents with council services. It is important that through LGR, these forms of engagement are continued. However, more formalised committees and forums would work to strengthen this convening power and could ensure that regular connections with partners are established.

The above approach to neighbourhood engagement is empowered by Option C’s alignment to existing partnerships, including the ICB, Police, Fire and NHS boundaries. Each area’s distinct economic identities will help the new authorities pin down the key issues that should be addressed through neighbourhood engagement, allowing a more localised, place-based approach. This is also strengthened by the balance in geography between the two areas, allowing for a more focused approach whilst still ensuring collaboration across boundaries.

Responsive engagement

One approach to neighbourhood engagement is one of flexibility, where enhanced models will be implemented when significant change is taking place or a certain issue is considered significant and greater collaboration is necessary. This can be termed as ‘responsive engagement’ – engagement that is aimed at tackling arising issues in geographic areas. A key focus of this will be to align with public service providers to address and solve complex problems. An example of where this approach has worked effectively is

through Truth Poverty Commissions in various councils.¹²⁹ These are set up in response to poverty and social exclusion in local communities through engagement with those with lived experience. Public sector partners are effectively pulled into the commission to work through the root causes of deprivation. This is an example of when neighbourhood engagement has been tailored to specific areas to solve pertinent issues.

Participatory budgeting is another area that can be effectively explored through LGR. An example of where this has worked well is in Newport City Council¹³⁰ where ideas for projects are submitted by community groups and citizens come together at a decision-making event to decide on allocation of funding. The process allows joint ways of working to be established whilst ensuring that residents can effectively allocate funding according to their needs. The regions current relationships with the VCSE can therefore be leveraged to contribute to participatory budgeting exercises. This approach can also be tweaked to encompass rural or urban specific issues, according to locality and the specific geographic needs of the North-East or South-West.

Pro-active engagement

Whilst the above approach has been highlighted as an effective reactive response to neighbourhood issues, a second approach is termed ‘pro-active engagement.’ Pro-active engagement could include targeted approaches to communities that are traditionally underrepresented in decision-making or through establishing forums/committees for issues that are on-going and will need to be continually addressed. Therefore, rather than being in response to arising issues, the groups and committees are formed to continually address certain groups needs and particular thematic areas that require on-going collaboration.

For example, London Borough of Waltham Forest recently started their ‘Young Advisors & Youth Independent Advisory Group’¹³¹ which is aimed at bringing young people into the heart of decision-making. The group creates ‘Young Advisors’ who essentially become youth consultants in their community, as experts in the place they grew up and live. The group takes referrals from partners such as the Youth Offending Service, Children’s Social care and Victim Support. Similar approaches have begun to be explored in the region, with Cambridge Youth Assembly bringing together young people to raise concerns to local decision-makers.

¹²⁹ councils.coop/case-study/salford-poverty-truth-commission

¹³⁰ [Participatory budgeting | Newport City Council](#)

¹³¹ [Waltham Forest Young Advisors](#)

Vital to this work will be to use any existing relationships with the VCSE and local community groups to establish new or strengthen existing communications with residents. One example of how these connections are already being leveraged was the ‘Movement for Recovery’ collaboration. This was a move to bring together various church leaders from different denominations to establish conversations with public sector providers, including Cambridge City Council and the police.¹³² Church leaders began to meet once a term to address key local issues, including in Peterborough and Fenland. This is an example of how the region has already begun to make these connections, and the increased leveraging power of the new unitary authorities will work to strengthen these.

Town Deal Boards are another example of pro-active engagement that can be utilised following LGR. Town Deal Boards are local partnerships established under the UK Government’s Towns Fund initiative¹³³ and are designed to drive economic regeneration and community-led development in selected towns. They often have representation from multiple stakeholders including local authorities, local MPs, business leaders, community representatives, public sector agencies and cultural and educational institutions. The purpose is to develop evidence-based town investment plans and to ensure effective community engagement in decision-making. An example of where this has worked well is in Truro in Cornwall¹³⁴ – the town was awarded £23.6m and delivered improvements to waterfront areas, created pedestrian and cycling routes and developed ‘The Hive,’ a creative and digital innovation centre.

The new unitary authorities will be well placed to develop our relationships with local community organisations, through the two-pronged approach outlined above. This approach allows scope and flexibility for the new authorities to solve complex issues whilst allowing an increase in accessibility for protected groups. Increased capacity and scale means unitary authorities can afford to be pro-active. A balance in geography and shared characteristics and need in the two unitary authorities demonstrates how Option C can effectively deliver this approach.

Essential to the above is the role of elected members. Councillors will hold responsibility for cultivating relationships with community groups and ensuring that issues are responded to efficiently and effectively. Members with portfolio or service responsibilities can provide reassurance that insights will influence policy, delivery and scrutiny.

¹³² [A new era unity in Cambridge | Gather Movement](#)

¹³³ [Towns Fund: supplementary guidance for Town Deal Boards – GOV.UK](#)

¹³⁴ [Truro Town Deal Public engagement boards](#)

Strengthening our relationship with Town and Parish councils

Town and parish councils are important stakeholders in the above approach to neighbourhood engagement. However, it is important that their position is up-held as key local forums and organisations within their own right. Whilst LGR does not directly change third-tier council arrangements, their relationship with existing council structures will fundamentally shift.

In Cambridgeshire & Peterborough, all the rural districts are parished. Peterborough City Council is mostly parished and Cambridge City is completely unparished. Through LGR, it is important that the South-West and North-East unitary retain strong relationships with parish councils whilst also ensuring effective local governance in the urban centres. Neighbourhood governance mechanisms could therefore be immediately prioritised in Cambridge City and Peterborough to ensure that all areas are covered effectively for hyper-local decision-making. This work will build on those forums that already exist such as South Newnham Neighbourhood Forum in Cambridge.¹³⁵

It is also possible through LGR to explore the devolution of assets to parish and town councils, allowing greater local control over vital community infrastructure. An example of this is Horncastle Town Council where East Lindsey District Council transferred a number of assets down to the third tier, including a town hall, a car park and local sport and play facilities.¹³⁶ The devolution of assets will be an area that the new unitary authorities can effectively discuss and collaborate with parish councils over, potentially bridging the gap between the new larger authorities and the third tier.

Another example of best practice that should be maintained and strengthened by the new unitary authorities are town and parish forums. In Huntingdonshire, an annual town and parish forum¹³⁷ is held for various third tier organisations to come together and discuss any issues or concerns with officers whilst strengthening relationships amongst themselves. It is also an opportunity for the council to keep them informed of any shifts or updates – for example, LGR-themed forum was held recently to establish effective ongoing methods of communication with the third-tier and to make sure that they were clearly cited on what the process means for their organisations. Huntingdonshire District Council has also sought to connect local engagement to the national stage through forums like the ‘Pride in Place’ event. The event was intended to showcase the district’s potential as a prime location for investment and growth however, it included local representation from parish and town

¹³⁵ [Home | SNNE](#)

¹³⁶ [Issue – items at meetings – Proposed Transfer of Assets to Horncastle Town Council: – East Lindsey District Council](#)

¹³⁷ [Town and Parish Council Forum | Let’s Talk Huntingdonshire](#)

councils. This local perspective should be recognised as vital to pursuing strategic aims and unitarization should work to strengthen parish and town councils further.

Regional councils also regularly keep councillors informed through regular monthly bulletins – this is a practice that should be maintained within the new unitary authorities, particularly to alleviate any concerns around more ‘remote’ authorities.

Parish and town councils are vital organisations that will be included at all stages of establishing improved neighbourhood engagement. Option C provides effective balance in size and scale to provide a localised approach whilst also increasing the authorities voice with local partners to effectively pull them into decision-making forums. The two unitary authorities will have the ability to strengthen third-tier councils themselves, allowing them to take greater ownership of their local area.



Figure [●]:
Community
Infrastructure
Levy.

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Case study: Using CIL to strengthen local democracy

In Huntingdonshire, Community Infrastructure Levy (CIL) funding illustrates how local communities shape development-led investment. Each year, parish and town councils receive a share of CIL to reinvest locally, with funding across the district amounting to over £6m. While some councils hold funds for major capital schemes, others quickly channel spending into smaller but visible projects.

In 2023/24, projects funded through CIL included:

- **Community buildings** – new or refurbished village halls, sports pavilions and public toilets.
- **Sports and play** – play areas, skate parks, youth shelters, and lighting for 3G pitches.
- **Green spaces and public realm** – cemetery works, benches, landscaping, and allotments.
- **Traffic management and safety** – 20mph schemes, speed signs, and pedestrian improvements.
- **Health and resilience** – provision of defibrillators and flood response equipment.

Annual reports published by each parish provide transparency and accountability. The framework ensures residents and elected members influence how growth funds are invested, balancing immediate priorities with longer-term projects.¹³⁸



Figure [●]:
Community
Infrastructure
Levy.

138 [Community Infrastructure Levy \(CIL\) – Huntingdonshire.gov.uk](https://www.huntingdonshire.gov.uk)

Case study: Peterborough Parish Liaison Committee

Many parts of the Peterborough Local Authority are parished, including both urban city centre and rural areas with 26 parish councils forming part of the local government landscape. The parishes and city council have developed a member-led Parish Liaison Committee to enhance the voice of parishes within the city council, identify areas of common interest and develop new methods of service delivery that can improve efficiency and reduce costs.¹³⁹

Case study: Huntingdonshire Health and Wealth Strategy

The Community Health and Wealth Building Strategy is the council's long-term commitment to tackling the root causes of poor health and economic inequality. It focuses on creating the conditions for people to thrive, through better physical and mental wellbeing, stronger local economies, and more connected communities.

The Community Health and Wealth Building Delivery Fund is a £750,000 investment by HDC to support the delivery of its Community Health and Wealth Building Strategy over the next three years. The fund is a dedicated resource to support projects that align with the strategy's goals. It aims to:

- Maximise local social benefits, such as employment and housing.
- Support community-led initiatives that foster connection and well-being.
- Encourage innovative solutions to improve health, economic resilience, and social connection.

The fund will empower local communities, organisations, and partners to lead initiatives that address the root causes of inequality and poor health. While the initial funding comes from HDC, the fund is open to contributions from external partners to expand its reach and impact – and crucially the decisions on which projects are progressed is taken jointly by members of the community, health representatives, the Police and Council officers – true local ownership.

¹³⁹ [Committee details – Parish Council Liaison Meeting | Peterborough City Council](#)

Theme 4.5 – Devolution

Section summary

‘New unitary structures must support devolution arrangements.’

The above statement was included as part of the guidance in the invitation to submit an LGR proposal. Its inclusion represents the current focus of the UK government to strengthen local decision-making through a transfer of powers to new ‘Strategic Authorities,’ as highlighted by the English Devolution and Community Empowerment Bill.¹⁴⁰

Most areas going through LGR will be expected to provide a detailed assessment of how their unitary structures can allow the formation of these new Strategic Authorities. However, in Cambridgeshire & Peterborough, the existing Combined Authority acts to unify strategic planning and investment in the region, with a focus on transport, housing and skills. The argument for Option C and its alignment with devolution is therefore not about creating a new organisation, but about strengthening existing relationships and unlocking further abilities for the region.

4.5.1 History of the CPCA

The CPCA was created in 2017 as a devolved mayoral authority, covering a population of approximately 890,000 people in Cambridgeshire & Peterborough. It is made up of a directly elected Mayor who chairs the Combined Authority Board and seven constituent councils: Cambridge City Council; Cambridgeshire County Council; East Cambridgeshire District Council; Fenland District Council; Huntingdonshire District Council; Peterborough City Council and South Cambridgeshire District Council.

The Combined Authority Board is responsible for major decisions, including transport and funding allocations. Decisions on key issues require: all members present and a two-thirds majority of members in favour, with Cambridgeshire County and Peterborough in that majority.

¹⁴⁰ [English Devolution and Community Empowerment Bill – Parliamentary Bills – UK Parliament](#)

4.5.2 Looking to the future

The English Devolution and Community Empowerment Bill proposes further devolution which will significantly broaden the Combined Authority's powers and responsibilities across a wide range of policy areas, including transport, strategic planning, economic development, regeneration, health and public safety.

Further, it is expected that, at the conclusion of the Police and Crime Commissioner's term of office, the powers and responsibilities for this role will be assumed by the Mayor of Cambridgeshire & Peterborough.

As a consequence of the Devolution Bill, the CPCA will eventually take the title of 'strategic authority,' following the devolution of powers outlined above. This proposal seeks to support this move and places itself in alignment with the Mayor's vision for the future, outlined in various CPCA strategies, including their Corporate Strategy,¹⁴¹ Local Growth Plan and Spatial Development Strategy.¹⁴²

The region already works together to ensure that there is alignment – an example of this is the region's attendance at UKREIFF as team Cambridgeshire & Peterborough. Option C works to strengthen the existing alignment by creating two authorities with strong economic identities that can effectively deliver growth for the region.

As noted earlier, the CPCA's geography will remain unchanged as part of this proposal. However, a reduction from seven constituent councils to two unitary authorities requires some thought to any changes in the organisation's governance.

4.5.3 Why Option C is best aligned to the CPCA:

Under this proposal, the population sizes are as follows:

Unitary	Population size (approximate)
PCC/FDC/ECDC	405,900
HDC/SDCDC/CCC	488,500

In Cambridgeshire & Peterborough, Cambridge City and Peterborough City account for almost half of the total GVA, followed by SCDC, then HDC. FDC and ECDC each account for around 7-8%. A two-unitary model is therefore seen as optimum for achieving a strong balance of GVA due to the pull of the two distinct cities.

¹⁴¹ Corporate Strategy 2023-26 – Cambridgeshire & Peterborough Combined Authority

¹⁴² [C220817 CPCA Prospectus](#)

Table •: GVA distribution by district.¹⁴³

District	GVA (£m)	% of Total GVA
Cambridge	6,200	25.2%
South Cambridgeshire	5,100	20.7%
East Cambridgeshire	2,000	8.1%
Huntingdonshire	4,000	16.3%
Fenland	1,800	7.3%
Peterborough	5,500	22.4%

Option C creates two distinct economic areas that are anchored by two different yet powerful cities. The North-East unitary creates a strong rural identity whilst accommodating for Peterborough’s growth and ensuring alignment in key industries such as logistics and manufacturing. The unitary will also be notably distinct in its rural focus on agriculture.

The South-West unitary draws on the power of Cambridge City whilst ensuring that the strong connection to Huntingdonshire is maintained, allowing knowledge-intensive sectors like defence and life sciences to thrive.

This option therefore creates strong economic identities with a relative balance of GVA – 62.2% in the South and 37.8% in the North. This balance of population and GVA allows for an equal seat at the table within the CPCA whilst retaining strong economic identities in each unitary that can focus on lobbying for their own goals for growth and optimise geographic ambitions for the benefit of the region.

4.5.4 Changes to governance

The governance of the CPCA will need to reflect the changes brought by LGR – the CPCA will therefore be made up of the directly elected Mayor, the Combined Authority Board and two Unitary Authorities: North-East and South-West.

The make-up of the Combined Authority Board will need to reflect the make-up of the Unitary Authorities to ensure that any risk of economic distortion is mitigated.

¹⁴³ [Gross Value Added \(GVA\) – Office for National Statistics](#)

The proposed Board will be chaired by the Mayor and consists of two representatives from each Unitary Authority, the chair of the Business Board and co-opted members; the Cambridgeshire & Peterborough Police & Crime Commissioner (until such time this role is absorbed by the Mayor) and representatives from the Cambridgeshire & Peterborough Fire Authority and the Cambridgeshire & Peterborough Clinical Commissioning Group.



5. Stakeholder Engagement and Local Support

Section summary

Thousands of residents, staff and local organisations took part in surveys and focus groups to share their views. The feedback showed strong support for change if it improves services, keeps rural voices heard and makes councils easier to deal with.

Top priorities that emerged were having councillors who understand their area, simpler access to services and more transparent decision-making. Many also highlighted concerns about rural neglect, transport, infrastructure and fairness between communities.

Residents in Huntingdonshire in particular expressed a wish to stay linked with Cambridge.

5.1 Engaging with stakeholders

To support the development of this proposal, each council committed to engage with the public across the region jointly, to develop a shared understanding of how residents, stakeholders and staff feel about LGR.

Underpinning this joint engagement has been a survey for residents and a separate survey for stakeholders.¹⁴⁴ The engagement focused on the connections that people feel they have to different areas; where they work, socialise or get healthcare, for example. It also covered what priorities they

¹⁴⁴ Survey reports.

think new unitary authorities should have and what is important to them when it comes to dealing with local government. It did not explicitly ask residents for preferences on options.

The two surveys were intended to inform the creation of this proposal, and their feedback has effectively shaped the argument for Option C. Option C provides a solution that aligns well with the aspirations and priorities that residents have for the area can effectively address the concerns they may have about the process of re-organisation. This proposal has built on resident views on what can be improved in current structures to inform a vision for the future.

A number of focus groups were also conducted with a total of 38 residents across six locations (all districts in the region). The intention was to identify current service experiences, delivery preferences, an understanding of local identity, development priorities and reorganisation concerns. The focus groups therefore built on the survey findings and both methods have been used to inform this proposal.

5.2 Levels of engagement

Through an accessible survey, representations were received from 2,407 residents, 767 local government staff, 83 parish and town councils, 76 businesses across multiple sectors and sizes, and 72 voluntary and community organisations, public sector bodies, and individual responses from councillors. These responses were from a diverse cohort of residents, particularly with regard to location. Huntingdonshire and East Cambridgeshire are the most represented. However, all other areas sit comfortably within 10-15% of the response rate.

Over 900,000 people reached via social media views with over 22,000 people interacting or commenting directly. Direct engagement with parish councils took place through online forums, MPs were briefed monthly, all partners were engaged, and resident focus groups were held in each of the council areas. Explainer videos have also been developed, based on FAQ's alongside a dedicated webpage on each Council's site to try and address key concerns.

Each council has undergone their own staff engagement processes, which have included regular briefings and online corporate news posts.

It is also important to note the limitations of the survey. The resident survey only received 3,174 responses during the four-week collection period, with public responses taking up 2,407 of those and council workers accounting for 767. The stakeholder survey received 231 representations. Whilst the analysis has demonstrated that the cohort were representative, it is important to note that this survey will not capture the full picture of opinion. The survey also didn't ask residents about their preferences for particular Options – so

any analysis that has been conducted to demonstrate direct support for an Option has been taken from free-text comments and the focus groups.

5.3 What residents told us

Overwhelmingly, residents stated that they would strongly support reorganisation if it improved services (84% of responses). This was caveated with the fact that the reorganisation should safeguard rural representation and identity as well as deliver tangible benefits in investment and quicker response times.

The top three priorities of the unitary authorities were identified as:

- Having local councillors who understand their area.
- Simplifying access to services.
- Increasing the transparency and accountability of local government decision-making.

These priorities were reflected in the areas for improvement identified. Transparency and accountability were identified as weak points alongside attempts to reduce costs for residents.

Conversely, local councillors are seen to know their local area well (61%) – this is therefore a strength that needs to be built upon. Similarly, residents felt that they have a strong sense of community identity (62%) so it's important for the new authorities to retain individual areas identities through a community focus.

Through the analysis conducted of the survey results, it is clear to that Huntingdonshire residents believe in Option C and that there is a strong desire for residents to be aligned to Cambridge and to retain the existing cultural and physical connections between the two areas. Whilst the other arguments in this proposal justify the exploration and submission of Option C, it has been made clear by Huntingdonshire residents that this configuration is something that they desire.

In terms of size preference, the results for each unitary are highlighted below. The preferred size of both unitary authorities is around the 500,000 mark. However, the North-East unitary expresses a more general preference for smaller scale. This demonstrates the importance of having smaller, well-balanced unitary authorities that can be responsive to people's needs – particularly, in the North to ensure rural representation is maintained. Option C delivers two unitary authorities that are around the 400-500,000 population mark thus meeting the desires of residents.

Chart •: North-East.

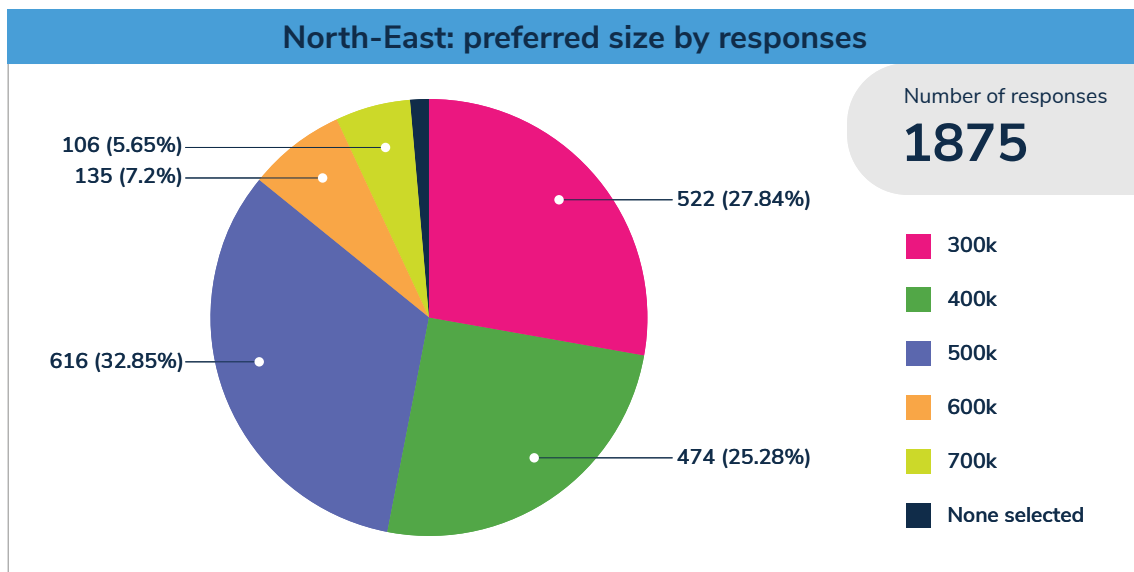


Chart •: South-West.

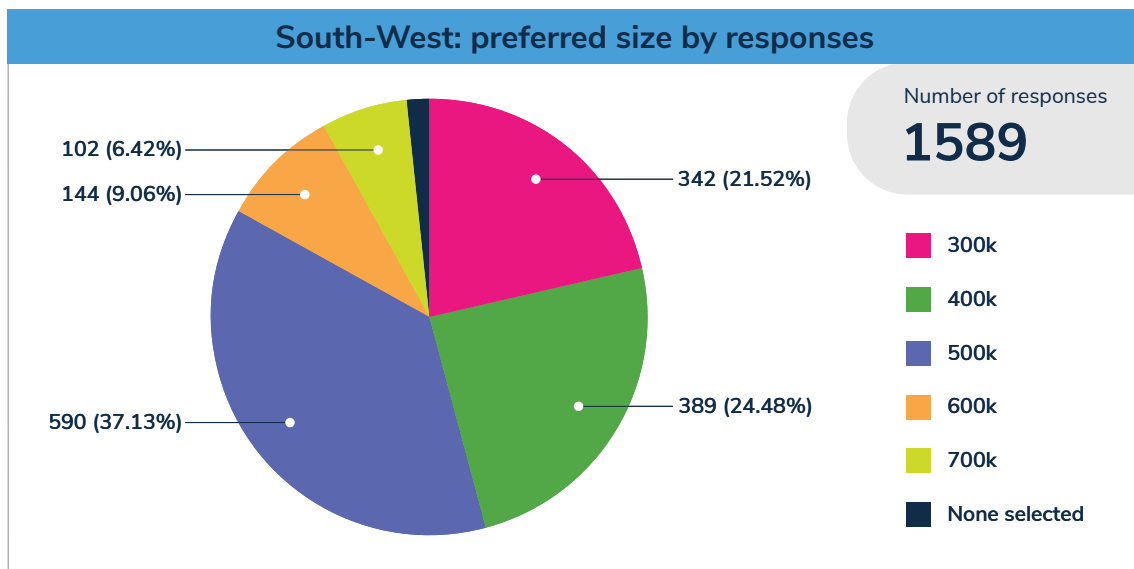


Figure ●: Travel patterns in survey responses for Option C, Unitary 1.

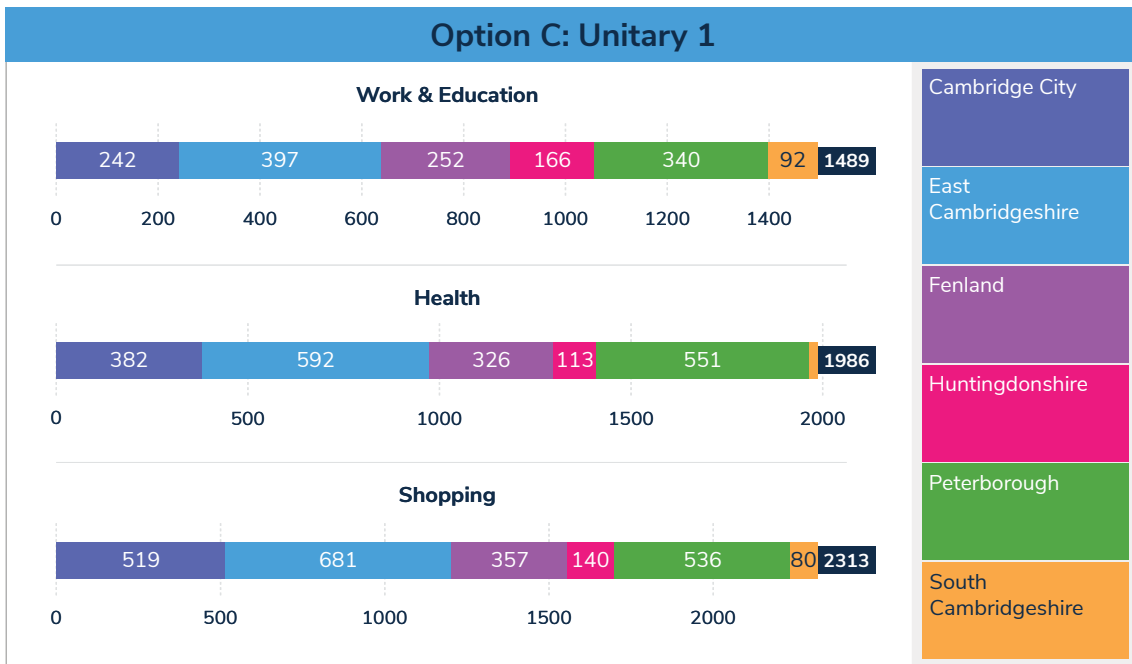
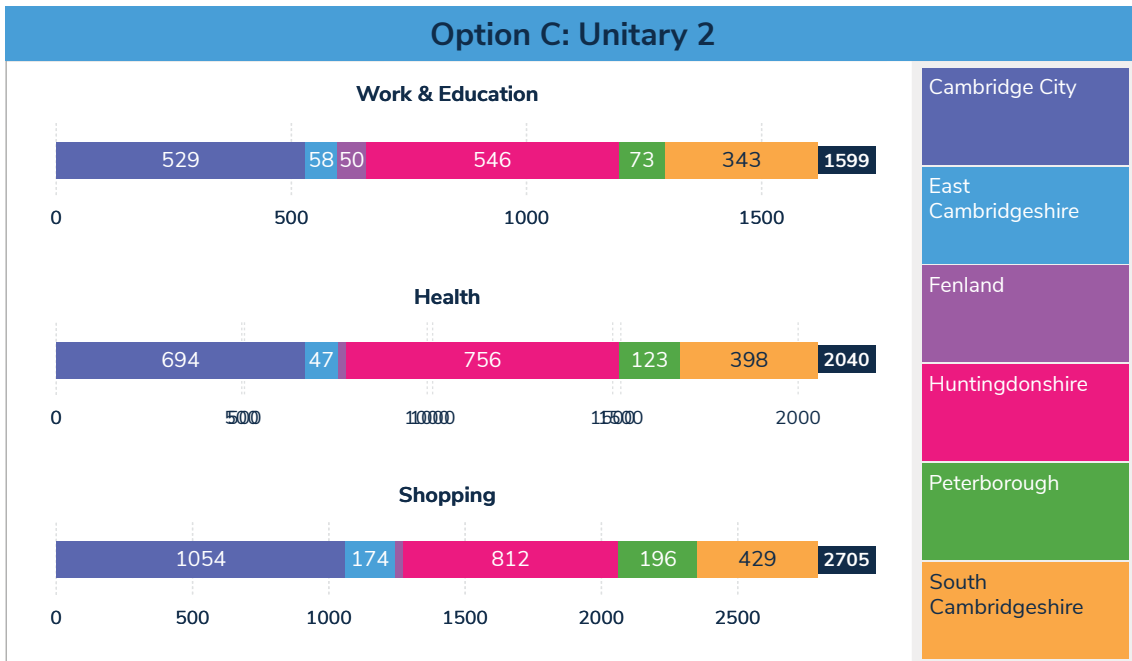


Figure ●: Travel patterns in survey responses for Option C, Unitary 2.



The above two charts highlight the travel patterns identified by the survey respondents. In Unitary 1 (North-East), most respondents tend to travel to Peterborough or within East Cambridgeshire for work, health and shopping. Whilst Cambridge still has a strong recreational draw, travel is mainly towards the opposite direction. Whilst the Southern unitary is more self-contained than the Northern, there is still clearly an alignment of travel patterns, particularly in those travelling to Huntingdonshire for health, work and education.

In the South-West unitary, travel is much more concentrated in Cambridge City and Huntingdonshire with little to no alignment to Peterborough. This highlights the strong connection between Huntingdonshire and Cambridge and the natural flow Southwards of travel patterns.

5.4 Shared priorities

The survey also demonstrated a coherent set of shared concerns within both the Option C unitary authorities, reflected in both the stakeholder and resident engagement survey. These shared concerns have been reflected throughout this proposal and have helped shape a distinct vision for both unitary authorities.

5.4.1 Some key themes that arose for Unitary 1 (PCC/FDC/ECDC)

- **Fear of rural neglect** – concerns that a rural focus won't be kept through joining with urban centres, including uneven funding distribution. 82% and 81% of Fenland and East residents, respectively, expressed concern about being overlooked through LGR.
- **Retaining local identity** – emphasis on maintaining local knowledge and accessibility of council services. Maintaining 'what works well,' and village character.
- **Transport improvement** – particularly in Fenland, there are concerns around rail connections and improvements to roads. Investment was seen as the biggest priority in the Northern Unitary (21%).
- **Infrastructure concerns** – improving access to social care and health services. Fear of overdevelopment without infrastructure.

In comparison to the Southern unitary, the Northern counter-part is much more concerned with improving service delivery and ensuring that 'what works well' is maintained. Peterborough's frustration with council performance is counter-balanced by East Cambridgeshire's and Fenland's desire to retain some of the current positives. This demonstrates how Peterborough's need for improvement could potentially be supported by the positive performances of the two rural councils.

Similarly to the Southern unitary, the North is also concerned with accountability and transparency (21% of residents) and reducing complexity (20%). Whilst creating unitary authorities will reduce complexity, Option C also allows for a balanced geography that can provide localised accountability with access to neighbourhood decision-making. This is explored more in the democratic representation theme. However, that balance of population size means that decision-making won't be as remote as bigger unitary authorities could be. It also helps to ensure equal representation on a national stage and with the CPCA.

Loss of local identity was a major concern in all areas, highlighting a similar view that the new unitary should keep important cultural aspects of each area and ensure that work in the community is localised and place-based. Maintaining rurality and ensuring equal distribution of funding was also a concern in general about LGR. This concern can be met by the fact that both unitary authorities are equally balanced in terms of population and will also have equal representation on the Combined Authority – the Northern Unitary can focus on the needs of its rural communities whilst having the space to expand Peterborough's geography.

This expansion of Peterborough's geography could work to improve road and rail links across the patch as there will be a need for greater connections between the City and the rural areas. This improved connection could help to increase access to social care and health services. However, it is important that the unitary delivers place-based working and solutions for addressing rurality within social care.

5.4.2 Some key themes that arose for Unitary 2 (CCC/HDC/SCDC), include:

- **Concerns around infrastructure and transport** – poor roads, inadequate school and healthcare capacity. 25% of respondents in the Southern Unitary believed that investment should be a priority.
- **Social equity** – support for vulnerable groups and retaining community hubs alongside improving SEND services and youth disengagement.
- **Environmental concerns** – Cambridge City/South Cambridgeshire had concerns about water supply and overdevelopment as well as general opposition to building on farmland.
- **Fear of rural neglect** – both South Cambridgeshire and Huntingdonshire expressed concerns about rural neglect and the loss of local knowledge.

Another theme that translated across all three areas was the need for simplification and improved local representation. Residents in the South placed 'reducing complexity' (27%) and having a 'single council to contact' (26%) as the top two priorities for the new authorities.

The above concerns are all significantly aligned across the three areas, highlighting the key areas that the unitary should focus on when establishing their target operating model and vision. It is important that the unitary addresses the rural/urban divide but by creating a majority rural council in the South, areas can focus more sharply on the needs and wants of villages and towns.

It can also be argued that the road/transport connections between Huntingdonshire, South Cambridgeshire and Cambridge City are relatively strong compared to other areas within the region. In the region, public transport connections include the Guided Busway, the East Coast Main Line and regular bus services as well as the new 'Tiger on Demand Service.' The recent upgrade to the A14 improved the capacity of the connection between Cambridge and Huntingdon and there are pipeline opportunities for improving the A141 corridor as well as implementing Active Travel Projects.

The Southern Unitary in Option C therefore adequately addresses the concerns residents have around transport by retaining an area that is well connected. This also provides a basis for improving high-risk social care services and provision of community support by ensuring that areas are accessible.

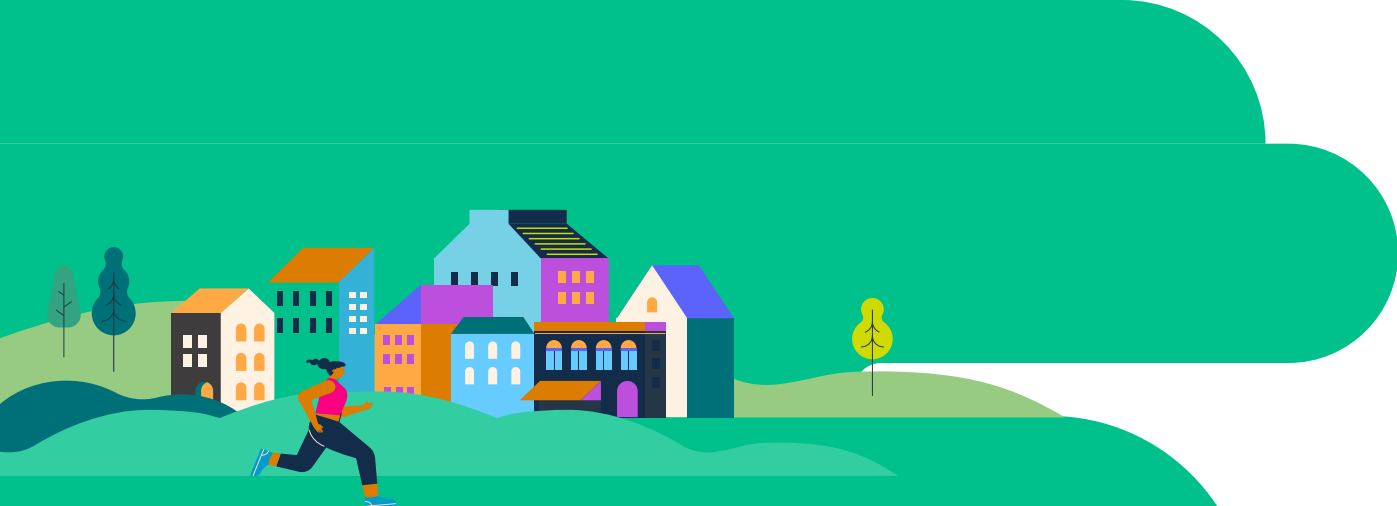
5.5 Focus group results

The focus group results demonstrated a similar view to the key concerns outlined above in each unitary. The findings suggested several critical implications for re-organisation design, including:

- **Preservation of local connection** – highlighted through the concerns felt by rural residents in both unitary authorities and the care that councils need to take to address balance in focus.
- **Respecting natural boundaries** – Option C addresses this concern through the existing transport connections highlighted above and established commuter patterns.
- **Maintaining a service focus** – the above shared themes that have been identified can work to sharpen a vision for service delivery.
- **Management of transition risks** – ensuring safe and legal delivery will be key for all options, not just C.
- **Build rather than assume trust** – it will be important for the new unitary authorities to recognise the trust deficit felt in the region and to ensure that competence is a number one priority.

5.6 Conclusion

The survey results highlighted that Option C successfully addresses the concerns of both residents and stakeholders within Cambridgeshire & Peterborough and these shared concerns have helped create a clear vision for the two new unitary authorities and what the key challenges are that should be addressed. The clear support for Option C from Huntingdonshire residents also highlights the strong connection that the district feels with Cambridge City and the connections that should be strengthened, rather than severed.



6. Implementation and transition plan

Section summary

This section explains how the move from seven existing councils to two new unitary authorities would be delivered smoothly and safely. It sets out a clear, phased plan for transition, covering governance, finance, people, digital systems and communications.

The plan is built around putting residents first, protecting essential services, and maintaining strong collaboration between councils.

Progress will be tracked against clear success measures to ensure services stay stable on Day 1, savings are achieved and the new councils are set up for long-term transformation.

6.1 Purpose of this section

This section details the approach that will be taken to ensure successful implementation and transition from the current two-tier model of service delivery into a unitary local government structure. It will set out the high-level roadmap of phases, workstreams and milestones that will form the structure and governance for a safe, legal and well-sequenced transition to new unitary arrangements in Cambridgeshire & Peterborough. It will then move on to explore the strategies that underpin this approach, including a communications and engagement strategy and the risk management framework across the transition period.

It is important to note that a decision will not be made on LGR by the government until July 2026. Until that time, councils in the region intend to work together on formulating plans for implementation. It is important that organisations work to strengthen positive relationships and that sight of this is not lost during the wait for decision.

6.2 The guiding principles for delivery

The principles for the implementation plan are as follows:

- **Residents first:** maintain essential statutory services without disruption.
- **Single, shared evidence-base:** common assumptions for costs/benefits.
- **‘Once for the area’ design where appropriate:** comprehensive, unified design approach for the area where possible to ensure cohesion of service delivery and local variation where necessary.
- **Early engagement** with workforce, trade unions and partners.
- **Rigorous programme management:** governance, risks, benefits and finances.
- **Transformation:** identifying transformation opportunities throughout the implementation and transition phase to inform design of service delivery.
- **Collaboration:** setting a standard for the Transition Management Office to maintain a collaborative approach and establishing a ‘One Team’ culture.

6.3 Timeline for implementation

A high-level timeline for implementation on the next page. It outlines the following phases:

Phase 1 – Pre-decision mobilisation (Jun 2025 – Jul 2026)

Phase 2 – Post-decision and joint committees (Jul 2026 – May 2027)

Phase 3 – Shadow authorities (May 2027 – Vesting Day on Apr 2028)

Phase 4 – Year 1 of new authorities (Apr 2028 – Apr 2029)

Phase 5 – Delivering on longer-term ambitions (Apr 29 and beyond)

The focus and deliverables for each phase are outlined alongside the key milestones set by Government. These phases will be referred to throughout this section.

June 2025 – July 2026

Phase 1: Pre-Decision Mobilisation

Focus: collating evidence base, options refinement, preparing for standing up joint committees.

Deliverables: submission document produced for November, mobilisation of programme and setting of common standards, agree draft implementation order standards.



Business Case Submission – November 28

July 2026 – May 2027

PHASE 2: Post-decision and joint committees

Focus: establishing programme management and formalising the Transition Programme Office.

Deliverables: creation of service blueprints and joint committees are established. Confirm programme plan, critical path and budget envelope.



Secretary of State decision – July 26
Implementation committee established – July 26

May 2027 – April 2028

PHASE 3: Shadow Authorities (Shadow elections – Vesting Day)

Focus: delivery of safe and legal implementation, closure of legacy systems and establish new culture.

Deliverables: safe and legal requirements met (finance management, constitution, TUPE of contracted staff and appointments), legal readiness with procurement and contracts. CTax migration plan and ICT cut-over plan, Council operating model.



Local elections – May 27

April 2028 – April 2029

PHASE 4: Transition post shadow authorities & burgeoning Transformation plans

Focus: stabilise, harmonise and begin transformation.

Deliverables (first 100 days): Back-office streamlined and systems rationalised. Harmonise urgent policies (e.g., financial regs, scheme of delegation, customer contact). Target Operating Models and phased service integrations.

Post-100 days: benefits realisation and post-implementation review.



Vesting Day – April 2028 – organisation assumes all legal powers

April 2029 & beyond

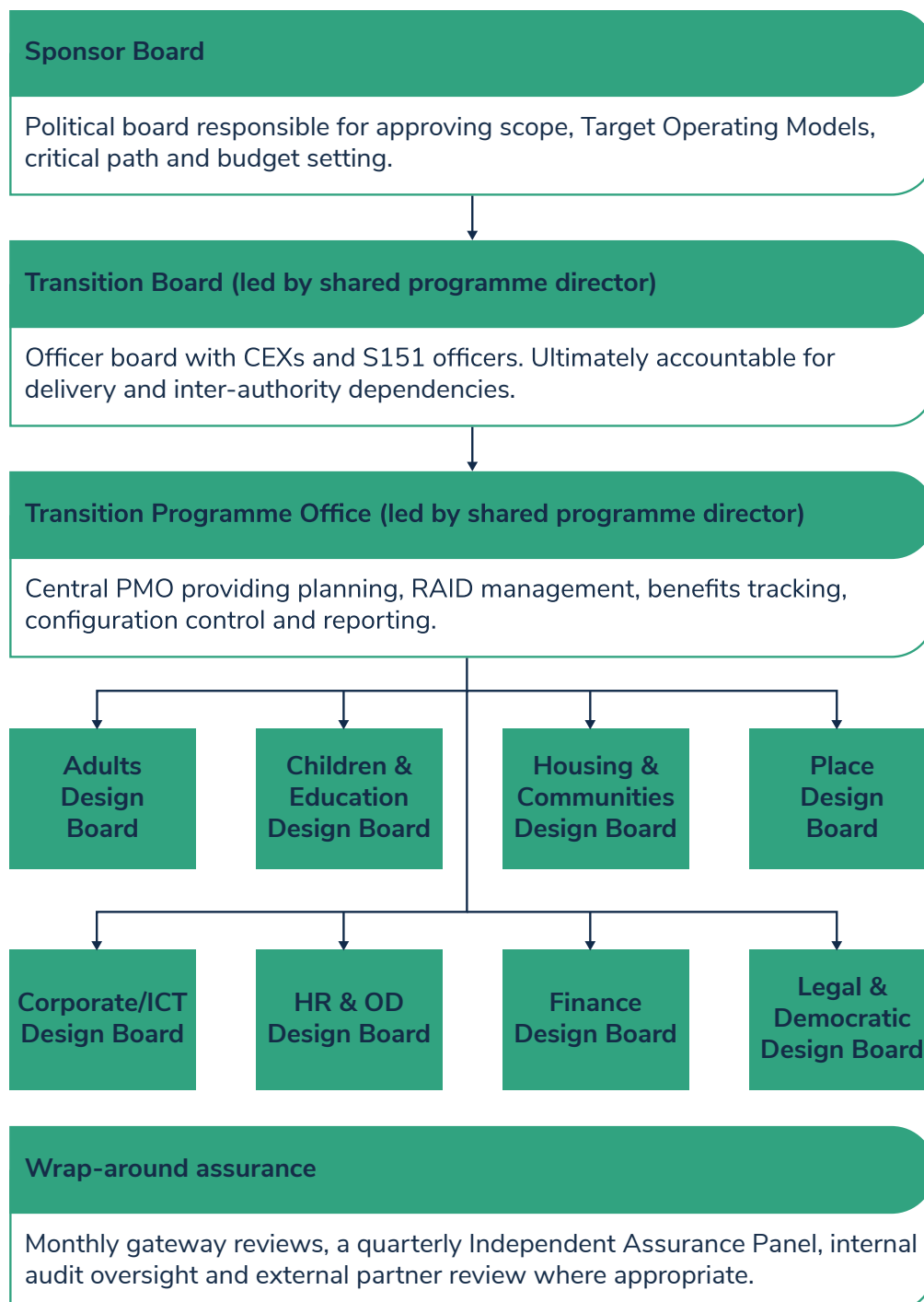
PHASE 5: Delivering on longer term ambitions

Focus: early stage public-service reform and innovation in delivery. Trialling new service delivery models.

Deliverables: clear transformation plan; vision for reform established and pilots started.

6.4 Transition governance arrangements

Suggestions for governance arrangements are outlined in the diagram below:



It is important to note that the above approach may differ dependent on the number of unitary authorities taken forward. There is already an agreed approach in the region for a joint programme director however the number of assistant directors that sit below this may vary.

6.5 Programme workstreams

Underneath the above design board (Remove beginning when comment resolved) There will be seven programme workstreams responsible for reporting upwards. The seven workstreams are outlined below with their key focus and outputs/milestones.

The workstreams will form the basis of the work breakdown structure to govern the end-to-end transition programme. They run across all phases with specific deliverables per phase and the scope of the work will shift as the councils enter different phases of the programme.

Table •: Programme workstreams by implementation phase.

Workstream	Deliverable during Joint Committees	Deliverable during Shadow Authority	Deliverable post Vesting
<p>Governance, Democracy and Legal</p> <p>Reports to Legal and Democratic Design Board</p>	<p>Shadow election logistics, establishing shadow structure plans, ensuring 'safe and legal' compliance, legal agreements on information-sharing, alignment of decision-making. Registration of legal seal for each unitary.</p>	<p>Constitutions through Constitution Working Group, standing orders, implementing shadow structures and regulatory committees, creating a Day 1 legal and policy framework, member development, local place arrangements, scheme of delegation. Data protection registration changes.</p>	<p>Ensuring legal compliance on Day 1 and post.</p>

Workstream	Deliverable during Joint Committees	Deliverable during Shadow Authority	Deliverable post Vesting
<p>Finance, Commercial and Assets</p> <p>Reports to Finance Design Board</p>	<p>Identify current baselines and forecasting models, create LGR cost pressure model, mapping of commercial assets, contract novation strategy, transfer of debt and procurement pipeline.</p>	<p>Creation of MTFP, reserves strategy, council tax equalisation trajectory, fees and charges approach, ensure single balance sheet, ensure Day 1 readiness and compliance.</p>	<p>Carry out council tax harmonisation over time, assess income growth models.</p>
<p>People and Culture</p> <p>Reports to HR and OD Design Board</p>	<p>Pay and grading road-map, TUPE and staffing models, continuous communications to staff and equality impacts.</p>	<p>Organisational development, culture plan, leadership development, TUPE of all staff, terms and conditions.</p>	<p>Ensure continuous culture and strong values. Ensure TUPE carried out safe and legally on Day 1.</p>
<p>Customer, Digital and Data</p> <p>Reports to Corporate/ICT Design Board</p>	<p>CRM and case management approach, develop digital design principles, data migration, integration and retention schedules. Establish phased or big bang approach for delivery.</p>	<p>Contact model, plan new websites and branding, cyber posture, identity and access management.</p>	<p>Ensure prioritised IT and customer contact is in place for vesting. Ensure alignment of systems continues for those that haven't already.</p>

Workstream	Deliverable during Joint Committees	Deliverable during Shadow Authority	Deliverable post Vesting
<p>Service Alignment, Continuity and Delivery</p> <p>Reports to service-specific design board (Place, Childrens, Adults and Housing and Communities)</p>	Target Operating Models for services.	Day 1 readiness plans, phased integration plans for services and prioritisation.	Ensure integration plans are carried out efficiently and effectively.
<p>Partnerships, Locality and Communication</p> <p>Reports to Housing and Communities Design Board and/or Legal and Democratic</p>	Double-devolution design, plan partner governance arrangements, manage external communications.	Parish/ town council agreements, community boards, manage external communications.	Ensure locality work is implemented and managed effectively. Strong branding is rolled out with continuous communications.
<p>Programme Management</p> <p>Reports directly to Transition Programme Office</p>	Set up PMO, planning for implementation, maintain RAID log.	Maintain continuous reporting and dependency management, ensure independent assurance and document control. Escalate risks/issues where needed.	Benefits management and post-implementation review. Begin to focus on transformation.

In addition to the above, there are a number of opportunities for advance work to be carried out before the joint committees are formed.

This includes:

- Developing model constitutions for the new authority.
- Contract management and ensuring contract registers are up-to-date and reviewed.

- Comparison of staff terms and conditions across the councils to ensure as much alignment as possible.
- Review of procurement terms and conditions to ensure break-out clauses are in place with appropriate contract lengths.
- Establish strong data-sharing agreements to ensure a timely flow of information.

The councils in Cambridgeshire & Peterborough will work to be as well prepared as possible for LGR implementation. The region will utilise the outputs of the pre-work that already exists in the region through three established workstreams (finance/governance/communications) as inputs into the seven workstreams listed above to continue the progress already made. This will ensure a ‘hit the ground’ running approach so that all councils in the region do not lose momentum.

6.6 Communications and engagement strategy

6.6.1 Objectives

- Provide clear, concise and timely information about what is changing and when.
- Protect staff morale and retention; support cultural integration.
- Secure stakeholder confidence (residents, businesses, VCS, parish/town councils, NHS/ICB, police, fire, education, universities).
- Evidence ‘good deal of local support’ through inclusive and proportionate engagement.

6.6.2 Audiences and channels

- **Staff and Trade Unions:** fortnightly bulletins, Q&A webinars, service level briefings, dedicated intranet hub; change champion network.
- **Residents and Businesses:** public microsite, FAQs, social media, e-news, local media, roadshows with a focus on rural and hard to reach communities; targeted materials in multiple languages/formats.
- **Partners:** monthly partner forum (ICB, Police and Fire, CPCA, universities, housing providers); joint statements at key milestones.
- **Members:** weekly Member Brief; Member/officer design workshops; all member briefings at phase gates.

6.6.3 Standards and safeguards

- Consultation designed to Gunning principles; accessible formats and representative reach; publish feedback and ‘you said, we did’ summaries.
- Coordinate a single engagement calendar across councils to avoid duplication; use a shared evidence-base and common assumptions in all public materials.

6.7 Devolution and Combined Authority strategy

- Maintain alignment with Combined Authority strategic functions and any transition to a Strategic Mayoral Authority; agree protocols for strategy, funding and delivery interfaces (e.g. transport, skills, housing, net zero).
- Joint scenario planning for shared programmes (e.g. growth deals, transport improvements) to avoid disruption during the transition.
- Formal partner MoUs to set expectations on data-sharing, governance, and escalation.

6.8 Risk management during transition

6.8.1 Risk framework

- Central RAID register managed by the TPO; RAG thresholds and escalation routes agreed by the Transition Board.
- Rolling 30 day risk horizon scans; monthly ‘deep dives’ on top risks; independent assurance at each phase gate.

Table •: Initial key risk areas and mitigations.

Risk area	Initial risk	Mitigation measures
Service Continuity	Disruption to critical services (Adults, Children/SEND, Safeguarding, Revenues and Benefits)	<ul style="list-style-type: none">• Day 1 Readiness Assessments for all critical services.• Dual-running where required.• Dedicated incident room during cutovers.

Risk area	Initial risk	Mitigation measures
Stakeholder Engagement	Lack of support or confusion among stakeholders	<ul style="list-style-type: none"> • Single narrative. • Consolidated FAQs. • Structured engagement plan. • Publish design standards and decisions. • Early engagement with MPs and key partners.
Workforce Capacity and Retention	Insufficient capacity or loss of key staff	<ul style="list-style-type: none"> • Early appointments to key roles. • Retention incentives for scarce skills. • Leadership visibility. • Change champion network. • Wellbeing support.
ICT and Data Migration	Technical failures or data issues during migration	<ul style="list-style-type: none"> • ‘Minimise change for Day 1’ principle. • Rigorous migration rehearsals. • Robust IAM and cyber controls. • Independent technical assurance. • Ensure consistency of data collection across councils. Work to harmonise data collection to similar formats, content and definitions.
Financial Risks	Transition costs, harmonisation impacts, legacy liabilities	<ul style="list-style-type: none"> • Ringfenced transition budget with benefits tracking. • Monthly review of prudential indicators. • Pre-vesting reserves strategy. • Transparent council tax harmonisation plan.
Complexity and Pace of Change	Overwhelming complexity or unrealistic timelines	<ul style="list-style-type: none"> • Realistic critical path. • Clear scope control. • Timeboxed discovery for unknowns. • Early legal drafting for Orders. • Structured decision escalations.

6.9 Success measures and benefits tracking

The following criteria set out the standards against which progress against timeline will be measured as well as transformation benefits and ongoing post-unitary success.

Day 1 success tests

All statutory services operational; no missed payments (payroll, suppliers, benefits); customer access channels live; legal frameworks in force.

12 month success tests

Harmonised core corporate policies; measurable improvements in customer contact performance; planned integrations completed; delivery of Year 1 efficiency targets; independently validated lessons learned review.

Benefits management

Baseline and track savings (recurring and nonrecurring) and quality outcomes through a central benefits register; align to MTFP and transformation roadmap; publish quarterly progress updates.



7. Risk management and legal compliance

To note – this section is applicable to all proposals.

Section summary

This section explains how risks will be carefully managed to ensure a smooth and legal transition to the new councils. It outlines clear plans to protect essential services and keep residents and staff informed throughout the process. Strong governance and clear accountability will make sure everything runs safely and on time.

7.1 Risk management strategy

In section 4.3 the proposal outlined an approach to service delivery which includes ensuring legal compliance with statutory legislation and duties whilst also making sure that services aren't disrupted on Vesting Day. This section outlines in more detail how some of the key risks associated with LGR can be addressed, including mitigations. It is vital that all proposals submitted address the below risks to protect residents and ensure services are operational on Day 1.

In the implementation plan section, the proposal outlined some of the key programme-level risks that will be addressed by a centralised risk register managed by the TPO during the implementation phase. The TPO will also implement wrap-around assurance with regular risk horizon scans to ensure that the authorities are on top of any emerging risks.

The above outlines the approach going forward but the approach so far has also been collaborative. As part of the proposal phase, a democracy, governance and risk workstream was set up and attended by the monitoring officers in the region to ensure a shared understanding of key risks and statutory duties.

The below table highlights some of the key risks that should be monitored going forward with mitigations that are or will be implemented to manage safe and legal implementation. In comparison to the above risk table in the implementation section, this is a more strategic level view and outlines a more generalised approach in comparison to specific actions raised above.

Table •: Key risk areas and mitigations.

Risk area	Mitigation measures
<p>Effective leadership – ensuring clarity of leadership and decision-making processes to keep implementation activities on track with effective oversight.</p>	<p>Move swiftly to implement a transition programme office and sponsor board. A single responsible officer for each unitary will be appointed, allowing for a central leader to guide decision-making.</p>
<p>Service continuity – balancing LGR with BAU service delivery to avoid disruptions to services for residents, potentially harming public confidence and trust.</p>	<p>The approach to service delivery in this proposal is one that recognises the statutory requirements of the new unitary authorities. There is a recognition that transformation is a later task with safe transition taking priority. Within the TPO, tasks will be effectively prioritised accordingly whilst ensuring that roles are back-filled to continue services in the existing authorities.</p>
<p>Stakeholder engagement – providing clarity to stakeholders on the LGR transition process and ensuring different priorities are accounted for. Lack of clear communication could result in reputational damage and lack of trust.</p>	<p>Within the TPO, there will be dedicated communications capacity to ensure that communication is timely and effective. A communications strategy will be pulled together to ensure that communication is targeted and consistent.</p>

Risk area	Mitigation measures
<p>Complexity and pace of change – there is a shortened timetable between decisions on the proposal and the go-live date in April 2028. If programme management isn't effective, there may be additional increases in time and costs.</p>	<p>The implementation plan section of this proposal establishes a clear plan for accelerating into the transition phase of LGR. It places capacity to deliver as a priority with robust programme management arrangements to manage risk and embed oversight.</p>
<p>Workforce capacity and retention – LGR will lead to significant changes for staff potentially resulting in a drop in morale and capacity. It is important change is managed effectively and strong engagement is maintained to make sure the workforce is on board.</p>	<p>The communications strategy will work to embed staff feedback and co-design with existing processes, making sure that the workforce have an opportunity to build strong identities for the new organisations. A dedicated HR & OD workstream will also be responsible for managing that change, allowing dedicated time and capacity to ensure a smooth workforce transition.</p>

7.2 Assessment of legal compliance

The below table highlights a 'safe and legal' checklist for Vesting Day. This list is not exclusive and there will be other areas that need to be incorporated. However, it provides an initial assessment of how the new authorities will ensure compliance.

Table •: *Legal compliance areas and assurance.*

Compliance area	How will we ensure this is met?
<p>Data-sharing and UK General Data Protection Regulations</p>	<p>Data-sharing agreements have already been established between regional local authorities. Sensitive data will be collected in compliance with GDPR and information governance officers are in conversation to ensure this is met.</p>

Compliance area	How will we ensure this is met?
TUPE/HR considerations	Transfer of staff will be in line with TUPE regulations – all terms and conditions will be maintained and continuity protected. Payroll systems are high priority and will be aligned by Vesting Day to ensure consistency and continuity.
SCO	The Structural Change Order will outline the statutory requirements for implementation and electoral arrangements. Regular conversations have been held with MHCLG and will continue to do so to shape the SCO. The region has already begun forming implementation plans and are aware that the implementation team should be in line with the Government’s provisions.
Major financial decisions	Once the SCO comes into effect, the relevant authorities will be responsible for not binding the future unitary through any major financial decisions. The SCO will put the process for managing this in place. However, a procurement working group has been set up to ensure effective oversight of major contracts that directly feeds up to the regions monitoring officers.
Budget setting	Once the decision is made by Government, the shadow authority will be responsible for budget setting and ensuring financial reporting is in place for Vesting Day. This will be completed in line with the shadow authority’s remit.
Democratic Arrangements	The SCO will also outline electoral arrangements for the new authorities. This proposal has outlined the recommendation for arrangements. However, the MO working group will ensure compliance with the arrangements outlined, including the remit of the shadow authorities decisions on schemes of delegation, constitutions and committees.
Customer services and website	It is key that residents have a way to access the council. On Day 1, new councils will have one phone number, website and front door to avoid confusion for residents.

Compliance area	How will we ensure this is met?
Liabilities/ asset transfers/ intellectual property/ legal company agreements	Councils are undertaking the work now to ensure that all asset registers are up to date. IT staff are also creating a centralised repository to manage IT contracts. A procurement sub-group has been set up to manage existing procurement regulations to ensure that contracts have clear exit strategies. Once the decision has been made by government, partner councils will work together to ensure that transfers can be managed legally and as smooth as possible.
Bank accounts/ collection of council tax/payment of benefits	The new authority's bank account will be set up for Day 1 to avoid any disruptions in the collection of council tax and the payment of benefits. Council tax will be harmonised within the seven year limit, as legislated, using member working groups with the new administration.
Statutory roles recruited	As soon as elections take place, statutory roles will be advertised, starting with the Chief Executive. Work will start on this pre-elections to ensure that the national recruitment happens swiftly with sufficient time for the new leader to play a key role in implementation.
Statutory policies	All statutory policies will be a priority for the new shadow authority, such as the housing allocation scheme, licensing policies and a homelessness strategy. Work will start swiftly to ensure that a new Local Plan is implemented within the five year limit.

Conclusion

Option C represents a balanced and practical path to Local Government Reorganisation in Cambridgeshire & Peterborough. It proposes two new unitary councils: North-East (Peterborough, Fenland and East Cambridgeshire) and South-West (Huntingdonshire, South Cambridgeshire and Cambridge City).

This structure strikes the right balance between efficiency and local connection. It brings together all services under one council in each area, replacing the current layers of responsibility.

This option builds on the economic strengths of each area. The North-East would combine Peterborough's fast-growing economy and manufacturing base with the rural and market town strengths of Fenland and East Cambridgeshire. The South-West would unite Cambridge's global innovation economy with the wider growth potential of South Cambridgeshire and Huntingdonshire.

Across the five criteria set out by government (growth, financial sustainability, public services, democratic representation and devolution) the analysis shows that Option C performs strongly in each area.

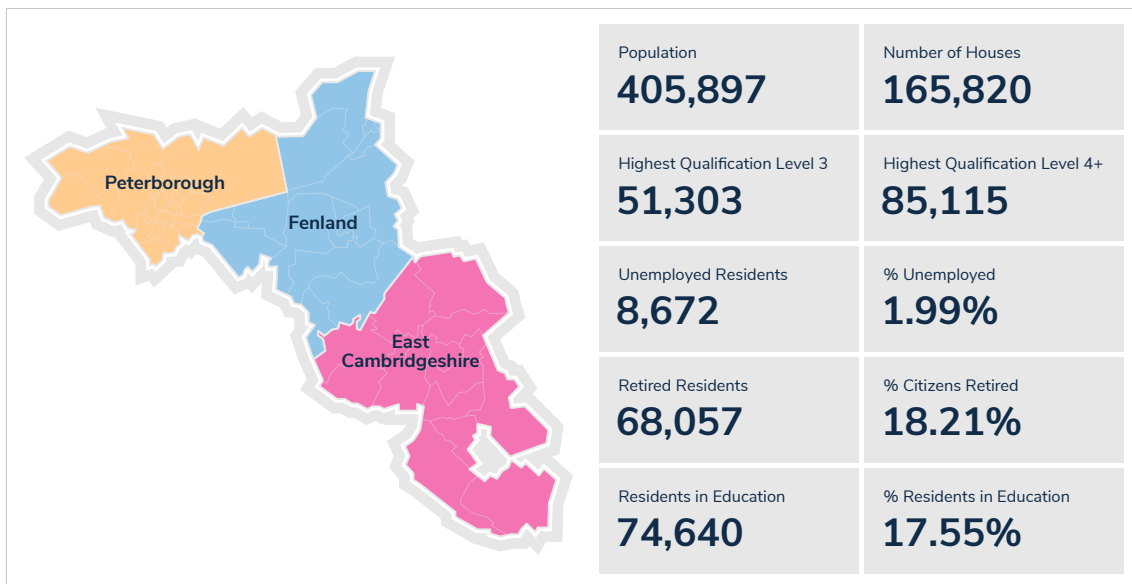
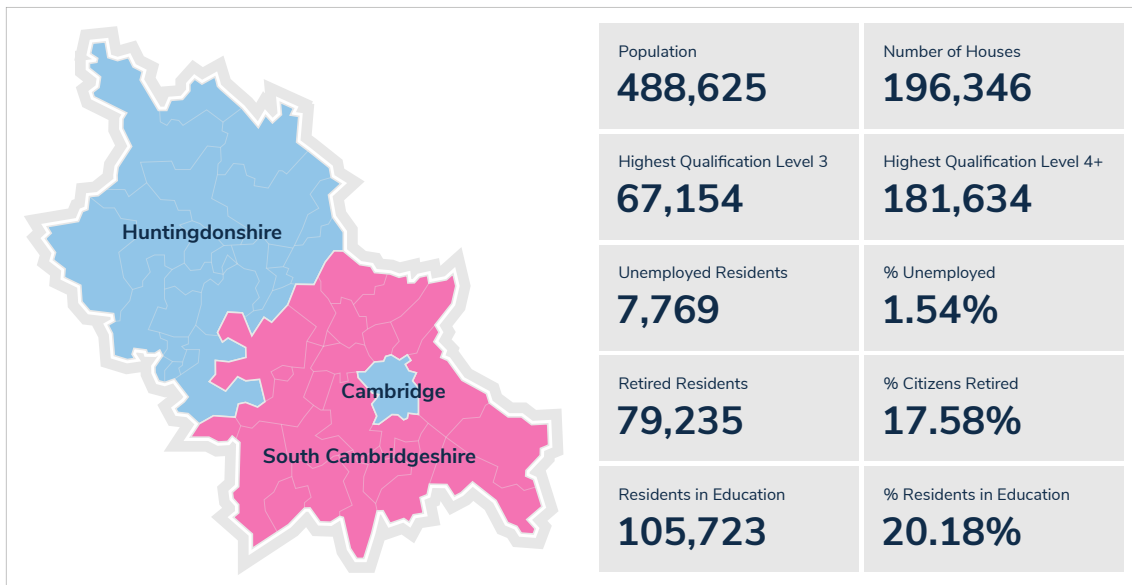
It provides a structure that supports sustainable economic growth while maintaining fairness and local identity. Financially, it delivers meaningful savings without creating risk or disruption, with projected savings of around £6m a year once fully implemented.

The two new councils would improve public services by joining up local delivery and simplifying access for residents. Democratic representation would be clearer and more balanced, with councillors closer to their communities and simpler routes for residents to have their say. The proposal aligns with existing devolution arrangements, ensuring that local voices remain influential in regional and national decision-making.

Option C provides a stable and deliverable route to better services and a structure that supports both economic growth and community identity. The model works fairly for the whole region, built on what already works well.

Appendix A

Comparison Zone Builder



Appendix B

Although Cambridgeshire & Peterborough councils did not submit an interim plan, we have reviewed the feedback given to those areas that did and used this as a source of guidance for the type and extent of financial information you would like to see in our full proposal. We note the following generic feedback that was given to areas and have provided a response to each of the points below.

You suggested that the following should be considered:

High level breakdowns for where any efficiency savings will be made, with clarity of assumptions on how estimates have been reached and the data sources used, including differences in assumptions between proposals.

There are expected to be cash savings from reducing the number of local authorities in the area and our analysis has focussed on those that are more readily apparent and deliverable i.e. reduction in management posts, reduction in the number of ward councillors and cash efficiencies in third party spend. There will also be a need to increase spending on management resources as a result of splitting county level services across the new unitary councils and our assessments of savings are presented on a net basis.

The following elements make up the savings calculation:

Management costs

The published list of roles earning more than £50k in each council were relied upon. An on-cost assumption of 25% was applied to the salary rates. The roles were categorised into four seniority levels e.g. level 1 would be a chief executive, level 2 would be a senior leadership team member, level 3 would be a service director or head of service, level 4 would be assigned to the remaining roles. For each unitary combination, the role lists from the legacy councils were aggregated and where duplicated roles existed at level 1-2, one of the roles was removed, where similar or duplicated roles existed at level 3, a reduction in role numbers may have been applied dependent upon the size of the unitary. No changes were made at level 4. Adjustments were also made to account for the size of each unitary and the

disaggregation of legacy county level resource into both a unitary featuring legacy city council roles and an adjoining unitary (ies) featuring smaller tier 1 services.

Member allowances

The current cost of Members was taken from the 2024/25 accounts of each of the councils. An average ward density, based on unitary councils across the country, was calculated from Local Government Boundary Commission data and used to determine an estimate of the number of councillors likely to be required in the new unitaries. The average cost of allowances per councillors taken from eleven of the most recent county unitary reorganisations was applied to this number to produce an estimate of the likely members budget required for the shortlisted unitary council combinations.

Third party spend

The third party spend of all councils for 2024/25 was identified and analysed in terms of common areas of spend and common suppliers. This identified energy, ICT, external audit, FM, leisure, insurance, recruitment, postal and couriers as areas offering high potential for savings from consolidation. A 5% saving was assumed for spend where three or more councils shared a common supplier in these categories. The exception being for external audit where an average audit fee of £700k was assumed for each new unitary with the saving being the difference between that and the amalgamated fees for the current councils.

How efficiency savings have been considered alongside a sense of place and local identity.

We have not considered the potential savings that may be achievable from the opportunity that LGR presents to change the way services are delivered to places and respond better to local needs and identity. These are far less certain and more recent examples of LGR have struggled to realise these within 3 years post re-organisation. Such changes will come with costs associated with investments in, for example, new IT hardware and software. The costs of these have been similarly excluded from our analysis at this stage.

Information on the counterfactual against which efficiency savings are estimated, with values provided for current levels of spending.

We have used the figures in the latest published MTFPs of each council as the basis of our assessment of the financial sustainability of the different short-listed options. This has been achieved by consolidating the MTFP figures for each council based on the combinations in each of the options.

The county council's financial position has been disaggregated on the following basis:

Allocation basis	
Net revenue expenditure (NRE)	
Children, Education and Families	% of population aged Under 17
Adults, Health and Commissioning	% of population aged Plus 65
Place and sustainability	Area (km2)
Finance and Resources	Households
Strategy and Partnerships	Households
Capital financing	Households
Income	
Business rates	% of district business rates
Council tax	% of Band D equivalent properties
RSG	% of NRE
Unringfenced grants	Households
Fair funding formula adjustment	% of NRE

This has enabled an MTFP for each of the unitary options to be produced which represents a baseline from which potential savings and costs from consolidation have been assessed against.

A clear statement of what assumptions have been made, and if the impacts of inflation are taken into account.

The following assumptions have been applied to standardise MTFP projections over a five year period

- Annual growth in council tax base of 1.0%.
- Application of the maximum council tax rise in each year.
- Growth in net revenue expenditure of 2% for the district councils and 4% for the county council and city council.

A summary covering sources of uncertainty or risks with modelling, as well as predicted magnitude and impact of any unquantifiable costs or benefits.

The main areas of uncertainty with respect to the modelling are as follows:

- Timings of savings release.
- Level of unquantified savings from transformation.
- Level and timing of transition costs – particularly in respect of cost of retirement and system alignment.
- Extent to which published MTFs are a reliable projection of future spending pressures.
- Impact of the Fair Funding Review.

We have not attempted to predict the magnitude of variability or uncertainty with any of these areas.

We have undertaken significant analysis of the implications of council tax harmonisation and noted the levels of income loss in the event council tax is not harmonised in the first year of unitarisation.

Quantified impacts, where possible, on service provision as well as wider impacts.

There has been no assessment of the financial impact on service provision of unitarisation at this stage – whether that be in terms of savings potential or transition cost. The limits on time and resourcing have meant that this has not been possible.

You noted a desire for:

Additional data and evidence to set out how our final proposals would enable financially viable councils, including identifying which option best delivers value for money for council taxpayers.

Value for money for council tax payers has been assessed in terms of both payback and the movement in the council tax requirement per resident that results from the different LGR options.

The payback has been calculated by profiling assumed savings (net of on-going disaggregation costs) against the estimated upfront transition costs. The movement in council tax requirement per resident has been based on the MTFs for the existing councils relative to the ones that result from the new unitary councils based on the consolidation and disaggregation modelling described above.

Further detail on potential finances of new unitaries, for example, funding, operational budgets, potential budget surpluses/shortfalls, total borrowing (General Fund), and debt servicing costs (interest and MRP); and what options may be available for rationalisation of potentially saleable assets.

The projected position of each of the new councils under the favoured options are shown in the Financial sustainability section of the main document. These are based on existing MTFs, put on a consistent basis for key variables such as council tax increases, council tax base increases and inflation, and then consolidated based upon the method described above. This takes into account the features above including debt servicing costs but does not account for any rationalisation of potentially saleable assets. The reserves position has been assessed and is sufficient to cover the projected transition costs. Over time, there will need to be work undertaken on service re-design as a result of merging common district level services that may generate further savings in staff, spend and property but we have not provided an estimate for these for any of the options due to timing and resourcing limits noted above. In terms of property specifically and potentially saleable assets, it may be that once new delivery models are defined that capital may be realisable from the administrative and operational property portfolio but experience from other authorities indicates that this can take a significant period of time and beyond five years post merger to achieve. The prevailing, post-pandemic, operating model for councils means that staff reductions arising from reorganisation are unlikely to generate any further property mothballing savings of significance beyond those achieved already.

Clarity on the underlying assumptions underpinning our modelling e.g. assumptions of future funding, demographic growth and pressures, interest costs, Council Tax, savings earmarked in existing councils' MTFs.

These are as explained above.

Financial sustainability both through the period to the creation of new unitary councils as well as afterwards.

The overall net spend of councils in the region is c. £1bn so the modelled savings and costs associated with re-organisation represent a very small %, irrespective of which option is adopted. The reserves are sufficient to meet projected transition costs, requiring between 3 and 4% in aggregate and up to 6% of individual unitary usable reserves. It is important to note, however, that whatever savings are generated from LGR, they are unlikely to be sufficient to mitigate against the structural funding issues in local government and the cost pressures that aspects of provision in children, adult and housing in particular, are presenting. This will mean a continual need for efficiencies and savings across the new councils, irrespective of the chosen option.

Your feedback also referenced the need to set out how we 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:

Within this it would be helpful to provide more detailed analysis on expected transition and/or disaggregation costs and potential efficiencies of proposals. This could include clarity on methodology, assumptions, data used, what year these may apply and why these are appropriate.

The following has been assumed for transition costs:

Redundancy, retirement and recruitment

An average age, length of tenure and statutory redundancy terms were applied to the reduction in staff cost assumed in the savings figures. The average age and tenure assumption was based on data in the people strategy documents produced by Cambridgeshire County Council and Cambridge City Council. An assumption was made about the proportion of redundancies who would be eligible for pension access (13%) based

upon age profiles and who would therefore produce a pension strain. A pension strain cost factor of 10 was applied with the salary costs reduced by 25% to adjust for average career earnings with time spent in the LGPS assumed at 25 years. A provision has been made for recruitment at 20% of salary cost where additional resource has been assumed as per Management costs savings narrative.

Other costs

A provision of c. £11m (£14.5m for three unitary option) has been made for the following elements based on more detailed work we have previously done elsewhere and the assessments made by other areas in their Initial Plan submissions to MHCLG in March: Job Evaluation, Transitional Programme Resources, ICT, Public Consultation, Shadow Council, Induction, Closedown. The provision excludes the cost of service reconfigurations which would be material but for which we have also excluded the savings potential. It would be expected that those changes are subject to a business case process that would determine payback metrics. A contingency of c. 10% has also been included.

The different elements of transition costs have different phasing assumptions but the result is that the overall quantum is spread c. 50:50 over the initial shadow council year and first year of unitarisation.

Detail on the potential service transformation opportunities and invest-to-save projects from unitarisation across a range of services – e.g. consolidation of waste collection and disposal services, and whether different options provide different opportunities for back-office efficiency savings.

There has been no assessment of transformation or invest to save opportunities from unitarisation at this stage.

Where it has not been possible to monetise or quantify impacts, you may wish to provide an estimated magnitude and likelihood of impact.

Not applicable given the response above.

Summarise any sources of risks, uncertainty and key dependencies related to the modelling and analysis.

The same response applies to the similar question posed above i.e: Timings of savings release.

- Level of unquantified savings from transformation.
- Level and timing of transition costs – particularly in respect of cost of retirement and system alignment.
- Extent to which published MTFs are a reliable projection of future spending pressures.
- Impact of the Fair Funding Review.

We have not attempted to predict the magnitude of variability or uncertainty with any of these areas.

We have undertaken significant analysis of the implications of council tax harmonisation and noted the levels of income loss in the event council tax is not harmonised in the first year of unitarisation.

Detail on the estimated financial sustainability of proposed reorganisation and how debt could be managed locally.

A detailed analysis of the debt position at both an individual council and Cambridgeshire & Peterborough level was commissioned by the authorities and has been provided in the Financial sustainability section of the main document.

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Local Government Re-organisation

Why Option E works for Cambridgeshire and Peterborough



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Executive summary

This proposal sets out how local government reorganisation could create simpler, more effective councils that improve services and strengthen local identity across Cambridgeshire & Peterborough.

Cambridgeshire & Peterborough are home to some of the fastest growing places in the UK. Together they contribute more than £30bn a year to the national economy, from the world-leading research and innovation of Cambridge to Peterborough's growing green industries, logistics and manufacturing base. This growth also brings challenges, particularly around housing and transport pressures and the need to protect rural services and identity.

The Government has invited areas with two-tier councils to consider new ways of working through local government reorganisation (LGR). The national aim is to simplify local government structures and support devolved decision-making through single-tier councils. In response, councils across Cambridgeshire & Peterborough have come together to explore what this could mean for residents, and how services could be delivered more efficiently and locally in future.

Following extensive analysis and engagement, this proposal sets out **Option E**. This option proposes the creation of three new unitary councils to replace the current seven local authorities. Each would combine existing district and

county responsibilities to deliver all local services within a single organisation. The three councils proposed are:

A North Unitary (Peterborough, Fenland and East Cambridgeshire).

A South Unitary (Cambridge City and South Cambridgeshire).

A stand-alone Huntingdonshire Unitary.

This structure responds to residents' priorities for simpler local government while keeping decision-making closer to communities. It reflects the region's three distinct economic and geographic identities, while giving Huntingdonshire the independence to focus on its own local priorities and identity.

More than 3,000 residents and 200 organisations were engaged with across all districts. 84% said they support reorganisation if it leads to better services.

People's top priorities were:

- Having councillors who understand their local area.
- Simpler, easier access to services.
- Greater transparency and accountability in decision-making.

Across every part of the region, people also emphasised protecting local identity, keeping services local and safeguarding rural representation. Many, particularly those in rural districts, expressed concern about being overlooked or treated unfairly, and some felt smaller, locally focused councils would be best placed to achieve this.

Option E provides a route to a more local and community-focused model of government. While there would be higher upfront transition costs, it replaces overlapping layers of councils with three self-contained authorities that reflect real communities and economic geographies. Efficiencies from shared systems and reduced duplication would support long-term financial sustainability.

The proposal protects local identity, fairness and quality services while giving each new council the scale to remain financially viable and responsive. It is a people-centred proposal designed to bring decision-making closer to communities, strengthen local identity and ensure that growth benefits every part of Cambridgeshire & Peterborough.

Option E is both viable and ready to deliver.

It meets every Government test, aligns with national growth and defence priorities, and maintains the local identity and fiscal sustainability needed for long-term success.



1. Introduction

Section summary

This proposal outlines a plan to reform local government across Cambridgeshire & Peterborough by creating three new unitary councils and replacing the current seven council system.

The vision is to design new councils that reflect the region's historic communities, travel patterns and economic links, while improving service delivery and financial resilience.

The proposal responds directly to the Government's English Devolution White Paper (2024), which encourages streamlined council structures through Local Government Reorganisation (LGR) to promote devolution. The Minister for Local Government formally invited Cambridgeshire & Peterborough councils to submit reorganisation proposals by 28 November 2025, based on six core criteria including efficiency, sustainability and local engagement.

After collaboration among all seven existing councils, including financial analysis and public engagement, multiple structural options were considered. Option E, the focus of this proposal, recommends establish three new unitary councils:

A **North Unitary** (covering Peterborough, Fenland East Cambridgeshire).

A **South Unitary** (covering Cambridge City and South Cambridgeshire).

A **stand-alone** (central) Huntingdonshire Unitary.

1.1 Our future councils for Cambridgeshire and Peterborough

This document sets out a proposal for the future of local government in Cambridgeshire & Peterborough, with a view to create three new unitary councils for our region focused on three geographies – the North-West, the Central (Huntingdonshire) area and South-East. Each of these new councils reflect historic community ties, travel to work and leisure patterns, public service footprints, transport infrastructure and distinctive but interconnected economies. Each will be underpinned with economic sectoral specialisation optimising growth opportunities, with a strong focus on place identity, retaining the cultural characteristics of the ‘Greater Cambridge’ place, Huntingdonshire and the rurality of the Fens. These new unitary councils will become responsible for the full range of local government services and, through an ambitious programme of public service reform, will transform the way residents use services, so they deliver improved outcomes, financial sustainability and increased levels of trust in local government.

The three authorities will provide a balanced approach to engagement with the Combined Authority ensuring that local distinctiveness, challenges and economic opportunity are balanced and reflected in regional decisions. The proposal also seeks to position growth as a key driving force behind the vision, in line with the Government’s focus and specific national policies which are dependent upon our region. Option E seeks to create a proposal that bolsters key sectors as well as the regional economy as a whole and importantly, UKPLC outcomes.

The advantages relating to the economic growth and delivery capability currently exhibited by Huntingdonshire, Greater Peterborough and Greater Cambridge are felt to outweigh the potential risks that may be identified with this option, including those risks associated with the creation of two smaller councils. This balance has been drawn due to the strategic priority of optimising growth, protecting the momentum for change exhibited by existing delivery teams and the contribution that growth will make to the prosperity of the UK. It should also be noted that because of the growth potential of the two smaller authorities, each will grow significantly over the next 15 years and therefore initial potential size disadvantages will disappear (i.e. Huntingdonshire will have a population of approximately 300,000 by 2040). Discussions are currently taking place regarding a boundary review for Huntingdonshire which could bring into the area further growth. If this was to occur the new Central Huntingdonshire unitary could have a population of 500,000, thus making the proposal align with the Government’s criteria.

1.2 The future of Local Government in England

The Government has a clear vision for the future of local government in England, set out in the English Devolution White Paper published in December 2024.¹ Central to this vision is the drive for improved economic growth and more empowered local communities. The intention is to achieve these goals through a widening and deepening of devolution across all regions of England, and through the simplification of local council structures via a process known as ‘Local Government Reorganisation’ (LGR).

Local government in Cambridgeshire & Peterborough is currently provided through seven different councils – a unitary council for the City of Peterborough, and a two-tier system in Cambridgeshire with Cambridgeshire County Council responsible for some services like Adult Social Care and highways, and five district councils responsible for services like waste collection and housing. Through LGR the Government wishes to abolish all two-tier council areas in England and replace them with unitary councils. Where two-tier areas also border existing unitary councils considered too small to be financially viable, the Government has requested that these also be included in plans for the replacement of two-tier council areas.

The Minister of State for Local Government and English Devolution wrote to all seven existing councils in Cambridgeshire & Peterborough on 5 February 2025 with a statutory invitation requesting proposals for reorganising local government in our region to be submitted by 28 November 2025.² As part of this request, the Government asked that proposals align to six main criteria:

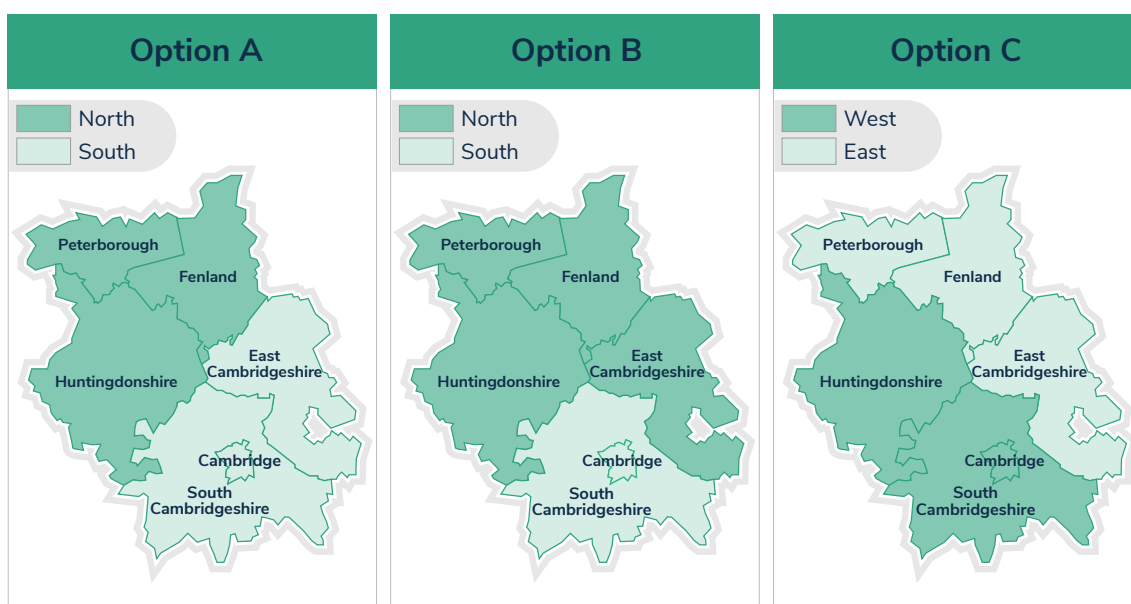
1. The creation of a single tier of local government for the whole area concerned.
2. New unitary councils that are of the right size to achieve efficiencies, improve capacity and withstand financial shocks.
3. New unitary councils that must prioritise the delivery of high quality and sustainable public services to citizens.
4. Plans for new unitary councils should be developed collaboratively and demonstrate how they meet local needs and are informed by local views.
5. New unitary councils must support devolution arrangements.
6. New unitary councils should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.

¹ [English Devolution White Paper – GOV.UK](#)

² [Local government reorganisation: invitation to local authorities in two-tier areas – GOV.UK](#)

1.3 How we got here

This proposal is the result of collaboration across a range of local stakeholders, including all seven of the existing councils who developed a shared evidence base to inform the work. Following the statutory invitation from the Government in February, the Leaders and Chief Executives of the seven councils tabled a range of potential options for LGR in the region. To support consideration of this 'long list' options were reviewed alongside the Government's criteria and subject to independent financial analysis. This process highlighted that several 'long list' options were not likely to meet the Government's criteria or be financially viable. A 'short list' of three options was approved by Leaders and Chief Executives and each one of these allocated to a lead council to develop into a proposal. However, it was recognised that none of the Councils would be bound by those informal decisions. Councils were therefore at liberty to develop alternative proposals. The below map outlines the three options agreed in the region:

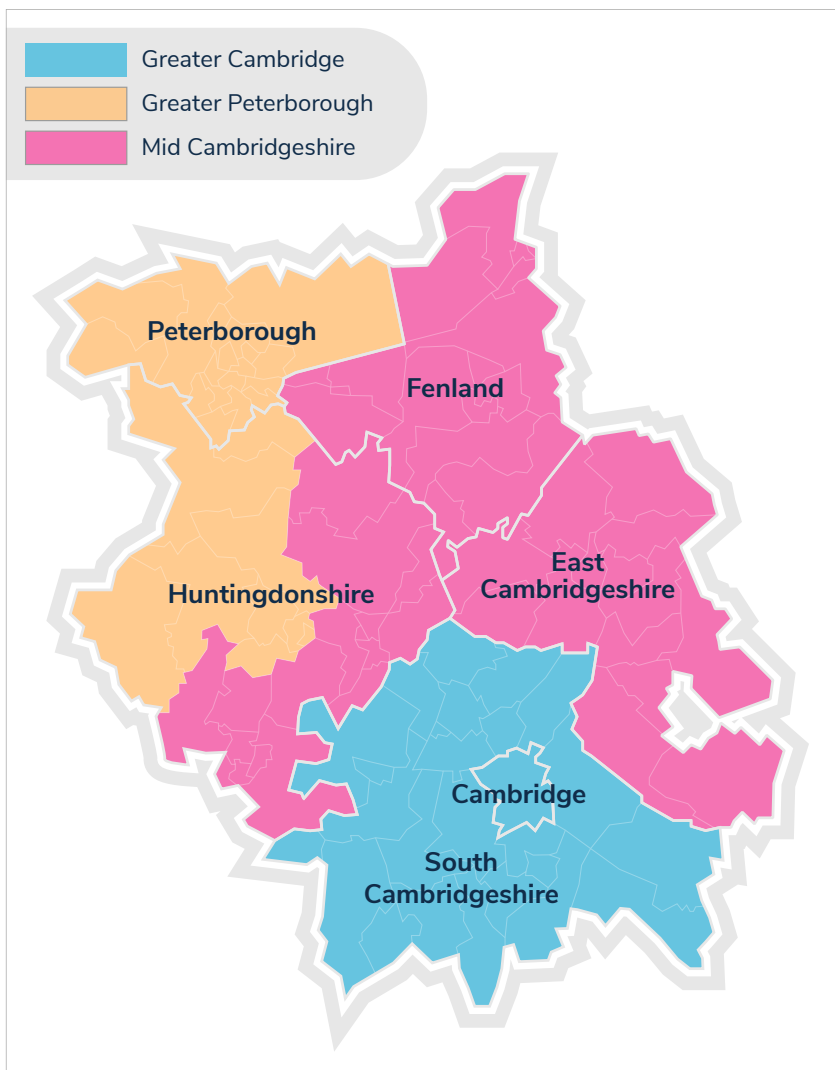


To enhance the evidence base for the 'short list' options, a range of analysis was completed including further independent work from specialists in social care³ and local government finance.⁴ This has provided assurance to in-house analysis undertaken by the seven existing councils themselves and ensures the robustness of the evidence base included in our proposal. In addition, a joint public engagement exercise was conducted, generating over 3,000 survey responses, alongside focus groups.⁵

³ Newton Report – [LINK](#)

⁴ PIXEL report – [LINK](#)

⁵ Survey reports – [LINK](#)



[Figure •]

Following the above work, two Councils put forward additional proposals after giving regard to emerging local thinking and changes in circumstances. The first was Peterborough City Council, who suggested a three-unitary model that split Huntingdonshire in half. The map is outlined below – it would see Peterborough take part of North of Huntingdonshire, the East of Huntingdonshire joined with Fenland and East Cambridgeshire and Cambridge City and South Cambridgeshire together. This option was first published at a Council meeting⁶ and has since been taken forward to full business case.

It is noted that the option above creates significant risks, if implemented. There is concern around the risks of disaggregating Huntingdonshire District Council in this way and the lack of precedent and lessons learnt that have been set for this. This option also presents a loss of identity for Huntingdonshire residents by separating the strong community ties that already exist, particularly between St. Ives and Huntingdon. This option could also be damaging for growth prospects, particularly in the second unitary in pink, due to the lack of high growth areas in the region.

⁶ [Agenda for Council on Wednesday 23rd July, 2025, 6.00 pm | Peterborough City Council](#)

Following this positional change, along with other recent and significant national policy announcements relating to the New Towns Taskforce Report and future boundary change discussions regarding Tempsford, the significance of the Oxford-Cambridge Growth Corridor and the investment it is projected to bring into the region and Defence investment, Huntingdonshire District Council felt it appropriate to explore an 'Option E.' This option would see Huntingdonshire remain a stand-alone unitary based on existing district boundaries with Peterborough/Fenland/East in the North and Cambridge/South Cambs in the South. This proposal has since been pulled together by the authority for consideration by MHCLG.

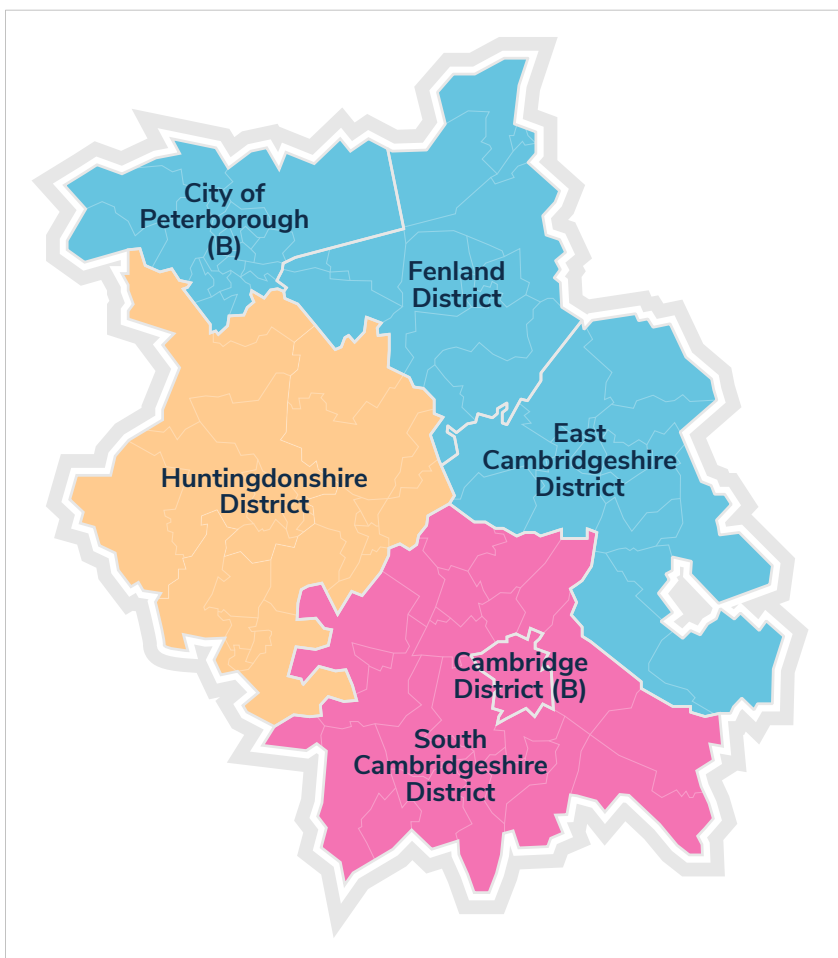


Figure [*]:
Option E.

Other Councils in the region have conducted their own public engagement pieces for options that they are leading on however, for Option E, there was a decision to focus on the existing evidence and analysis rather than reaching out to residents again. The conclusions on this in relationship to Option E are included in section 5 of this report. This proposal makes the case for Option E.

1.4 Meeting the Government's criteria

The proposal for 'Option E' clearly meets the Government's six criteria and this proposal has been developed with explicit reference to them. There is further detail on this in the later options appraisal, but in summary, the proposal meets the criteria in the following ways:

The creation of a single tier of local government for the whole area concerned:

The proposal abolishes all existing unitary, district/city and county councils and replaces them with three new unitary councils that reflect functional economic geographies with distinct identities that support growth and increase housing supply. The proposal uses existing district boundaries as its building blocks and does not unduly advantage or disadvantage any one part of the region by ensuring equitable growth opportunities. The proposal has used shared evidence to come to its conclusions along with publicly available data.

New unitary councils that are of the right size to achieve efficiencies, improve capacity and withstand financial shocks:

The proposal creates three unitary authorities that give scale where scale is needed to achieve efficiencies and withstand shocks. It creates effective economies of scale to meet service demand and withstand shocks, providing significant opportunities for efficiency savings and transformation. The evidence base has highlighted that the option is financially sustainable and the significant growth expected in the region can work to further this.

New unitary councils that must prioritise the delivery of high quality and sustainable public services to citizens:

The proposal highlights a vision for public service delivery that is truly transformative in approach, whilst ensuring safe and legal delivery. It effectively highlights the role that prevention can play in improving outcomes and the benefits that can be realised by bringing services together. The option ensures that key joint services remain together and that public services are kept local and connected to communities.

Plans for new unitary councils should be developed collaboratively and demonstrate how they meet local needs and are informed by local views:

Councils across Cambridgeshire have worked collaboratively to develop a shared evidence base to support proposals for LGR. The resident and stakeholder engagement survey has been used to inform this proposal alongside the focus group activity. This proposal poses 'Option E' as the best solution for directly addressing the concerns raised by residents, which has also informed the risk management approach.

New unitary councils must support devolution arrangements:

Cambridgeshire & Peterborough already benefits from a devolution agreement with a directly elected Mayor leading the combined authority. This proposal for LGR will support the combined authority to achieve 'Established Mayoral Strategic Authority' status and access a range of additional devolution benefits. Three unitary councils that are closer to communities allows greater democratic representation the combined authority board.

New unitary councils should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment:

Within the proposal, an approach to neighbourhood empowerment has been set out. This approach is based on the principle of engagement according to the needs of residents, bringing decision-making closer to communities and ensuring an enhanced level of trust in the Council. This proposal wishes to enhance the role of town and parish councils and it does so by creating new authorities that reflect community ties and cultural connections.

This business case presents a proposal for 'Option E' and why it can deliver the best outcomes for Cambridgeshire & Peterborough.

It should be noted that LGR can bring risks and as such, there are some key principles that should be adhered to throughout the process. These principles focus on delivering a 'safe and legal' implementation and outlines how Option E can deliver safety and simplicity for residents – it does not cover a vision for transformation. Option E delivers on these principles as it:

- Ensures **safety** with a focus on not fragmenting services and delivering on our requirements to be 'safe and legal' on Day 1. It creates three councils each with a proven track record in delivering economic growth and planning services, enabling continuity in terms of the delivery of key development opportunities and strategic pieces of infrastructure. The potential risks associated with developing new planning areas will be largely mitigated.
- Ensures **sustainability** through effective and balanced economies of scale delivered through balanced geographies and population sizes. The North-East unitary has the largest population and an inbuilt financial resilience, able to take advantage of both its economic growth opportunities and resolve rural, accessibility and skills challenges. The two smaller authorities have the agility to respond to their unique economic circumstances with each having a pipeline of housing, economic and infrastructure projects of a scale that will rapidly increase financial resilience and delivery capacity over the next local plan period. Despite the Huntingdonshire unitary being smaller, the area has the second highest number of pipeline projects in the region (23) highlighting the area's position as a key sight for growth and expansion.
- Delivers on **simplifying** resident engagement with services by creating one authority that delivers all. It allows each of the three unitaries to create one strong brand identity, one number and one website so residents, stakeholders and businesses can no longer deal with fragmented services. This joined-up working will allow greater efficiencies and communication between services.
- It ensures **alignment with key public sector partners** and the national vision for greater co-ordination in service delivery. Alignment with NHS, Police and Fire boundaries means that our new authorities will be well placed to deliver on the prevention agenda. The creation of three strong economic regions allows for greater balance on the CPCA board and effective delivery of the Mayor's vision for growth in the region. Engagement with the CPCA will be based around three organisations who have inherited significant delivery experience. Each will have economic strengths and be able to represent the diversity, challenges and opportunities of the three areas.

The advantages relating to the economic growth and delivery capability currently exhibited by Huntingdonshire, Greater Peterborough and Greater Cambridge are felt to outweigh the potential risks associated with having two smaller councils. This balance has been drawn because of the importance of optimising growth and the contribution that it will make to the prosperity of the region and UK. It should also be noted that because of the growth potential of the two smaller authorities each will grow significantly over the next 15 years (i.e. Huntingdonshire will have a population of approximately 300,000 by 2040). This is accelerated by significant nationally determined

developments, including East-West Rail and the growing Wyton defence cluster, which will see significant investment in the region.

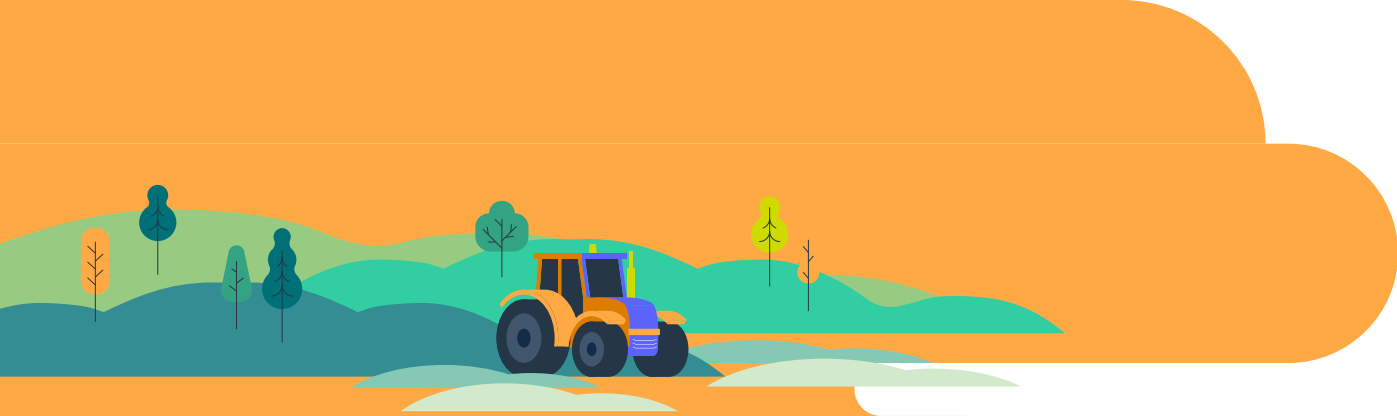
Option E also allows the benefits of localism to be fully realised by allowing the continuation of best practice in place-based decision-making with the creation of unitary authorities that are closer to residents. As mentioned later in the report, both the DCN⁷ and Localis have recently highlighted that size and scale does not necessarily mean better outcomes. In fact, a recent report by Localis states that ‘increases in population or geographical scale of local government is likely to have a deleterious effect on a range of democratic criteria, including electoral turnout, public trust in councillors and officers and levels of participative engagement.’⁸

Option E ultimately creates three distinct economic areas with sharp focus and identities. It builds on existing good practice but also recognises the importance of place identity by retaining the strong culture and community of Huntingdonshire, maintaining rurality and the agricultural character of the Fens in the North-East and maintaining a ‘Greater Cambridge’ place that satisfies the ‘Case for Cities,’⁹ by maintaining the place identity of Greater Cambridge and its existing high delivery of growth. It also satisfies the will of Cambridge/ South Cambridgeshire residents and council leaders by putting forward the same boundaries for the southern unitary in Option B. Above all, it prioritises growth and works to create a region that allows everyone and every place to thrive.

7 [No evidence exists to support mega councils, study reveals | District Councils' Network](#)

8 [Localis-ESSAY-Reorganisation-local-government-and-the-future-of-English-Devolution-June2025-PRF02.pdf](#)

9 [CFC++Cambridge.pdf](#)



2. Cambridgeshire & Peterborough (strategic context)

Section summary

The Government has set out plans to give more power to local areas through new ‘Strategic Authorities’ with directly elected mayors. To support this, two-tier areas like Cambridgeshire & Peterborough have been invited to put forward proposals for single-tier ‘unitary’ councils. Since then, all councils in the area have been working together to design plans that could improve local services.

Cambridgeshire & Peterborough are regions with deep history and character. Each area has its own identity and challenges, with a fast-growing and ageing population of over 900,000. The region combines busy urban centres with rural and agricultural landscapes, with issues like flooding, drought and uneven transport links.

It is a dynamic economic area. Together, it generates over £34bn a year through sectors such as life sciences, technology, manufacturing and retail. Cambridge is a global hub for innovation, while Peterborough is among the fastest-growing cities in the country with a strong focus on green industries. Market towns and small businesses also play a vital role in sustaining local jobs and communities.

Creating councils that are large enough to be efficient but local enough to reflect community needs will help tackle long-term issues like transport and social care. As a result of previous mergers, today’s structure of five district councils and one unitary council, alongside the Cambridgeshire & Peterborough Combined Authority led by a directly elected Mayor, provides a strong foundation for this next phase.

2.1 National policy context

On the 16 December 2024, the UK Government set out in their English Devolution White Paper an ambition for transforming Local Government by decentralising power to local and regional leaders, through the creation of Strategic Authorities led by directly elected mayors with additional powers. To facilitate this vision, 21 two-tier Council areas have been formally invited to participate in the Local Government Reorganisation process to create new unitary authorities that allow for devolution to be unlocked. On the 5 February 2025, Cambridgeshire & Peterborough received our formal invitation to take part, and we have been working at pace ever since to deliver a proposal that aligns with the criteria outlined by Government.

This move to unitarization comes at a time when local governments across the UK are facing unprecedented challenges, particularly in terms of increased demand for services (especially social care and SEND) thus impacting financial sustainability and creating uncertainty throughout the sector. A projected £6bn funding gap over the next two years¹⁰ highlights the need for significant cost savings and increased local funding.

The shift to Local Government Re-Organisation and the accompanying Devolution Bill acknowledges the need for public sector reform to address these nation-wide challenges by ensuring that:

- Services are joined-up and no longer fragmented.
- Local decision-making can be truly 'local' and co-developed with residents.
- Decision-making is transparent and accountability is maintained.
- Local authorities have the right tools and scale to reform service delivery and generate efficiencies that create a stable financial future for their organisation.

The seven Local Authorities in Cambridgeshire & Peterborough have continued to work together to develop a shared evidence base for all three proposals submitted, in line with our interim feedback received on the 15 May 2025. Despite the region's difference in opinion as to which proposals to support, this collaborative working has allowed us to develop robust proposals with all Councils cited on content. This collaboration will serve us well in the later implementation phase.

For our proposal, we have actively acknowledged the feedback given in May as well as the initial guidance in our invitation letter by developing an option that ensures alignment with the existing Combined Authority, and the use

¹⁰ [Council funding requirement and funding gap – technical document | Local Government Association](#)

of the existing district areas as building blocks. This submission is structured in line with the guidance from MHCLG, including sections on improvements to service delivery for Adults, Childrens, SEND and homelessness, stakeholder engagement, financial sustainability and an approach to community engagement and neighbourhood empowerment. It is acknowledged that two of the unitaries do not meet the population threshold, but both unitaries are growing rapidly and will see significant population growth within the next decade.

It is important to note that LGR comes at a time when wider public sector reform is being pursued. This includes the NHS 10-year plan¹¹ and the reforms to Integrated Care Boards,¹² the Fair Funding Review,¹³ the upcoming SEND white paper in Autumn 2025¹⁴ and the longer-term Casey Commission¹⁵, aimed at developing a national care service within the next decade. All of these reforms are aimed at improving service delivery, particularly through prevention and targeting need earlier to minimise strain on high-demand services. These reforms actively compliment LGR as it allows District and County services to also address prevention by ensuring joint-up working between district and county services – facilitating stronger relationships between social care services and enabling services like housing and leisure. Ultimately, ensuring that the new unitary authorities provide a full suite of wrap-around services to local communities, ensuring that residents can thrive in a prosperous place and feeling like valued members of society.

Further, within the region, there is a long-standing commitment to partnership with other public sector partners at all levels, for example the Combined Public Sector Board (Chief Executives of all Councils, CPCA, and representatives of Police, Fire, and Health) to assist strategic relationships; and place-based responses such as joint working between CCTV, Police, and Community Safety teams on local issues – alongside the work of combined resources working with, and alongside, our communities to deliver prevention and local resilience – solving the long term, not just dealing with the here and now.

We also recognise the Devolution White Paper's focus on neighbourhood empowerment and community decision-making as well as its focus on ensuring greater alignment of public service boundaries. Our proposal places itself in the context of the government's wide-ranging public sector reform by offering an option that ensures alignment with national ambition through the Plan for

11 [NHS Long Term Plan](#)

12 [NHS England » Implementing integrated care board mergers and boundary changes to take effect in April 2026 and 2027](#)

13 [The Fair Funding Review 2.0 – GOV.UK](#)

14 [New era of accountability to drive up standards for all children – GOV.UK](#)

15 [caseycommission.co.uk](#)

Change and unlocks the capacity for local decision-making. It also seeks to provide a solution in line with the government's vision for greater preventative services, less fragmentation, and increased sustainability through the creation of efficiencies.

2.2 Local context – where are we at now?

2.2.1 History

Both Cambridgeshire & Peterborough are areas rich in history and culture. The current area of Cambridgeshire dates back to the 6th century when it was settled by the Angles however later became part of Danelaw in the 9th century.¹⁶ In particular, the Isle of Ely played a significant role in medieval politics,¹⁷ often acting as a stronghold in national conflicts, before gaining later significance as a centre for Christian worship through the architectural prowess of Ely Cathedral – a site for historical tourism, to this day.

The wider area is a historically agricultural region, with the Fens, through drainage projects, becoming a cornerstone of English agriculture. Flag Fen, one of Britain's most significant Bronze Age archaeological sites, was built between 1350-950 BC and provided a crossing point via a timber causeway. The sight had ceremonial significance, highlighted by findings of ritual offerings deposited in the water.

Alongside this agricultural importance, the region in the 19th century saw a boom in coprolite mining used to produce phosphate fertilisers. This was alongside the strong manufacturing base that Peterborough developed through the 19th and 20th centuries, particularly in engineering, brick making, and railway-related industries. This move to manufacturing extended down to the Huntingdonshire region where new technology allowed a shift from agriculture to manufacturing, including brick making, textiles and aviation and light engineering.¹⁸

The region is also home to Cambridge City – an urban centre with a rich history dating back to the Bronze and Iron Ages. The City has largely prospered due to its location on the River Cam, facilitating extensive trade, but has gained international fame through the historic University of Cambridge. The University was founded in 1209 and quickly became a centre for mathematics and physics, producing well-known figures like Isaac Newton, James Clerk Maxwell and JJ Thomson.¹⁹ Since then, the university has evolved to expand

¹⁶ [Cambridgeshire | England, Map, History, & Facts | Britannica](#)

¹⁷ [The History of Ely, Cambridgeshire](#)

¹⁸ [Huntingdonshire's Economic Strategy – Huntingdonshire.gov.uk](#)

¹⁹ [Alumni](#)

its curriculum throughout the 19th and 20th centuries, producing 124 Nobel laureates and remaining a global leader in research and education.

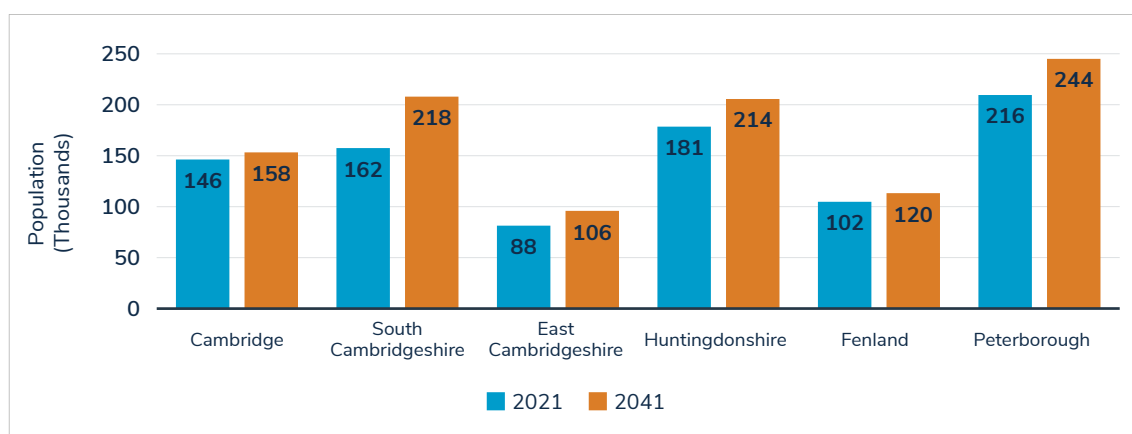
Cambridgeshire has also produced a number of notable historical figures. Oliver Cromwell, a controversial figure in British politics and the unification of Great Britain, was born in Huntingdon and studied in Cambridge. He also served as the MP for Huntingdon and later, Cambridge. The region was also the birthplace of John Maynard Keynes, one of the most influential economists of the 20th century and Thomas Clarkson, a leader campaigner against the transatlantic slave trade. Samuel Pepys, the famous 17th-century diarist and naval administrator, had strong personal and familial ties to Huntingdonshire, having spent significant time in Brampton in his childhood, and attending Huntingdon Grammar School.

The region is home to three cities steeped in history and culture, alongside the agricultural heartland of the Fens and the market towns of Huntingdonshire, South and East Cambridgeshire. Our history is reflective of our diverse region and the multiplicity of identities that make up our residents and places.

2.2.2 Demography

The total population of Cambridgeshire & Peterborough in mid-2023 was 921,600 people (around 1.6% of the total population of England) (CPCA, 2025). This population is anticipated to grow by 20% between 2021 and 2041, an increase of over 180,000, with the fastest growth (36%) expected in South Cambridgeshire.

Figure •: Census 2021 population estimates and Cambridgeshire County Council’s 2023 – based population forecast for 2041 (thousands) by Local Authority Area.²⁰ (CPCA, state of the region, 2025.)



²⁰ [Appendix F State of the Region 2025 Place draft version.pdf](#)

Within this number, Peterborough and Cambridge combined account for more than a third of a million people (38% of C&P’s population) followed by smaller settlements, with populations of ten thousand or less, accounting for 35% of the region. The next largest settlements include Huntingdon, St Neots, March, Wisbech and Ely. These figures highlight the diversity of our region, with urban and rural hubs existing alongside each other however our spatial distribution is in line with the national average.

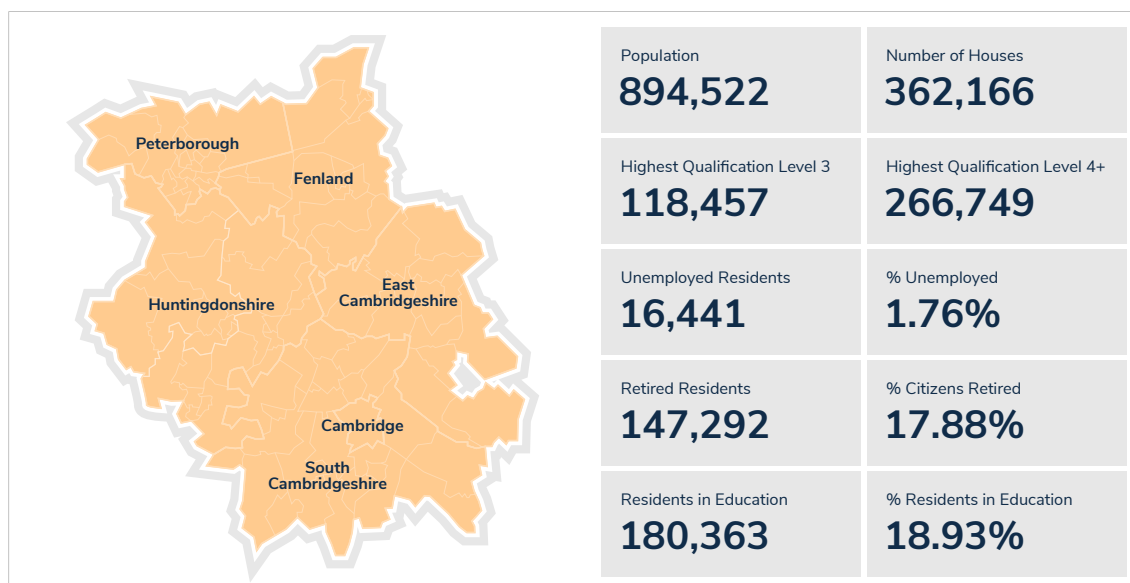
White ethnic groups comprise around 85% of C&P’s population but clusters of ethnic diversity exist where 70% of the population identify as ethnic minorities. These are particularly located in Peterborough demonstrating the difference in demographics between the urban and the rural areas.

One of the major challenges that we face as a region, particularly in terms of social care need, is our ageing population. This is a challenge felt nationally, however due to the rurality of our district and our significant planned housing development, we anticipate that Cambridgeshire will feel this acutely. The two urban centres in the region are the only ones below the national average for % aged 65+, highlighting once again, the disparities in the region.

Table [*]: (Cambridgeshire insight based on 2021 census)

District	% Aged 65+ (2021)	Projected % Aged 65+ (2035)
Fenland	23.6%	~30%
East Cambridgeshire	20.2%	~26%
Huntingdonshire	19.4%	~25%
South Cambridgeshire	18.7%	~24%
Cambridge City	11.6%	~15%
Peterborough	15.3%	~20%
England (National Avg)	18.6%	~23–26%

Figure ●: Demographic dashboard of the Cambridgeshire & Peterborough region



The above image provides a snapshot of the region's population, including residents in education, retired residents, unemployment rates and qualifications. The percentage of residents in unemployment is below the national average (1.76% vs 4.7%) alongside the percentage of residents in education (18.93% vs 20.4%) whereas the percentage citizens retired is above the national average (17.88% vs 16%). This highlights the region's ageing population, particularly given the rural nature of the area, and the focus needed for the new unitary authorities to manage further demand.

Life expectancy and deprivation varies across the County, with the South of the region showing higher life expectancy and Fenland and Peterborough consistently showing lower life expectancy, significantly below the national average.²¹ The pattern is similar with deprivation – the northern districts are the most deprived and the South is the least, noting that there are pockets of deprivation in Cambridge City.²² This range demonstrates the complexities of our region and the importance of getting the balance right – addressing those 'left behind' whilst also ensuring that prosperous areas continue to prosper.

²¹ [National life tables: England – Office for National Statistics](#)

²² [English indices of deprivation 2019: Postcode Lookup](#)

Table •: (Office for National Statistics, 2021-23).

Area	Male life expectancy (years)	Female life expectancy (years)
Cambridge City	~81.5	~85.0
East Cambridgeshire	~82.0	~84.5
Fenland	~77.0	~81.0
Huntingdonshire	~80.5	~83.5
South Cambridgeshire	~83.0	~86.0
Peterborough	~78.0	~81.5
East of England	80.0	83.6
England (overall)	79.1	83.0

Table [*]: (IMD, 2019).

Area	IMD Rank (of 317 LAs)	Relative deprivation
South Cambridgeshire	~300	Least deprived in the area
East Cambridgeshire	~280	Second least deprived
Huntingdonshire	~250	Mid-range
Cambridge City	205	Slightly below average
Fenland	~100	High deprivation
Peterborough	~50	Most deprived in the area

2.2.3 Geography

The geography of Cambridgeshire & Peterborough consists of bustling urban vast rural landscapes, historic market towns, picturesque villages, and expansive rural landscapes. The two anchor cities of Cambridge and Peterborough offer urban centres of industry and further education, whilst market towns such as St Neots and Wisbech offer semi-urban hubs surrounded by rural countryside.

Within Cambridgeshire & Peterborough, 8% of our land is developed and 92% is non-developed. Agriculture plays a key land use role accounting for 79% of our total land use, compared to the UK average of 63%. The region also has a significant amount of Grade 1 agricultural land (19% of England's total), demonstrating an important regional asset. The below map highlights the distribution of urban-rural classification in the region alongside the population spread across these identifications.²³

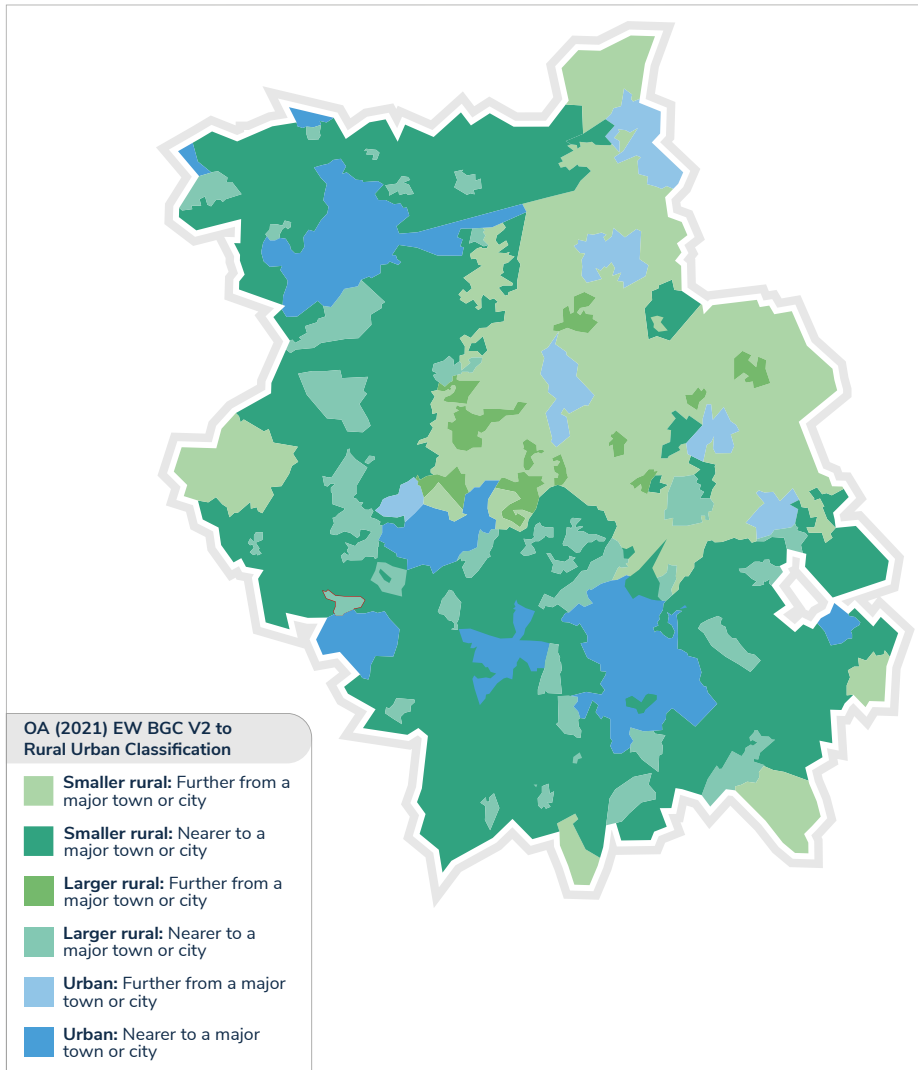


Figure [●]: Rural urban classification.

The above figures highlight the importance of agriculture to the region, particularly with reference to the Fens, a vast, flat, low-lying area of reclaimed marshland. But our region is also home to significant rivers, including the River Nene, the River Great Ouse and the River Cam as well as significant natural and protected areas such as Wicken Fen and the Cambridge Green Belt. These are positive characteristics, but also represent long-term challenges in respect of climate change, flooding, and environmental pressures.

²³ [Appendix F State of the Region 2025 Place draft version.pdf](#)

Connectivity is a challenge that we face as a region – the connection in the West of the district is strong with transport links like the A1(M) and A47 connecting Peterborough down through Huntingdonshire and into Cambridge City. However, the East of the district and more rural areas face challenges with transport – particularly, in Fenland and East Cambs where car use is higher, but road infrastructure is still limited. There are recognised challenges in road maintenance costs with high use in some areas; and high construction costs due to soil make up in others.

The region does deal with significant geographic challenges – including its increased chance of flooding, drought risks during heatwave and water scarcity in areas like South Cambridgeshire.²⁴ The region has sought to address these challenges, particularly through the creation of Grafham Water and the upcoming Fens Reservoir. However, they will also need to be addressed by the new unitary authorities, working closely with the CPCA and regulators.

Table [*]: (State of the Region, CPCA, 2025).

	Small: area nearer to a major town or city	Smaller rural: nearer to a major town or city	Larger rural: further from a major town or city	Larger rural: nearer to a major town or city	Urban: further from a major town or city	Urban: nearer to a major town or city
Cambridge	0%	0%	0%	0%	0%	100%
East Cambridgeshire	6%	16%	26%	12%	37%	3%
Fenland	7%	5%	9%	1%	64%	14%
Huntingdonshire	4%	13%	10%	25%	14%	34%
Peterborough	0%	5%	0%	6%	0%	89%
South Cambridgeshire	1%	29%	0%	37%	0%	33%
C&P Population	20,400	102,500	51,100	132,400	124,500	476,700
C&P %	2%	11%	6%	15%	14%	53%

²⁴ [Addressing water scarcity in Greater Cambridge: update on government measures – GOV.UK](#)

2.2.4 Economic overview

The Cambridgeshire & Peterborough region has a thriving economy, generating £34bn in GVA (Gross Value Added) in 2023. Cambridge and Peterborough combined account for around half of this figure (49.5%) and the region's total economic growth outpaced the national economy, with GVA having increased by 182.7% locally compared to England's 176.1% since 1998.²⁵

The above figures outline our position as an economic powerhouse but where do our strengths truly lie? Our total turnover was £62.3bn in 2023/24,²⁶ according to the University of Cambridge's Centre for Business Research and our largest sectors by turnover were:

- High-tech Manufacturing, Life Sciences & Healthcare (£10bn).
- Wholesale & Retail Distribution (£9.4bn).

These powerful sectors are accompanied by our strong market towns focus, as demonstrated by the CPCA's recent market-towns masterplans.²⁷ Our region is defined by ensuring vibrancy and resilience in our market areas, highlighted by recent investments in St Neots, Littleport and Whittlesey. This focus on market towns encourages small business start-ups, with the region having a start-up growth rate of 12.1% (higher than the national average of 11.8%).²⁸ These are also home to many foundation sectors and services which are essential to everyday life, and vibrant places.

The region also outsourced England in the proportion of innovation-active businesses (49% vs 37% of businesses), with Cambridge City particularly excelling in innovation and research, highlighted by their ranking as the world's leading science and technological cluster by the Global Innovation Index in 2024.²⁹ However, innovation is also happening in other sectors, particularly in defence in Huntingdonshire and the chance to develop a cluster with RAF Wyton and RAF Molesworth where house building and employment parks such as Brampton Cross are strategically positioned to support our connection to the sector.³⁰

Peterborough is also a fast-growing economic centre, ranking amongst the top five fastest-growing cities by population,³¹ and amongst the top 10 cities with the highest start-up rates for 2023.³² The city is also home to Anglia

²⁵ [Appendix B State of the Region 2025 Business Enterprise draft version.pdf](#)

²⁶ [Growth in the Cambridgeshire & Peterborough economy 2018-24](#)

²⁷ [Supporting Our Market Towns | CPCA | The Combined Authority](#)

²⁸ [Company Start-Ups in Cambridgeshire hit record high – Cambridgeshire Chambers of Commerce](#)

²⁹ [Global Innovation Index 2024 – GII 2024 results](#)

³⁰ [Brampton Cross – A new, world class employment park Huntingdonshire](#)

³¹ [Where population is growing – Milton Keynes, Northampton and Peterborough | Centre for Cities](#)

³² [Peterborough named as one of top 10 best places for startup businesses](#)

Ruskin University, a newly established university campus that opened in September 2022. The university has a strong focus on sustainability, aligning with Peterborough's goal to become the UK's Environment Capital.³³ The university is well-placed to support the health and finance sectors, in particular, with some of the core research themes focusing on health, performance and wellbeing and business data analytics and sustainable supply chains.

Within the wider national context, Cambridgeshire & Peterborough will play an integral role in unlocking the 'Oxford Cambridge Growth Corridor' that connects Cambridge, Milton Keynes and Oxford as an area of national and regional interest for commercial, housing and infrastructural development.³⁴ The region is also home to a significant number of pipeline infrastructure developments, including Grafham Water and RAF Wyton, and is also impacted by developments beyond its borders, including the new Universal Studios in Bedford, and expansion at Luton airport.

The region is well-connected to London Stansted Airport, with a direct rail link to the region. The airport's expansion has been supported by the region's Mayor due to its role in enhancing international connectivity,³⁵ There are also bus connections to London Luton and London Heathrow, alongside smaller airports in Cambridge & Peterborough which are mainly used for private and corporate aviation.

The Strategic Road Network manages a number of motorways and A roads in the region, including the A1 which runs through Peterborough and Huntingdon, the A14 which connects the region to the Midlands and the A47 linking Peterborough to King's Lynn and Norwich. The A428 is also a major road that connects Cambridge to Bedford that has strategic importance for the Oxford-Cambridge Arc.

One of the key challenges that the region faces is lack of transport infrastructure, with varied accessibility across the region. As the anchor cities, both Peterborough and Cambridge have well-established transport links, with robust public transport options in Cambridge and strong road networks around Peterborough. Whilst these give a strength to each city, it also creates a bias that presents challenges for residents unable to engage with the different transport networks. For example, some residents can struggle to access opportunities if they do not drive (Peterborough), or if their work requires traveling across the city area multiple times a day to locations away from public transport connections (Cambridge).

³³ [Welcome to our ARU Peterborough campus – ARU](#)

³⁴ [Written statements – Written questions, answers and statements – UK Parliament](#)

³⁵ [Cambridgeshire mayor backs London Stansted Airport expansion | Saffron Walden Reporter](#)

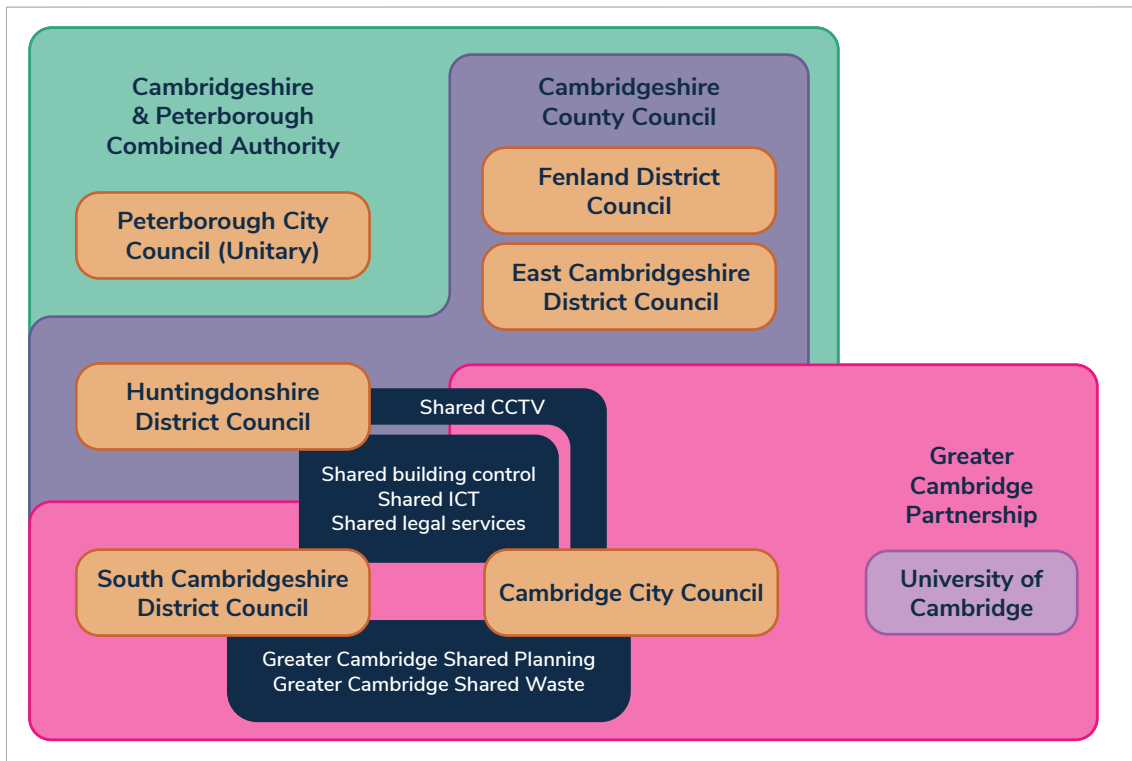
The additional options becoming available, specifically the guided busway, are creating more connections between district areas such as between Huntingdonshire and Cambridge City. However, many residents consistently face challenges when trying to travel between other district areas on public transport. For example, there are no train connections between Huntingdonshire and Cambridge City, or a direct bus connection from Fenland to Huntingdon. LGR and increased devolution could be an opportunity to improve infrastructure and unlock investment in transport by leveraging the stronger voice of new authorities. It's also important for increased public transport infrastructure to be unlocked to take the pressure off high costs associated with road networks.

2.2.5 Economic challenges that should be addressed and improved through LGR



2.3 Local Government context

Figure •: Local Government Structure in Cambridgeshire & Peterborough.



The administrative structure of Cambridgeshire has evolved significantly over time, with the establishment of Cambridgeshire County Council taking place in 1888.

Historic Counties

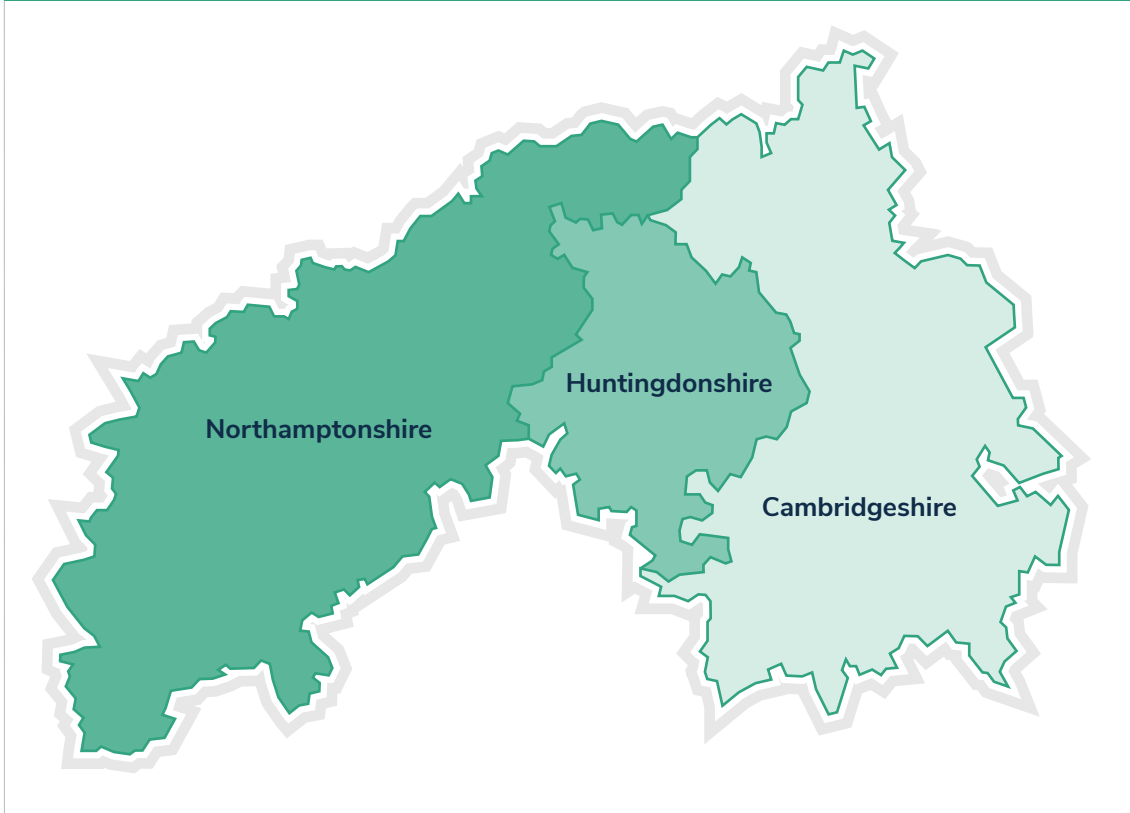


Figure •: Ceremonial County boundaries in 1888.

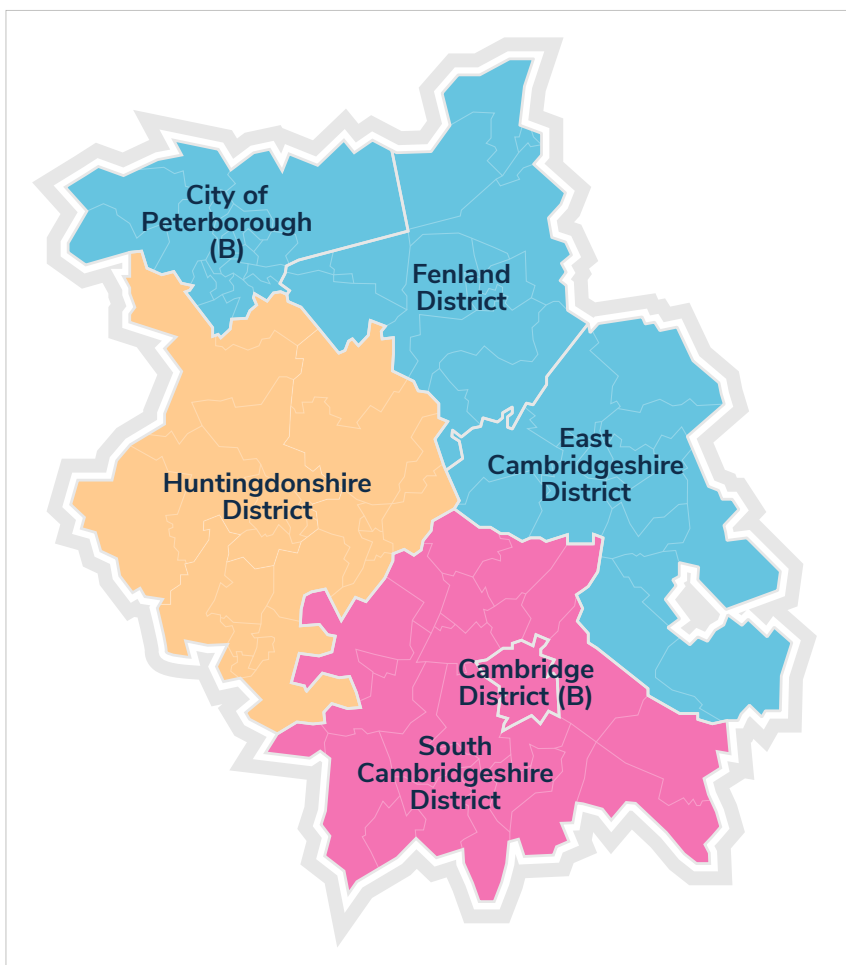
In 1965, the Council merged with the Isle of Ely County Council and later with Huntingdon & Peterborough in 1974 to form the non-metropolitan county of Cambridgeshire.

The County of Cambridgeshire comprises four Districts and one City Council:

- Cambridge City Council.
- East Cambridgeshire District Council.
- Fenland District Council.
- Huntingdonshire District Council.
- South Cambridgeshire District Council.

In 1998, Peterborough City Council became a unitary authority. This change allowed them to take over the delivery of district and county-level functions for the Peterborough region. A majority of services such as IT Digital Services, Education, People Services, Adult Social Care and Public Health have now decoupled from Cambridgeshire.

Figure [●]: Current boundaries.



Following the Cities and Local Government Devolution Act 2016,³⁶ local leaders proposed a Mayoral Combined Authority to unlock devolved powers and funding. This led to the creation of the Cambridgeshire & Peterborough Combined Authority in March 2017, including the seven local councils, a directly elected mayor and the Local Enterprise Partnership as a non-constituent member.

The CPCA was granted powers over transport, housing, skills and employment and infrastructure investment and has, since its creation, coordinated major infrastructure projects, such as the development of Peterborough Station Quarter and the development of the emerging town of Northstowe. It works alongside the Greater Cambridge Partnership and other regional bodies to align growth strategies and represents the area on a national stage.

³⁶ [Cities and Local Government Devolution Act 2016](#)

The area covered by the Office of the Police and Crime Commissioner,³⁷ Fire and Rescue Service³⁸ and Probation Trust³⁹ are all coterminous with the Cambridgeshire & Peterborough boundary, delivering their services for all existing local authority areas. Whilst the Greater Cambridge Partnership⁴⁰ (covering the geographical districts of Cambridge and South Cambridgeshire) is responsible for managing the current City Deal.

NHS Services for the area are overseen by NHS Cambridgeshire & Peterborough – our local Integrated Care Board.⁴¹ It is responsible for planning, commissioning and governance of most of the NHS services in the area, to meet the needs of local people now and in the future. It works as part of our Integrated Care System, which operates through four partnerships: North Cambridgeshire & Peterborough (covering health and social care services for Peterborough, Fenland and Huntingdonshire), Cambridgeshire South (covering services across Cambridge city, East Cambridgeshire and South Cambridgeshire), Children’s and Maternity, and Mental Health, Learning Disabilities and Autism (both of which cover the wider Cambridgeshire & Peterborough area).

³⁷ [Find your PCC – The Association of Police and Crime Commissioners](#)

³⁸ [Fire and Rescue Authorities \(December 2022\) Boundaries EN BFE – Dataset – data.gov.uk](#)

³⁹ [MoJ4961_HMPPS Graphic MAPS Regions and areas_v4 AW.indd](#)

⁴⁰ [Greater Cambridge Partnership](#)

⁴¹ [NHS Cambridgeshire & Peterborough | CPICS Website](#)



3. Options appraisal

Section summary

One of the key stages in developing this proposal was assessing the different options for how local government in Cambridgeshire & Peterborough could be reorganised.

Five potential models were tested against the Government's six criteria, exploring both two and three-unitary options. While the analysis found that two unitaries would best meet the tests of scale and efficiency, Option E presents a viable three-unitary alternative.

Option E performed strongly across most criteria, particularly in protecting local identity, maintaining existing boundaries and aligning with the area's functional economies. Although it would be more complex and costly to deliver, it offers a distinctive model that could strengthen local accountability and ensure that growth and services remain closely connected to the communities they serve.

3.1 Options appraisal

The first stage of the options appraisal within the region was to consider the evidence for one, two and three unitary councils, alongside a no change option for a single county unitary council. Based off external analysis from PIXEL, it was agreed that two unitary authorities were the optimum number for the region, particularly given the Government's guidance on population size.

Regional leaders also considered the financial implications of creating three unitary authorities and were conscious to note that economies of scale must

be met. This was also a consideration when assessing the ‘status quo’ or two unitaries on current boundaries. The below table highlights the initial scoring of unitary numbers, based on the Government’s guidance.

Criteria	One Unitary	No change	Two Unitaries	Three Unitaries
1. Proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government	The Government has indicated there must be at least two principal authorities under each strategic Mayoral Authority. As this would not be possible under a single unitary model, this model is not viable.	2	3	1
2. Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks		2	3	1
3. Unitary structure must prioritise the delivery of high quality and sustainable public services to citizens		3	3	1
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		2	3	2
5. New unitary structures must support devolution arrangements		2	3	2
6. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment		2	2	3
Total	Not viable	13 (Middle ranked)	18 (Highest ranked)	10 (lowest ranked)

The above approach highlights initial scoring in the region to come to an agreed set of options and is not reflective of further options appraisal. It instead provides necessary context for the regional process.

Following the above assessment, the region agreed three options to be taken forward – **all based off two unitary models, using existing boundaries.**
 These include:

Option A

Peterborough City Council / Fenland District Council / Huntingdonshire District Council and East Cambridgeshire District Council / South Cambridgeshire District Council / Cambridge City Council with disaggregated County Council functions

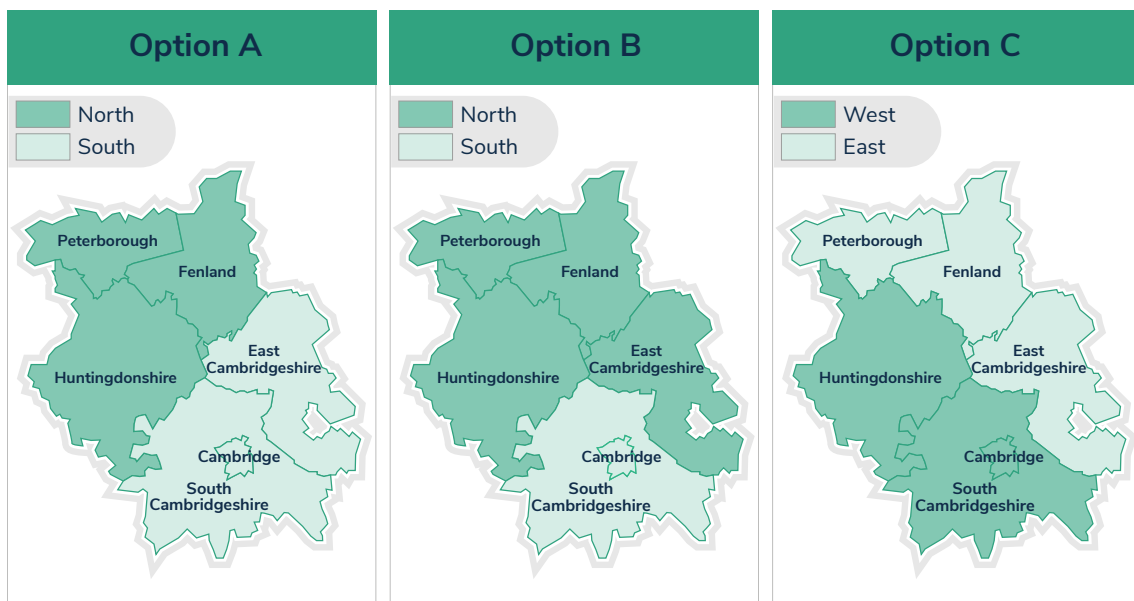
Option B

Peterborough City Council / Fenland District Council / Huntingdonshire District Council / East Cambridgeshire District Council and South Cambridgeshire District Council / Cambridge City Council with disaggregated County Council functions

Option C

Peterborough City Council / Fenland District Council / East Cambridgeshire District Council and Huntingdonshire District Council / South Cambridgeshire District Council / Cambridge City Council with disaggregated County Council functions

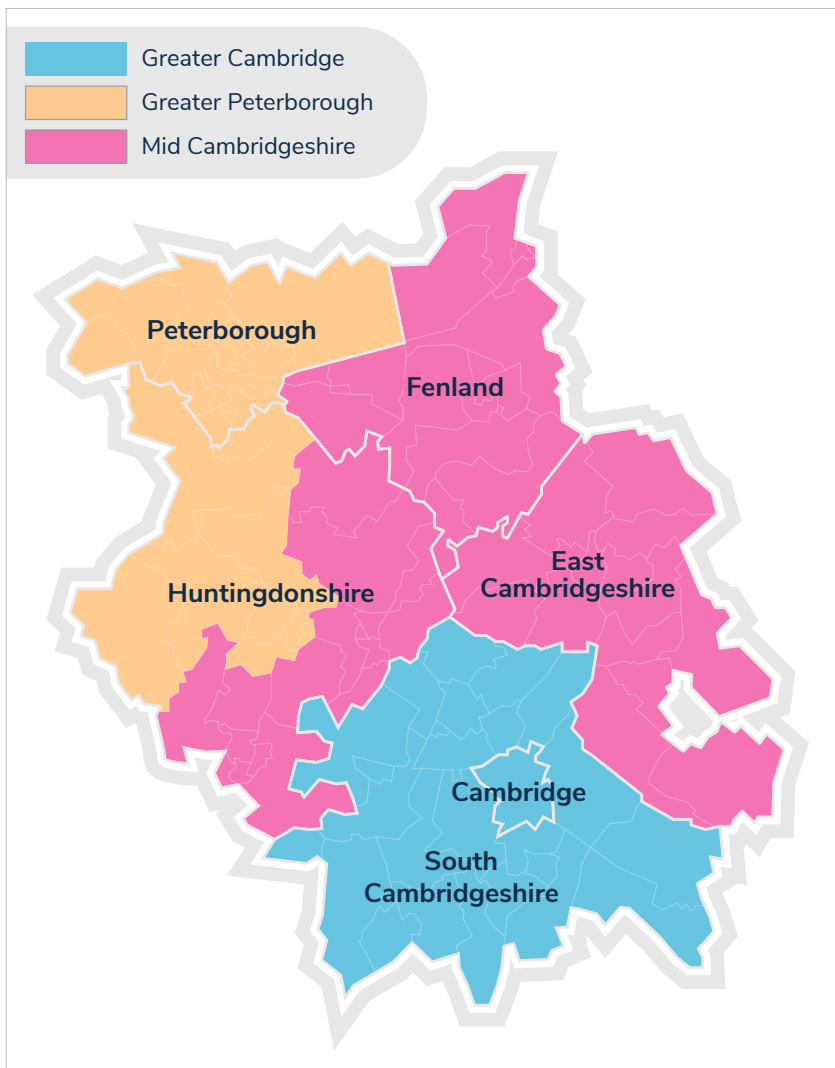
The below map highlights the options:



Following this agreement, a fourth option has been developed by Peterborough City Council titled 'Option D.' This option was brought forward at a Council meeting and has since been taken forward – it explores the possibility of **three unitary authorities with a boundary split in Huntingdonshire**. It includes:

- Peterborough City Council with some parts of Huntingdonshire and disaggregated County Council functions.
- Fenland District Council / East Cambridgeshire District Council with the remaining areas of Huntingdonshire and disaggregated County Council functions.
- South Cambridgeshire District Council / Cambridge City Council with disaggregated County Council functions.

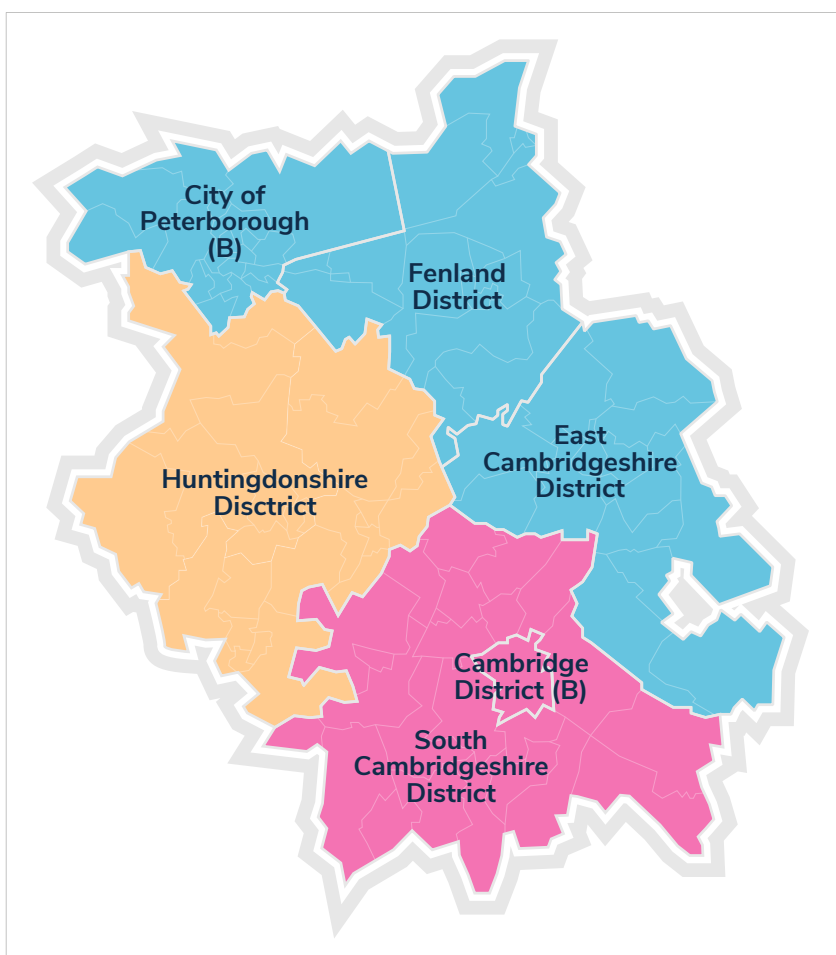
Figure •: Title [Greater Peterborough Option]



This announcement was followed by a later agreement by Huntingdonshire District Council to pursue a fifth option that would keep Huntingdonshire as a stand-alone unitary authority – titled ‘Option E.’ Huntingdonshire has commissioned Local Partnerships to lead on this option, providing a balanced case that can be brought to government’s attention. This option would see:

- Huntingdonshire District Council with disaggregated County Council functions.
- Peterborough City Council / Fenland District Council / East Cambridgeshire District Council with disaggregated County Council functions.
- South Cambridgeshire District Council / Cambridge City Council with disaggregated County Council functions.

Figure [*]: Option E.



One of the fundamental differences between the options explored is whether they are a three or two unitary model. There are different considerations that make a two or a three unitary model desirable such as:

- Two unitary options are more in line with government's guidance for population size and economies of scale and will see lower transitional costs. It may be seen to be more financially viable for the immediate term, with greater capacity and resources to deliver services. Two unitary options can provide greater stability however, it may be more difficult to provide localised working and neighbourhood engagement, with councils that could be further removed from residents with less distinct priorities.
- Three unitary options will have greater up-front costs and therefore will have a greater financial impact on councils in the immediate term, with less capacity and resource to deliver. However, analysis has shown that the three councils presented in Option E can be viable for the long-term. A three-unitary model can deliver greater neighbourhood engagement and localised working, particularly in the preventative space. It can create sharper economic focus for the unitary authorities to lobby for investment and greater scope for organisations to continue good practice and existing strategies.

This proposal argues that a three-unitary model is best for the region due to its ability to deliver greater neighbourhood engagement and targeted prevention for social care. This option allows the creation of three agile organisations where scale can be utilised in the North-East in high-need areas and smaller authorities can be utilised in the Central and South-West unitaries to build on existing best practice and economic growth functions. Sharper economic focus can be utilised on the combined authority level to lobby for specific investment.

Whilst this option doesn't meet the Government's criteria for population size, it can be deemed important to protect the momentum for change exhibited by existing delivery teams and the contribution that high growth levels will make to the prosperity of the UK. It should also be noted that because of the growth potential of the two smaller authorities, each will grow significantly over the next 15 years and therefore initial potential size disadvantages will disappear (i.e. Huntingdonshire will have a population of approximately 300,000 by 2040). This proposal places Option E as an exception to the rule due to the need to protect Huntingdonshire's position as a delivery engine for Cambridgeshire & Peterborough, aligning with the UK Government's goal for growth.

Given the nature of the decision members are facing, the options appraisal has been staged to focus on the three unitary options, then the two unitary options respectively. It is worth noting that a two unitary model is more in the line with the Government's guidance in terms of population size, scale and

balance. Therefore, a two unitary model that is well-balanced and can satisfy community engagement needs, will naturally score higher against the criteria. This proposal recognises the higher score of Options A and C but believes there are a greater narrative reasons why E should still be pursued, as explored throughout the proposal.

All of the options that are being explored in the region have been included in the below options appraisal. The assessment has been formed using a combination of external evaluation and in-house officer assessment. Each option has been rated from 1-5 with 1 meaning it meets very little of the requirements, 3 indicating that it meets some of the requirements and 5 indicating that it meets all of the requirements. A justification is included in each box. The creation of two unitaries with existing upper-tier geographies has been included as a point of comparison. No weighting has been added as the government have indicated that all six criteria are equally important. More detailed analysis of each option follows below.

Three-unitary options appraisal:

MHCLG criteria for LGR	Option D: Split Huntingdonshire (GP, MC, GC) – 3x3	Option E: Stand-alone Huntingdonshire – 3x2
<p>Economy and housing – local economic priorities; facilitates investment; sensible geography that increases housing supply. (Analysis informed by Local Partnerships)</p>	<p>2 – Meets the priorities of the two urban centres but the ‘mid’ option sees issues around connectivity with little capacity for delivery.</p>	<p>4 – Meets the economic priorities of Huntingdonshire and aligns existing connections in the North through PCC/FDC/ECDC. The option is in line with the three FEMA model, building on the economies of ‘Greater Cambridge’, ‘Greater Peterborough’ and Fenland. However, it has an imbalance of geography allowing less capacity for delivery.</p>

MHCLG criteria for LGR	Option D: Split Huntingdonshire (GP, MC, GC) – 3x3	Option E: Stand-alone Huntingdonshire – 3x2
<p>Financial sustainability – long-term viability, financial resilience; savings and transition costs; right size to achieve efficiencies.</p>	<p>3 – Payback of transition costs for two of the three councils should be possible within a medium term, 5-year window but the third may struggle to produce sufficient savings to do so.</p>	<p>3 – The two smaller councils are unlikely to generate sufficient savings to recover transition costs within a medium term, 5-year window and, at least one, may be left with a recurring cost pressure but this should not impact long term viability.</p>
<p>Better service delivery – integrated services, prevention, and improved outcomes.</p>	<p>2 – Disaggregation to three unitary authorities, rather than two, would greatly increase transition costs and affect service delivery.</p>	<p>4 – The North has sufficient capacity to address high needs but would have to address rurality. Still creates a small unitary in the South and potential lack of critical mass – this is the same for Huntingdonshire. This lack of critical mass however should not be seen as a barrier to provide high quality services; as this option would allow for efficient, agile, place-based and networked solutions to come forward. Scope for use or continuation of shared-service models (as existing) more possible with smaller authorities. Whilst this option has the same risk of increased transition costs and service delivery effects, this option does not include splitting boundaries and allows greater continuity of shared services with greater financial sustainability in all authorities to deliver.</p>
<p>Supports local needs and place identity – stakeholder and resident support; maintenance of local identity and cultural importance.</p>	<p>2 – Smaller scale could mean that local identity is preserved in Peterborough however there is a major impact on Huntingdonshire’s identity. No outward support for the option.</p>	<p>4 – Smaller unitary authorities could mean that local identity is preserved. The North is larger; but would retain connections in rural identity and preserve the historic significance of Ely as the city of the rural eastern part of the region. This option was not part of the formal engagement undertaken, although feedback since its launch has been positive. This option would also protect and support the identity of Cambridge and its greater city region.</p>

MHCLG criteria for LGR	Option D: Split Huntingdonshire (GP, MC, GC) – 3x3	Option E: Stand-alone Huntingdonshire – 3x2
<p>Devolution – complements devolution, Population, Identity & Economic areas</p>	<p>3 – less scale = less capacity to influence funding decisions although can be more focused on certain identities. Three Leaders on the CPCA board could provide balance.</p>	<p>3 – less scale could mean less capacity to influence funding decisions however economic focus can be sharper and three Leaders on the CPCA board could provide balance. Honours functional economic areas. Allows for opportunities of shared-services to be retained/maintained.</p>
<p>Community engagement and empowerment – unlocks community engagement and strengthens existing work.</p> <p>To note – it will be up to the new unitary authorities to determine how they approach community engagement and empowerment. This scoring is subjective and based on the criteria of capacity to deliver, connection to local areas and continuing best practice.</p>	<p>3 – Unitary authorities will be closer to the community but may not have the resilience to effectively deliver community engagement. Severs existing connections and footprints in Huntingdonshire.</p>	<p>5 – Unitary authorities will be closer to the community, but resilience can be questioned. However, due to no cutting boundaries, existing methods of community engagement can be strengthened. Huntingdonshire has established connections across public, private and voluntary sectors which can be maintained and further developed as evidenced by the Place Strategy; Community work etc.</p>
<p>Is the option being supported by all seven councils?</p>	<p>NO</p>	<p>NO</p>
<p>Overall</p>	<p>15/30</p>	<p>23/30</p>
<p>Ranking</p>	<p>2</p>	<p>1</p>

As the above scoring highlights, Option E comes out on top in a comparison of the three unitary models in the region. It protects place identity far more than Option D does due to its suggestion of splitting existing district boundaries and separating the community ties of Huntingdonshire. The above scoring concludes that, where a three unitary model is desirable, Option E scores the highest due to its strong economic growth focus, safe implementation and strengthened place identity.

Two-unitary option appraisal:

MHCLG criteria for LGR	Existing County Boundaries: Dual UA (PCC Status Quo) – 2x2	Option A: North and South – 3x3	Option B: North and South – 4x2	Option C: East and West – 3x3
<p>Economy and housing – local economic priorities; facilitates investment; sensible geography that increases housing supply. (Analysis informed by Local Partnerships).</p>	<p>1 – Fails to meet the needs of Peterborough’s growth. Un-even in scale for investment.</p>	<p>4 – Meets criteria for balance in resource/size/ capacity but a questionable alignment of East Cambridgeshire to Cambridge in comparison to Huntingdonshire with the Innovation Corridor, from an economic perspective.</p>	<p>4 – Meets criteria but the South faces risks around delivery capacity due to smaller scale. Imbalance of geography.</p>	<p>5 – Core growth aspects of the South are well connected to Huntingdonshire’s ambitions and similar sectors are aligned in the North to facilitate growth. Offers greatest alignment with the established Functional Economic Market Areas (economic geographies) across the region.</p>
<p>Financial sustainability – long-term viability, financial resilience; savings and transition costs; right size to achieve efficiencies.</p>	<p>2 – Fails to address Peterborough financial sustainability or achieve any efficiencies.</p>	<p>5 – Well-balanced with the right scale to achieve efficiencies and resilience.</p>	<p>4 – Imbalance of scale with financially diverse Councils. The smaller scale of C could struggle to produce savings to cover transition costs in a 5-year window but still ultimately viable.</p>	<p>5 – Well-balanced with the right scale to achieve efficiencies and resilience.</p>

MHCLG criteria for LGR	Existing County Boundaries: Dual UA (PCC Status Quo) – 2x2	Option A: North and South – 3x3	Option B: North and South – 4x2	Option C: East and West – 3x3
<p>Better service delivery – integrated services, prevention, and improved outcomes.</p>	<p>2 – Would not meet the right scale for Peterborough to implement improvements.</p>	<p>4 – Right balance and scale to achieve efficiencies. Would require the disaggregation of shared services in the South.</p>	<p>3 – Smaller scale to create efficiencies with commissioning with the South and lack of critical mass (PIXEL). Larger unitary may struggle to carry out localised working/may be further from community.</p>	<p>4 – Balanced scale to integrate services whilst providing local approach. Shared services in the South wouldn't have to be split. Not in line with partnership arrangements for health – but not a barrier to operation as per current examples.</p>
<p>Supports local needs and place identity – stakeholder and resident support; maintenance of local identity and cultural importance.</p>	<p>2 – Keeps boundaries as is so no disruption but residents greatly in support of change for improved outcomes. Local identity potentially subsumed by a large South.</p>	<p>4 – Strong stakeholder and resident support but potentially loses Huntingdonshire's connection to Cambridge and Fenland's connection to Ely in the North.</p>	<p>3 – Supported by residents in the South but concerns of losing rural perspectives in the North due to large scale. Protects the South's identity more than the North.</p>	<p>4 – Supported by Huntingdonshire residents. Local identity of Huntingdonshire connection to Cambridge is maintained and rurality is preserved in the North but no widespread support.</p>
<p>Devolution – complements devolution, Population, Identity & Economic areas.</p>	<p>2 – Imbalance of economic areas and population.</p>	<p>4 – Balance of economic areas although the South's 'economic identity' is undermined by the severance of Huntingdonshire from Cambridge.</p>	<p>3 – Imbalance in economic areas with no clear identity for the North.</p>	<p>4 – Balance of economic areas with strong sectoral links in the Northern and Southern unitary. The North can have a sharper focus on rurality. However, it does sever Ely's connection to Cambridge.</p>

MHCLG criteria for LGR	Existing County Boundaries: Dual UA (PCC Status Quo) – 2x2	Option A: North and South – 3x3	Option B: North and South – 4x2	Option C: East and West – 3x3
<p>Community engagement and empowerment – unlocks community engagement and strengthens existing work.</p> <p>To note – it will be up to the new unitary authorities to determine how they approach community engagement and empowerment. This scoring is subjective and based on the criteria of capacity to deliver, connection to local areas and continuing best practice.</p>	3 – Maintains existing patch. Cambridgeshire boundary would be too large to ensure effective representation.	5 – Strong balance of population/ capacity and is in line with existing partnerships. No splitting districts means community engagement can be strengthened.	4 – Community engagement could be undermined in the North by having such a large unitary.	5 – Strong balance of population/ capacity and builds on existing connections in the North and South. No splitting districts means community engagement can be strengthened.
Is the option being supported by all seven councils?	NO	NO	NO	NO
Overall	12/30	26/30	21/30	27/30
Ranking	4	2	3	1

As the above scoring concludes, Option C comes out on top when scoring against a two-unitary model. Whilst this option scores highly in light of the Government’s criteria, this is not to say that other factors shouldn’t be considered. As explored above, Option E successfully unlocks significant economic growth for Cambridgeshire & Peterborough by retaining existing delivery models and as such, this proposal advocates for Option E as viable for the region.

Summary appraisal:

	Option A	Option B	Option C	Option D	Option E
RAG RATINGS	GREEN	AMBER	GREEN	RED	GREEN
<p>Criteria 1: A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.</p>	4	4	5	2	4
<p>Criteria 2: Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.</p>	5	4	5	3	3
<p>Criteria 3: Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.</p>	4	3	4	1	4
<p>Criteria 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.</p>	4	3	4	2	4

	Option A	Option B	Option C	Option D	Option E
Criteria 5: New unitary structures must support devolution arrangements.	4	3	4	3	3
Criteria 6: New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.	5	4	5	3	4
Overall	26/30	21/30	27/30	15/30	23/30
Conclusions	Well-balanced but less aligned with place identity of Huntingdonshire.	Imbalance in population size with very large authority in the North. Risk of less place identity and ability to deliver services over large geography.	Well-balanced with more alignment to place identity for Huntingdonshire.	Major concern – Splitting districts with a disadvantaged mid area.	Contains elements of Option B (namely the southern unitary) and strong place identity. Service delivery and demand needs can be addressed in a more targeted way. May struggle on capacity and sustainability but the scoring does not reflect transformation opportunities or service re-design.

It should be noted that, as part of the appraisal process, Local Partnerships were commissioned to carry out two assessments of viability.

1. A financial analysis⁴² which came to the conclusion that all three two-unitary options were worth exploring further (A/B/C) with Option B scoring lower, given its financial divisiveness and doubts around saving returns. This analysis later included Options D and E – of the two ‘three unitary’ options, Option E was considered the preferable of the two for further consideration. (See below table).

Overall position:

Option	Option A			Option B			Option C		
	U1	U2	Total	U1	U2	Total	U1	U2	Total
Baseline implications – comparison to ‘As-Is’	U2 represents an enhanced financial baseline for East Cambridgeshire, Cambridgeshire City and South Cambridgeshire. U1 results in a weaker financial baseline for other areas.			U2 represents an enhanced financial baseline for Cambridgeshire City and South Cambridgeshire. U1 results in a weaker financial baseline for other areas.			U2 represents an enhanced financial baseline for Huntingdonshire, Cambridgeshire City and South Cambridgeshire. U1 results in a weaker financial baseline for other areas.		
Council tax base – based on ‘25/26 Band D equivalents	162,599	149,812	312,411	196,203	116,209	312,411	129,286	183,125	312,411
Recurring net savings at Y5 (£’000s)	4,633	1,780	6,413	5,984	275	6,259	3,106	3,199	6,305
Saving share	72%	28%	100%	96%	4%	100%	49%	51%	100%
Share of regional council tax base	52%	48%	100%	63%	37%	100%	41%	59%	100%
Saving share relative to share of regional council tax base	1.4	0.6		1.5	0.1		1.2	0.9	
Payback (years)	3	4		3	n/a		3	3	
Contribution to Y5 budget surplus/ (deficit)	-23%	-5%		-54%	n/a		-26%	-7%	
Projected return from LGR	Green	Amber		Green	Red		Green	Green	
Proceed with further and more detailed analysis			Green			Amber			Green

⁴² Local Partnerships Financial Assessment

Option	Option D				Option E			
	U1	U2	U3	Total	U1	U2	U3	Total
Baseline implications – comparison to ‘As-Is’	U3 represents an enhanced financial baseline for Cambridgeshire City and South Cambridgeshire, while U1 represents a largely unchanged financial baseline for Peterborough and residents of one half of Huntingdonshire. U2 represents in a weaker financial baseline for remaining areas.				U3 represents an enhanced financial baseline for Cambridgeshire City and South Cambridgeshire, while U1 represents a largely unchanged financial baseline for Fenland but a weaker financial baseline for Peterborough and East Cambridgeshire. U2 represents in a weaker financial baseline for Huntingdonshire.			
Council tax base – based on ‘25/26 Band D equivalents	87,581	108,621	116,209	312,411	129,286	66,917	116,209	312,411
Recurring net savings at Y5 (£’000s)	1,485	1,459	293	3,237	3,144	(1,151)	286	2,279
Saving share	46%	45%	9%	100%	138%	-51%	13%	100%
Share of regional council tax base	28%	35%	37%	100%	41%	21%	37%	100%
Saving share relative to share of regional council tax base	1.6	1.3	0.2		3.3	-2.4	0.3	
Payback (years)	4	n/a	n/a		3	n/a	n/a	
Contribution to Y5 budget surplus/ (deficit)	-4%	n/a	n/a		-26%	n/a	n/a	
Projected return from LGR	Amber	Amber	Red		Green	Red	Red	
Proceed with further and more detailed analysis				Amber				Amber

2. A second analysis focused on economic growth considerations⁴³ which concluded that A, B and C are fairly equal in terms of economic prospects. D was ruled to be inefficient in terms of meeting priorities and implementing strategic change. The two-unitary options were deemed similar due to the existing Combined Authority and the mitigation it provides when assessing risks of different geographies. Option E also scores highly as, despite the option presenting three unitaries, it successfully builds on existing high-growth areas with no advantaged or disadvantages in the region, providing an option that can accelerate growth and maintain strong place identity footprints. This is in comparison

⁴³ Local Partnerships Economic Growth Analysis

to Option D which splits Huntingdonshire's growth in two and creates a mid-unitary that would not see any significant growth. Their scoring is highlighted below.

Criteria category	Evaluation criteria – what will be considered	Option A	Option B	Option C	Option D	Option E
Alignment with economic growth and regeneration ambitions and policies	• Option supports / maximises national growth ambition for the region.	4	5	4	5	5
	• Option supports the subregional growth ambitions of existing councils.					
	• Option supports specific economic growth policies (i.e. Oxford Cambridge Corridor).					
	• Balance of economic and housing opportunities within each area.					
	• Economic growth provides opportunity to reduce social – economic imbalance.					
Sector specific strategies	• Option aligns with the national sector strategies and clusters (e.g. Life science, medical science and defence).	4	3	4	2	4
	• Option aligns with strengths of different sub-economic areas.					
Transport policy other infrastructure	• Influence of transport strategy and funding (via MCA EEH and DfT).	4	4	4	2	3
	• Priorities that can align with Regional / sub national priorities.					
	• Option aligns with planning areas adopted by other national infrastructure providers (Network Rail, Highways England, Water etc.).					
Delivery / implementation	• Option aligned with existing local plan areas.	4	4	4	3	4
	• Realistic opportunity of delivering housing targets.					
	• Option area aligns with operating area of a delivery vehicle/mechanism or shared service.					
	• Option provides necessary capacity and capability to prioritise economic growth alongside other high priority services.					
	• Option provides opportunity to reduce fragmentation of services (geographically and hierarchically).					
	• Ability to develop a strong relationship with CA and Government etc. – to influence strategy and funding decisions.					
Score		16	16	16	12	16
Efficient movement / commuting patterns supporting growth (See table in appendix 3)	<p>Note: Drawing out specific elements for Huntingdonshire</p> <p>Option aligns with travel to work areas.</p> <ul style="list-style-type: none"> • Infrastructure aligns with movement patterns. • Infrastructure and travel to work areas align with economic growth objectives and spatial strategies. 	5	4	5	–	note to appendix 3

3.2 In-depth options appraisal

Option A – Total score: 26/30

Criteria	Score	Rationale
Economy and Housing	4	<ul style="list-style-type: none"> Supports national and economic growth policies and provides unitary authorities with equal capacity to deliver growth. Alignment of East Cambridgeshire to Cambridge over Huntingdonshire is questionable, particularly when noting the connection of Huntingdon to Cambridge through the innovation corridor. Challenges could occur when integrating the development strategies in Cambridge⁴⁴ with the paused planning framework in East Cambridgeshire.⁴⁵ Could be argued that it doesn't respect Functional Economic Market Areas, as outlined by CPIER, as it severs the Fens.⁴⁶ The option creates two unitary authorities with equal amount of turnover with Huntingdonshire and Peterborough providing high output in the North and South Cambridgeshire and Cambridge in the South.⁴⁷
Financial Resilience	5	<ul style="list-style-type: none"> The PIXEL financial management analysis has deemed the option financially viable and able to withstand financial shocks. This has been backed up by Local Partnership's analysis. Balanced resources per head at 1,023 in the South and 1,100 in the North (PIXEL). Balanced council tax per head at 677 and 577 (PIXEL). Creates two balanced unitary authorities with equal population sizes (510k North and 410k South).
Public Services	4	<ul style="list-style-type: none"> Balance of demand and need between the two unitary authorities – balance in U18 population (22.1% and 19.4%) and older population (18.8% v 17.4%) with balanced spend per resident (£857 v £677 in 2025 – Newton). Less balanced total resources compared to Option C under fair funding, with the South-East losing out under the new formulas. This could impact the delivery of public services (PIXEL). Requires the disaggregation of shared services in the South. The geography of the current Cambridgeshire North and South Care Partnerships align with the unitary boundaries proposed in Option A. However, NHS governance and the Integrated Care System are going through a period of significant change so this may not remain the case.

⁴⁴ [Greater Cambridge Local Plan: Development Strategy Update \(Regulation 18 Preferred Options\)](#)

⁴⁵ [East Cambs new Local Plan put on hold | East Cambridgeshire District Council](#)

⁴⁶ [cpier-report-151118-download.pdf](#)

⁴⁷ [Local indicators for Cambridgeshire & Peterborough \(E47000008\) – ONS](#)

Criteria	Score	Rationale
Local support & place identity	4	<ul style="list-style-type: none"> Stakeholder support for Option A is strong, off the back of the engagement survey, based off free-text comments. The disconnecting of Huntingdonshire to Cambridge doesn't respect cultural alignment, particularly in market town areas like St. Neots and St. Ives. The proposal was carried out in isolation and has had no support from other councils in the region. Potentially distils rural culture in the North by severing East Cambridgeshire from Fenland. However, keeps East Cambridgeshire's connection to Cambridge and is aligned with general travel patterns (although not as strongly as C).
Devolution	4	<ul style="list-style-type: none"> Two balanced unitary authorities that would have equal representation on the CPCA board. Less sharpened economic focus as the North would not encapsulate all of the Fens economy – potentially creating too much diversity in focus.
Stronger community engagement	5	<ul style="list-style-type: none"> The option allows for two balanced unitary authorities that could effectively deliver equal democratic representation. The new unitary authorities would need to outline an approach to stronger community engagement. However, they are of an appropriate size to bring decision-making closer to residents and maintaining district boundaries allows best practice to be developed.

Option B – Total score: 21/30

Criteria	Score	Rationale
Economy and Housing	4	<ul style="list-style-type: none"> Creates a larger Northern unitary with diverse sectors and lack of economic focus. Keeps functional economic market areas together allowing the ability to develop strong strategies. However, the North is potentially distilled by larger geographic area. Southern unitary faces risks around delivery capacity due to smaller scale. However, the Southern unitary does have a stronger tax base (£680 per head – PIXEL). Imbalance in housing need (3,020 vs 2,000/year) and land mass (72% vs 28%) could potentially hinder growth. Ultimately viable but potentially imbalanced.
Financial Resilience	4	<ul style="list-style-type: none"> PIXEL identifies Option B as being potentially high risk due to smaller scale in the South. It must also be noted that additional resources will be lost in the South due to the fair funding review although it may be offset by their tax base. Local Partnerships analysis raised concerns about Option B's financial divisiveness and the potential inability for the Southern unitary to deliver sufficient returns to payback transition costs. The analysis also determined that it puts all but the two least financially challenged councils at a worse starting position.

Criteria	Score	Rationale
Public Services	3	<ul style="list-style-type: none"> PIXEL has outlined the smaller scale of the Southern unitary as higher risk – particularly in relation to Children’s services and the concentration of low need. The Northern unitary is potentially too large to address key challenges like rurality within social care and could impact the cost-of-service delivery due to the widened area (requiring additional spend on properties and travel for operational assets). The Southern unitary does keep two councils together that both deliver housing stock as well as existing shared services, like planning and waste. However, it would require the disbanding of 3CICT which could pose risks during the implementation process. Overall, the option is too imbalanced to effectively deliver public services at a high standard, providing challenges to localised working in the North whilst producing a Southern unitary that has too small economies of scale.
Local support & place identity	3	<ul style="list-style-type: none"> The South does retain historical identities by creating an established ‘place’ with Cambridge City and South Cambridgeshire and the North keeps the Fens connection together through Fenland and East. Doesn’t recognise the scale and importance of Huntingdonshire. This proposal was also created in collaboration with 6/7 councils in the region. However, severing the connection between Huntingdonshire and Cambridge City does not make sense when looking at commuter data – the survey results outlined that 15% of Huntingdonshire respondents travel to Cambridge for work vs 3% to Peterborough. In the other categories of Health and Social, the same pattern occurs. There is less outright support for Option B from the stakeholder engagement results.
Devolution	3	<ul style="list-style-type: none"> The option will allow for two leaders to sit on the CPCA board. However, they will represent an imbalanced population. The North’s larger geographic scale could mean that it is less focused in terms of economic growth with too diverse a region to support. The smaller scale of the Southern unitary could be at risk of failing to accommodate its rapid growth, potentially hindering the CPCA’s plans. However, it should be noted that the Southern unitary will have a strong economic identity and focus, given its existing establishment as a FEMA.
Stronger community engagement	4	<ul style="list-style-type: none"> It will be up to the Option B proposal to outline a future approach to community engagement and neighbourhood empowerment. However, the large scale of the Northern unitary could face more challenges when implementing localised decision-making.

Option C – Total score: 27/30

Criteria	Score	Rationale
Economy and Housing	5	<ul style="list-style-type: none"> • There is a balance between the two unitary authorities, in terms of landmass (45% vs 55%) and housing need (40% vs 60%). Both unitary authorities are therefore well matched in terms of geographic size and future demand. • This balance allows both unitary authorities to effectively accommodate different forms of growth and urban needs can be well matched by rural needs. • The option is in line with the 3 FEMA model as it doesn't sever the Fens. • Both unitary authorities have a distinctive economic focus with similar sectors and industries – the North can effectively focus on manufacturing, logistics and housing development whilst the South is more knowledge-intensive. • Huntingdonshire and Greater Cambridge have existing complementary strengths in growth prospects. • Benefits can be felt equally across the region, with no undue disadvantage to any areas.
Financial Resilience	5	<ul style="list-style-type: none"> • The PIXEL Financial Management Report showed no signs of concern regarding the financial viability of Option C. • Current population numbers are evenly matched (424k vs 516k) with both areas expected to rise to 476k and 600k respectively by 2040. This option is therefore in line with the 500k guidance set by government. • Further analysis carried out by Local Partnerships highlighted that Option C is well-balanced, showing no cause for concern for viability.
Public Services	4	<ul style="list-style-type: none"> • Option C creates two unitary authorities with well-balanced demand forecasts, as highlighted by the Newton report. This is particularly true for Children's residential care, EHCPs and expected working age adult residential care demand. Service spending is also balanced and Option C actually sees the most savings achieved in the first year. % pop. Supported by social care is only 0.05% different between the Southern unitary authorities in A and C. • Retains existing shared services in the South, including ICT, legal services and business control. • There is a lack of alignment with ICB Place Partnerships. However, given the scale of public sector reform and the additional powers of the Mayor to serve the whole region with regard to health, this can be considered low-risk. This is bolstered by the fact that guidance states that ICB boundaries should align with strategic authorities rather than local authorities. • This option is well-balanced in terms of geographic scale, allowing for services to be delivered across a sensible-sized area. PIXEL highlighted that smaller scale authorities could have more significant spend in certain areas, such as environmental services. Increased scale works to balance this out. • Whilst there is quite a large distance between East Cambridgeshire and its anchor city of Peterborough, there is an argument that this option consolidates the best travel connections, particularly in terms of rail links and public transport. It must be caveated that each option will have long distances between anchor cities due to the rurality of the region,

Criteria	Score	Rationale
Local support & place identity	4	<ul style="list-style-type: none"> Option C maintains the connection between Huntingdonshire and Cambridge. The survey results highlighted that most Huntingdonshire residents travel to Cambridge for work, health and shopping. It also keeps the innovation zone intact. Option C has a high number of internal commuting, with 80% of residents staying in the Southern unitary and 72% of residents staying in the North (REF from Ben). Whilst this internal rate is lower than Option A, it must be noted that Cambridgeshire & Peterborough residents also have strong ties to areas outside of the region's borders. For example, the Southern unitary sees more residents commute outside the boundaries rather than to the North (14% vs 6%). The North's patterns are evenly balanced (13% vs 15%). Containment rates are therefore high whilst recognising that there will always be movement between the unitary authorities and outside the region. Strong local support from Huntingdonshire residents. Retains the rural identity of the North – addressing concerns from East Cambridgeshire and Fenland residents about being 'over-looked.' Maintains existing strong transport connections in the East and West. The option is limited by lack of partner support
Devolution	4	<ul style="list-style-type: none"> Creates sensible economies with the potential to support ambitious economic growth in collaboration with the CPCA. Each region will be able to sharpen their focus due to strong economic alignment in the North and South. Creates balanced representation on the CPCA board with leaders representing equal populations. Does sever Ely's connection to Cambridge however it can be argued that this isn't as impactful as severing Huntingdonshire from Cambridge.
Stronger community engagement	5	<ul style="list-style-type: none"> The option allows for two balanced unitary authorities that could effectively deliver equal democratic representation. The new unitary authorities would need to outline their approach to stronger community engagement. However, they are of an appropriate size to bring decision-making closer to residents and lack of splitting districts means that best practice can be developed.

Option D – Total score: 15/30

Criteria	Score	Rationale
Economy and Housing	2	<ul style="list-style-type: none"> The option is in line with FEMA's and does retain a strong focus on each individual economic area It does not create sustainable councils, particularly in the mid region, affecting the capacity of the authorities to deliver economic growth and housing. Growth in the mid will be severely limited due to geographic constraints. Whilst this will be a factor in any option, it creates an authority with no high growth areas, making it ultimately unsustainable. Creates a clear disadvantage with resources concentrated in 'Greater Peterborough' and 'Greater Cambridge.' The mid will have no anchor city for support.

Criteria	Score	Rationale
Financial Resilience	3	<ul style="list-style-type: none"> Local Partnerships analysis confirmed that the option is less financially attractive given the scale of transition costs relative to savings in two of the three councils. This must be caveated with the fact that Local Partnerships analysis of the disaggregation of deficits was based on population. However, it clearly shows an imbalance in budget position between the three. The option does not meet the 500k guideline – each unitary would see around 300k population based on current figures. Whilst this means a balance in population between the three, it does not meet the Government’s view on effective scale.
Public Services	1	<ul style="list-style-type: none"> Option D sees upper-tier services disaggregated into three unitary authorities, resulting in increased costs of implementation and over-heads given that there will need to be three directors in the region for each service. This negatively impacts sustainability. It splits districts resulting in fragmentation and increasing risks and complexity when implementing. There will be a high concentration of need in the ‘Mid’ region, particularly in Fenland, without the scale or capacity to address challenges. The South unitary still sees viability questions around their small scale.
Local support & place identity	2	<ul style="list-style-type: none"> The option is supported by several local MPs – but fails to respect Government criteria regarding splitting districts and no exceptional circumstances demonstrated. Lack of support from residents. However, this option wasn’t published when the engagement survey went out. Lack of support from council partners. Does respect the 3 FEMA model and keeps the Fens geography together in the North. However, it doesn’t respect the cultural identity and history of Huntingdonshire – splitting up a district that has been established for 50 years and severing strong cultural ties. The survey results demonstrated that a majority of respondents in Huntingdonshire stay in Huntingdonshire for healthcare, work and shopping. Splitting the district in half and removing key market town areas from the new authority makes little sense and isn’t aligned with local behaviour.
Devolution	3	<ul style="list-style-type: none"> The option would see three partners represented on the CPCA board representing similar population sizes. The option respects the 3 FEMA model and leaders would be able to sharpen their focus on regional economic issues, particularly in the ‘Mid’ region with rurality. This model could impact pipeline infrastructure projects between Huntingdonshire and Cambridge (A14 improvements) and Peterborough and Fenland (A47 developments).
Stronger community engagement	3	<ul style="list-style-type: none"> It will be up to the Option D proposal to outline their future approach to community engagement and neighbourhood empowerment. All three areas are small enough to allow localised decision-making and address key local issues. There are concerns around the capability of the unitary authorities to carry out localised decision-making and neighbourhood engagement alongside statutory responsibilities given the lack of sustainability identified above. Splitting districts means that existing footprints of community engagement in Huntingdonshire may be severed.

Option E – Total score: 23/30

Criteria	Score	Rationale
Economy and Housing	4	<ul style="list-style-type: none"> Honours the FEMA's by keeping the Fens together along with Greater Cambridge and Peterborough. Maintains Huntingdonshire's borders, recognising the districts strong identity as a bridge between the FEMA's and a place that provides key infrastructure to both cities. The option is in line with the three FEMA model, building on the economies of 'Greater Cambridge', 'Greater Peterborough' and Fenland. Huntingdonshire can retain a focus on its identity and existing growth and house-building plans. However, this is off-set by limited capacity and scale to deliver. Southern unitary faces risks around delivery capacity due to smaller scale however the Southern unitary does have a stronger tax base to off-set this.
Financial Resilience	3	<ul style="list-style-type: none"> Two of the three councils are unlikely to derive a financial benefit from LGR with one likely to incur a net recurring cost due to its scale. However, all three should be financially viable with apparent opportunities to significantly grow the local tax base in the two smaller councils which could be financially beneficial dependent on the outcome of local government funding reform.
Public Services	4	<ul style="list-style-type: none"> Option E sees upper-tier services disaggregated into three unitary authorities, resulting in increased costs of implementation and over-heads given that there will need to be three directors in the region for each service. This negatively impacts sustainability. The Northern unitary has sufficient scale to address local needs and rurality challenges with an acceptable level of demand and need. The Southern unitary suffers from low economies of scale, as outlined by PIXEL, resulting in challenges around social care provision due to concentration of low need. Huntingdonshire would have smaller capacity to deliver services although it could be argued that the process of implementation will be simpler as it will only include disaggregating from the upper-tier and not bringing districts together. There will be the scope for continuation of shared-service models which can be made more possible through smaller authorities. Place-based and networked solutions may be more readily available. Prevalence is also relatively balanced based off additional Newton analysis (REF). Adds complexity to the shared service model for IT/Legal/Building Control that would need resolution.
Local support & place identity	4	<ul style="list-style-type: none"> No local support for the option and wasn't included in initial engagement, although feedback since its launch has been positive. Maintains Huntingdonshire's strong local identity and heritage whilst preserving the economic geography of the Fens and the established place of Greater Cambridge. The survey results highlighted that Huntingdonshire's residents are self-contained – when they travel out of the district, they travel to Cambridge, but Huntingdonshire itself provides work, health and shopping facilities. This option maintains travel patterns in that respect as well as the strong travel connections between Peterborough and Fenland. Severs Huntingdonshire's connection to Cambridge.

Criteria	Score	Rationale
Devolution	3	<ul style="list-style-type: none"> The option would see three partners represented on the CPCA board providing balance although they would be representing significantly different population sizes. The option respects the 3 FEMA model and could allow sharpened economic focus with rurality in the North and market towns in Huntingdonshire alongside Greater Cambridge's focus on high-tech industries. This option could impact Huntingdonshire's voice on the CPCA board, given its smaller size and scale. Allows for opportunities of shared-services to be retained/maintained.
Stronger community engagement	5	<ul style="list-style-type: none"> It will be up to the Option E proposal to outline a future approach to community engagement and neighbourhood empowerment. All three areas are small enough to allow localised decision-making and address key local issues although the North may find it more difficult due to increased size. Less sustainability could impact Huntingdonshire's ability to carry out localised engagement and decision-making. Existing methods of community engagement in Huntingdonshire could be strengthened as boundaries are intact. This includes connections across public, private and voluntary sectors which can be maintained and developed, as evidenced by work such as the Place Strate and Community Health.

3.3 Conclusions

As the above analysis suggests, Option E, whilst not scoring the highest, presents a strong viable option for the region. In particular, it:

- Creates a strong economic growth focus, with each unitary authority representing the high-growth areas in the region. It effectively ensures alignment with sector clusters, including agriculture in the North, defence in Huntingdonshire and science and technology in the South. Whilst population sizes are imbalanced, none of the unitaries would be significantly imbalanced in terms of resources and tax base.
- It maintains existing shared service arrangements in the South whilst allowing smaller unitaries to effectively deliver place-based working with a localised focus. Geographies work to allow efficient delivery of services across the patch with the opportunity to build on existing best practice in local areas.
- The option retains a strong link to place identity by maintaining 'Greater Cambridge' in the South and ensuring Huntingdonshire is intact in the centre. The option is supported by local residents, highlighted through social media engagement.
- The smaller unitary authorities will be better placed to deliver on community engagement and neighbourhood empowerment and can build on existing relationships with the voluntary sector effectively.

As mentioned earlier, Option E presents an exception to the guidance due to the high volume of growth it allows and the ability to concentrate on specific economic areas. Growth is expected in the region therefore economies of scale can be met over time but there is strong evidence to suggest that smaller unitary authorities can still successfully deliver positive outcomes for local residents whilst working to create efficiencies. The strong defence focus and the consideration of Tempsford's growth as a new town adds to the reasons above as to why this should be explored.

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4. Our Proposal for Cambridgeshire & Peterborough – strategic case for change

Section summary

This section introduces Option E, a model for reorganising local government in Cambridgeshire & Peterborough. It explains how the proposal meets the Government’s criteria across five key themes: economic growth, financial sustainability, public service improvement, democratic representation and devolution.

Where would we like to be?

The below sections outline our proposal for ‘Option E’ and why it can deliver the best outcomes for Cambridgeshire & Peterborough.

It should be noted that LGR can bring risks and as such, there are some key principles that should be adhered to throughout the process. These principles focus on delivering a ‘safe and legal’ implementation and outlines how Option E can deliver safety and simplicity for residents – it does not cover a vision for transformation. Option E delivers on these principles as it:

- Ensures **safety** with a focus on not fragmenting services and delivering on our requirements to be ‘safe and legal’ on Day 1. It creates three councils each with a proven track record in delivering economic growth and planning services, enabling continuity in terms of the delivery of key development opportunities and strategic pieces of infrastructure. The potential risks associated with developing new planning areas will be largely mitigated.

- Ensures **sustainability** through effective and balanced economies of scale delivered through balanced geographies and population sizes. The North-East unitary has the largest population and an inbuilt financial resilience, able to take advantage of both its economic growth opportunities and resolve rural, accessibility and skills challenges. The two smaller authorities have the agility to respond to their unique economic circumstances with each having a pipeline of housing, economic and infrastructure projects of a scale that will rapidly increase financial resilience and delivery capacity over the next local plan period.
- Delivers on **simplifying** resident engagement with services by creating one authority that delivers all. It allows each of the three unitaries to create one strong brand identity, one number and one website so residents, stakeholders and businesses can no longer deal with fragmented services. This joined-up working will allow greater efficiencies and communication between services.
- It ensures **alignment with key public sector partners** and the national vision for greater co-ordination in service delivery. Alignment with NHS, Police and Fire boundaries means that our new authorities will be well placed to deliver on the prevention agenda. The creation of three strong economic regions allows for greater balance on the CPCA board and effective delivery of the Mayor's vision for growth in the region. Engagement with the CPCA will be based around three organisations who have inherited significant delivery experience. Each will have economic strengths and be able to represent the diversity, challenges and opportunities of the three areas.

The advantages relating to the economic growth and delivery capability currently exhibited by Huntingdonshire, Greater Peterborough and Greater Cambridge are felt to outweigh the potential risks associated with having two smaller councils. This balance has been drawn because of the importance of optimising growth and the contribution that it will make to the prosperity of the region and UK. It should also be noted that because of the growth potential of the two smaller authorities each will grow significantly over the next 15 years (i.e. Huntingdonshire will have a population of approximately 300,000 by 2040).

The three Unitaries at a glance

Option E North – East / Fen / Pet	
Current population	424,864
2040 population estimate	476,900
Current working age population (20-64)	57%
Current young population (0-19)	24%
Current older population (65+)	19%
Geographical area (hectares)	149,400 hectares
Population density (2025), per sq km	284.38 per sq km
Forecast dwelling growth rate	21%
Anchor City	Peterborough
% of travel to work within the Unitary area	72% work within the Northern Unitary area 15% travel to work in the Southern Unitary area 13% outside of Cambridgeshire & Peterborough area
Number of businesses per 10,000 population (2023 data)	392
Average employment rate (2023 data)	76.53%
Number of education settings	178 Early Years Settings 121 Primary Schools 48 Secondary Schools 18 SEND Schools
Highest Level of qualification	9% Level 1 11% Level 2 12% Level 3 20% Level 4+ 5% Apprenticeship

Option E South – South / City

Current population	319,815
2040 population estimate	386,545
Current working age population (20-64)	62%
Current young population (0-19)	23%
Current older population (65+)	16%
Geographical area (hectares)	94,170 hectares
Population density (2025), per sq km	339.61 per sq km
Forecast dwelling growth rate	26%
% of travel to work within the Unitary area	81% work within the Southern Unitary area 4% travel to work in the Northern Unitary area 3% travel to work in the Huntingdonshire area 13% outside of Cambridgeshire & Peterborough area
Number of businesses per 10,000 population (2023 data)	424
Average employment rate (2023 data)	78.30%
Number of education settings	172 Early Years Settings 91 Primary Schools 40 Secondary Schools 12 SEND Schools
Highest Level of qualification	5% Level 1 7% Level 2 13% Level 3 41% Level 4+ 3% Apprenticeship

Option E – Huntingdonshire

Current population	185,750
2040 population estimate	213,540
Current working age population (20-64)	58%
Current young population (0-19)	22%
Current older population (65+)	21%
Geographical area (hectares)	91,225 hectares
Population density (2025), per sq km	203.61 per sq km
Forecast dwelling growth rate	18%
% of travel to work within the Unitary area	59% work within the Huntingdonshire area 10% travel to work in the Northern Unitary area 14% travel to work in the area Southern Unitary area 16% outside of Cambridgeshire & Peterborough area
Number of businesses per 10,000 population (2023 data)	428
Average employment rate (2023 data)	85.6%
Number of education settings	92 Early Years Settings 63 Primary Schools 11 Secondary Schools 4 SEND Schools
Highest Level of qualification	9% Level 1 12% Level 2 14% Level 3 27% Level 4+ 4% Apprenticeship

The above tables provide an overview of the three unitaries suggested by Option E. Whilst the overall population numbers are imbalanced, the population distribution in terms of age is well-balanced across the region. There are slightly lower containment rates in the Huntingdonshire unitary due to its connection to the anchor cities, but this is reflective of Huntingdonshire's role as a bridge between the two areas. Population density differences are also minimal highlighting that all three unitaries have similar geographic characteristics in the balance of rurality and built-up areas.

Notably, all unitaries are going through periods of rapid growth – by 2040, the North-East is expected to have a population of 476k whilst the South-West is expected to reach 387k and Huntingdonshire 214k. All the unitary authorities will therefore benefit from increased economies of scale to meet additional needs and specialised economic focuses that work to increase growth.

Theme 4.1 – Inclusive and sustainable growth

Section summary

Option E creates three unitary councils so each can focus on what they're best at: North-East Cambridgeshire would drive housing, logistics and agri-tech; Huntingdonshire would anchor defence, advanced manufacturing and major delivery sites; and Greater Cambridge would lead on innovation, life sciences and high-tech growth.

This clearer split makes decisions simpler, helps attract investment and keeps momentum on big projects. It also protects local identity while aligning with regional and national growth plans. There is more upfront cost than a two-unitary model, but the payoff is place-based growth with services and infrastructure planned around how people live and work.

4.1.1 Overview of Cambridgeshire & Peterborough's economic profile

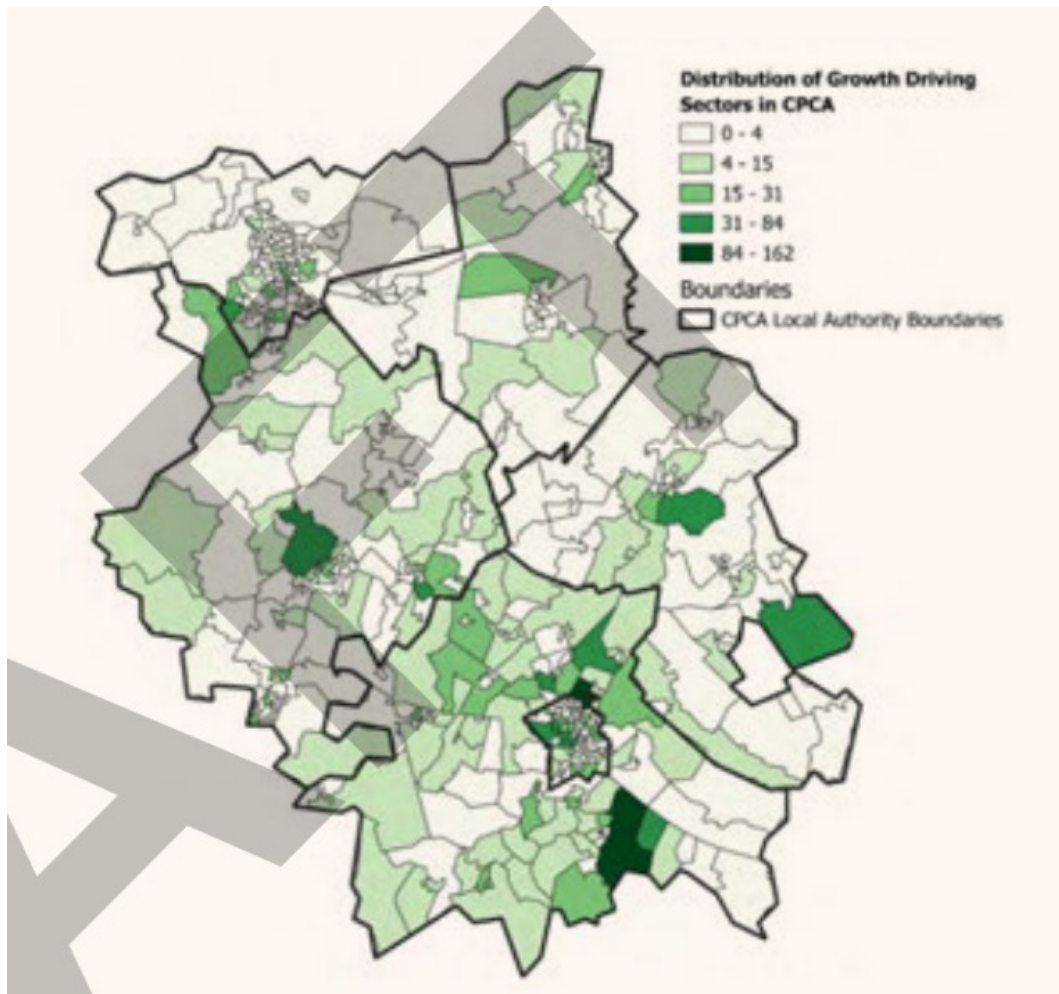
Economic landscape

The Cambridgeshire & Peterborough region has a particularly strong economic significance, contributing approximately £22–34bn annually to the UK economy. Option E is felt to benefit the region as a whole and all three unitaries separately. It enables each to specialise in terms of growth sectors and attracting inward investment. It also enables them to respond to the specific needs and opportunities of each of the three economic sub regions (reflected in the new unitary areas).

Whilst growth is centred on the main cities and urban areas in the region, it is spread across the whole area including Huntingdonshire and East Cambridgeshire.

Fig • below (taken from the emerging Local Growth Plan October 2025) illustrates that growth opportunities and sectors are present across the region.

Fig • – Distribution of growth driving sectors



Waiting on map

Cambridge City and the wider area is on track to become a global leader in the life sciences, food production, artificial intelligence, and advanced manufacturing sectors, attracting inward investment both the region and UK. Peterborough's growing bio-science and logistics sectors position it as a gateway economy. It will also be able to focus on existing strengths including logistics and growth associated with its housing sector. The North-East unitary can specialise and focus on its strong and expanding sectors, developing connections between Peterborough, Fenland and East Cambridgeshire and enabling the whole unitary to benefit from growth. The recent Case for Cities report identifies the specific role that Peterborough has in acting as a hub for the surrounding rural area.

Huntingdonshire has opportunities relating to defence as well as advanced manufacturing and advanced materials. The emerging Combined Authority Growth Plan has an aim to triple the size of economy by 2050. Option E provides the opportunity to maximise this growth providing a significant benefit for the region and UK economy.

This division and sectoral specialisation provide three areas of economic focus for the region. There are areas of overlap and complementarity but also differences enabling the different areas to create a clear economic rationale for their economic development activity.

The economic profile and different economic characteristics of the North-East, Central Huntingdonshire area, and South-West subregions support the argument for the creation of three unitary authorities. In terms of the options being considered as part of LGR this is reflected to the greatest extent in Option E.

The retention of Huntingdonshire as a single authority will have a significant positive impact on short to medium term economic growth rate across the region. Huntingdonshire is currently successfully delivering a number of strategic communities, housing and employment sites – including sites that are of strategic importance to the nation. It is responsible for a significant proportion of the region’s development pipeline. Infrastructure projects located in Huntingdonshire (including transport, water and power) are required to unlock the growth of Cambridge City and Peterborough as well as regeneration of Fenland and East Cambridgeshire. The continued and uninterrupted work of the delivery, planning and economic development staff, focused on the existing council area can be used to significantly de risk the growth opportunities across the whole region. This underlines a critical success factor identified by Cambridge Ahead for LGR. The ability for the council functions that support growth to continue uninterrupted. This will impact positively on growth in the short to medium term and provide strong foundations for maximising long-term growth – meeting the growth ambitions set out in the Local Growth Plan and the national Industrial Strategy.

The economic growth opportunity provided by the region is both underpinned and supports the National Industrial Strategy and the Oxford–Cambridge Growth Corridor (figure ●● below) – a globally significant economic growth area between Oxford, Milton Keynes and Cambridge. The Oxford to Cambridge Corridor is intended to maximise economic growth, investment opportunities and connectivity across 5 counties, with the opportunity of adding over £110bn in GVA to the economy.

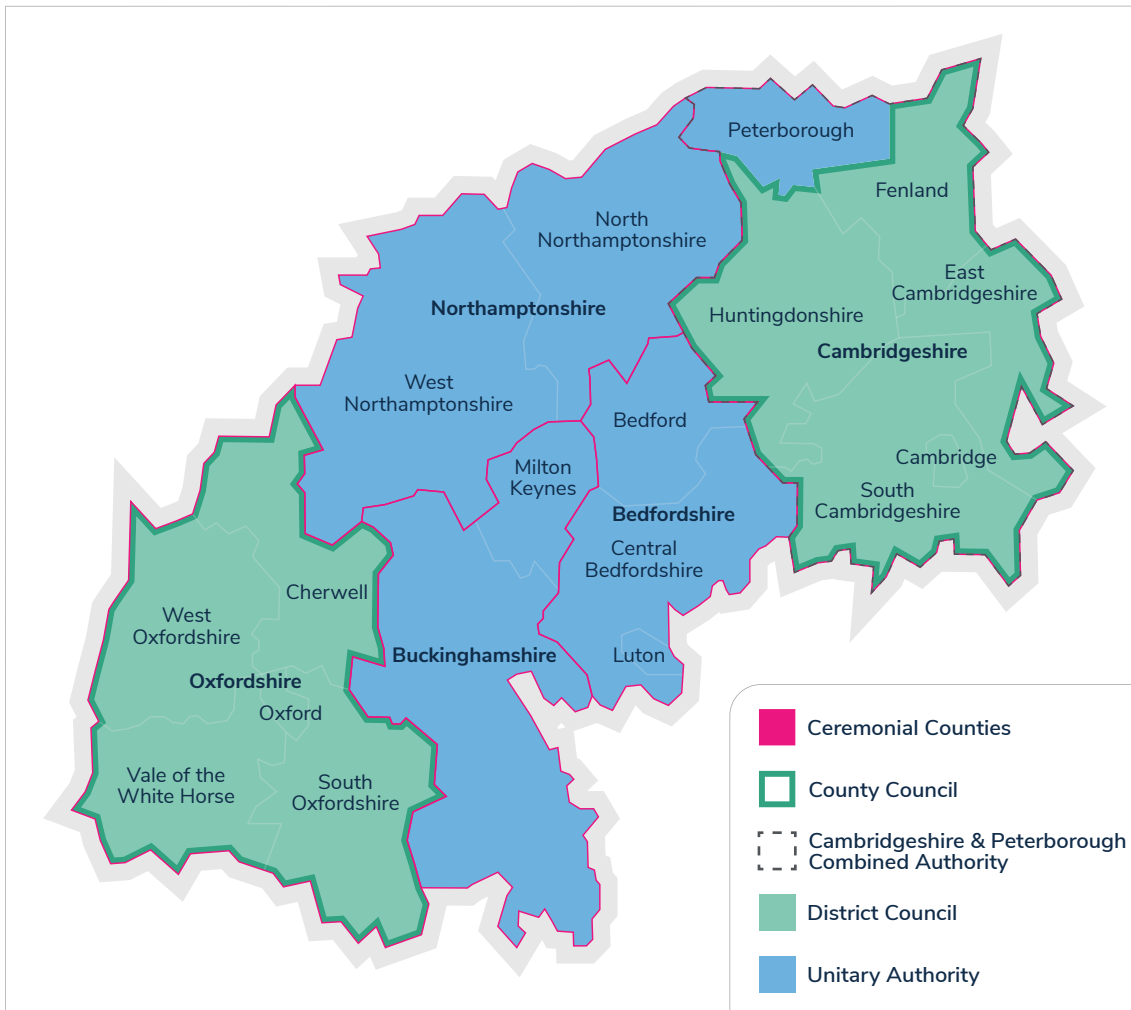


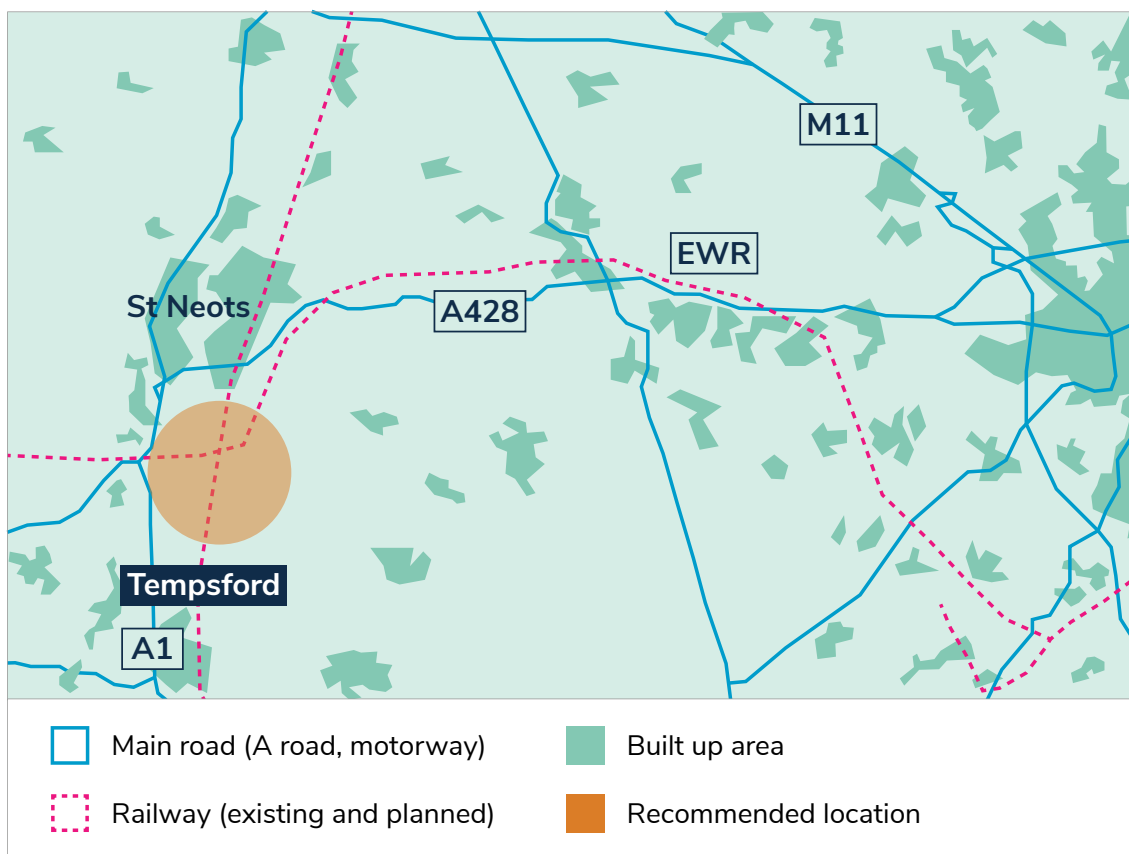
Figure •. Oxford-Cambridge Growth Corridor geographical area

Huntingdonshire, as a separate council area, forms the main regional link with the Corridor, providing a focus for the developing east west rail and road corridors and employment and housing proposals.

The importance of this delivery focus and importance of the area in supporting the delivery of national policy was re-emphasised in the recent New Towns Taskforce Report⁴⁸ (September 2025). In it, Tempsford is identified as one of 12 suggested locations for New Towns. It sits on the border of Huntingdonshire and Central Bedfordshire and at the junction of strategic rail and road interchanges. As a proposal, it is of strategic importance both for the Oxford to Cambridge Corridor and Peterborough and Cambridge regional economy. The current Huntingdonshire Council is behind the strategy that underpins the new town and could bring extensive delivery experience to accelerating the proposal. Retention of the delivery teams in the existing council will derisk the delivery of Tempsford as well as the wider pipeline of projects supporting the growth of the region and Arc.

⁴⁸ [New Towns Taskforce: final report](#)

Figure • Tempsford New Town (Source: New Towns Taskforce Final report).



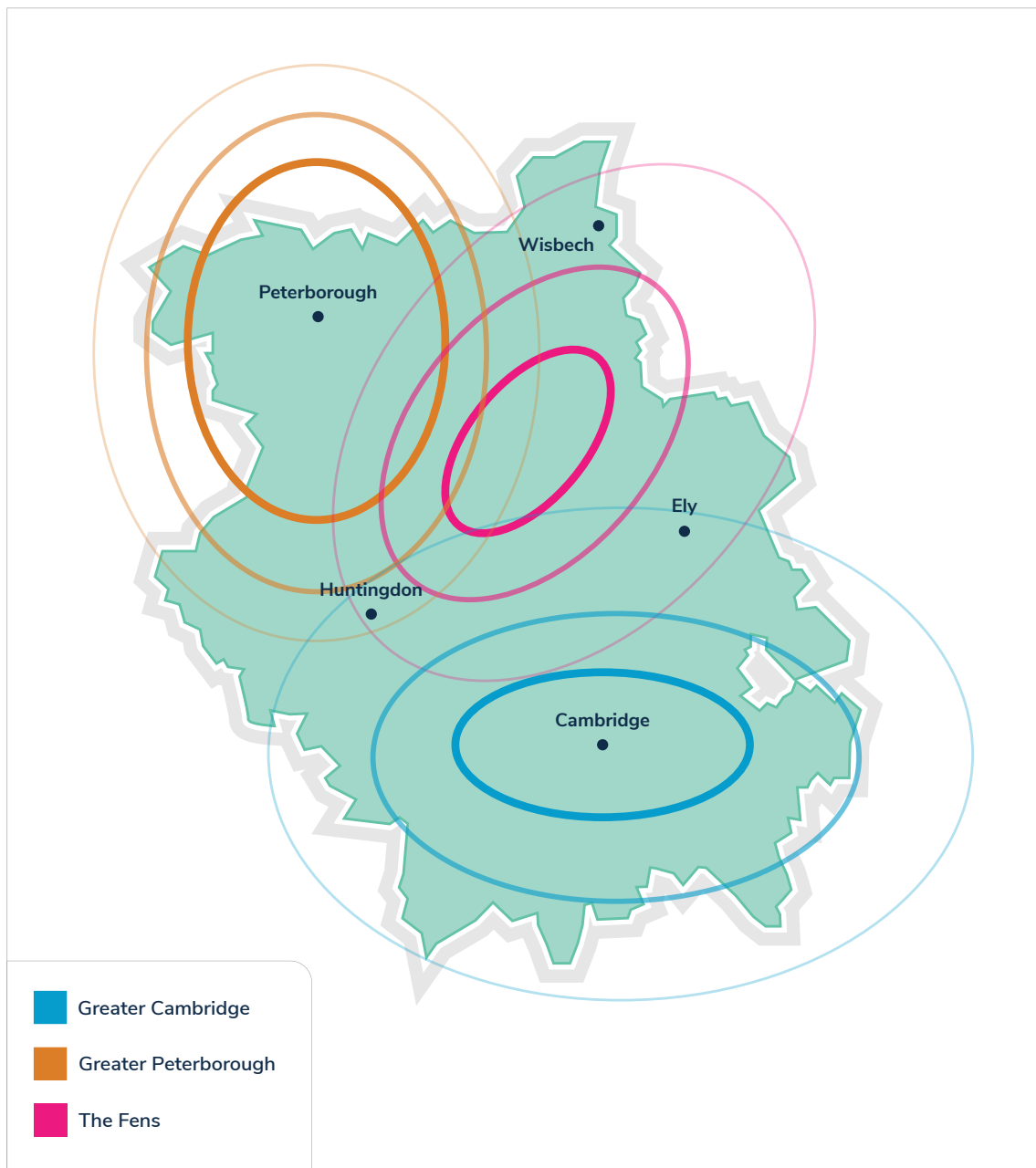
“A new settlement in Tempsford, Bedfordshire; to maximise the benefits of East West Rail, building a sustainable, well-connected new town in the heart of the Oxford Cambridge Growth Corridor.”

The new town would see the provision of 40,000 new homes at the intersection of the East Coast Main Line and East West Rail. The plans include a new station that is being accelerated with connections to Cambridge and Milton Keynes. There is also the possibility for a new regional hospital, although this is a live debate due to an identified need for supporting health infrastructure in the wider geography. The town will be particularly reliant on St Neots for services, and the existing market town could contribute to the new town’s economic growth.

The economic profile of Cambridgeshire & Peterborough comprises three distinct sub-economies⁴⁹ – Greater Cambridge, Greater Peterborough including the Fens and the Central Huntingdonshire area.

⁴⁹ www.gov.uk/government/publications/oxford-cambridge-arc-local-industrial-strategies/cambridgeshire-and-peterborough-local-industrial-strategy

Figure •. Map of the three main sub-economies of the Cambridgeshire & Peterborough region.



Greater Cambridge is one of the UK's most dynamic and high-growth economic areas, centred around the city of Cambridge, with key economies focussed on:

- Knowledge and Innovation Economy ('Silicon Fen' & Biotech and Life Sciences).
- Higher Education and Research.
- Professional and Financial Services.
- Tourism and Culture and Property and Construction.

In line with the recent 'Case for Cities' report by Inner Circle, Option E maintains the Greater Cambridge 'place' and retains its existing strong delivery focus of innovation and life sciences. One of the recommendations of the Case for Cities report was to 'embed city-led unitaries in devolution deals,' alongside those

city-led unitaries being the 'right size.' The Case for Cities also recognises the Cambridge/South Cambridgeshire geography as the recognised economic area for innovation and investment, through the connections of R&D locations, high growth in areas like Northstowe and Waterbeach and strong transport links. Option E maintains this focus on Greater Cambridge, allowing delivery goals to continue unhalting.

The key economic sectors for Greater Peterborough are Logistics and Distribution supported by its location in the cross hairs of major north-south and east-west transport corridors. It is also a centre for advanced manufacturing & engineering, digital and environmental technologies, retail and services, and construction and housing with a strong public sector and education sector.

The central Huntingdonshire area, distinguished by its market towns, is the centre of an existing and rapidly expanding defence sector. With the government committing to increase defence spending to 2.5% of GDP by 2027 and defence markets growing from the current £58bn to £67bn by 2030 defence represents a major opportunity for the area. Its significant economic development cluster and large number of development projects, supported by a significant proportion of the region's infrastructure pipeline, provides an affordable location for a supply chain supporting its local economy as well as support that will underpin the growth of both the Greater Cambridge and Peterborough areas. The area's housing sites and ambition, reflected in the emerging local plan, also underpin the local and regional growth.

In the current local government structure, the council areas can be seen to complement each other economically. Teams within the areas covered by the new Central Huntingdonshire, North-East and Greater Cambridge unitaries have demonstrated leadership and delivery capability which, within Option E, can be taken advantage of by the three new authorities. This provides the base on which to build and maintain momentum, in line with the Government's mission for growth and to expand good practice in existing economic growth strategies, skills support and housing delivery.

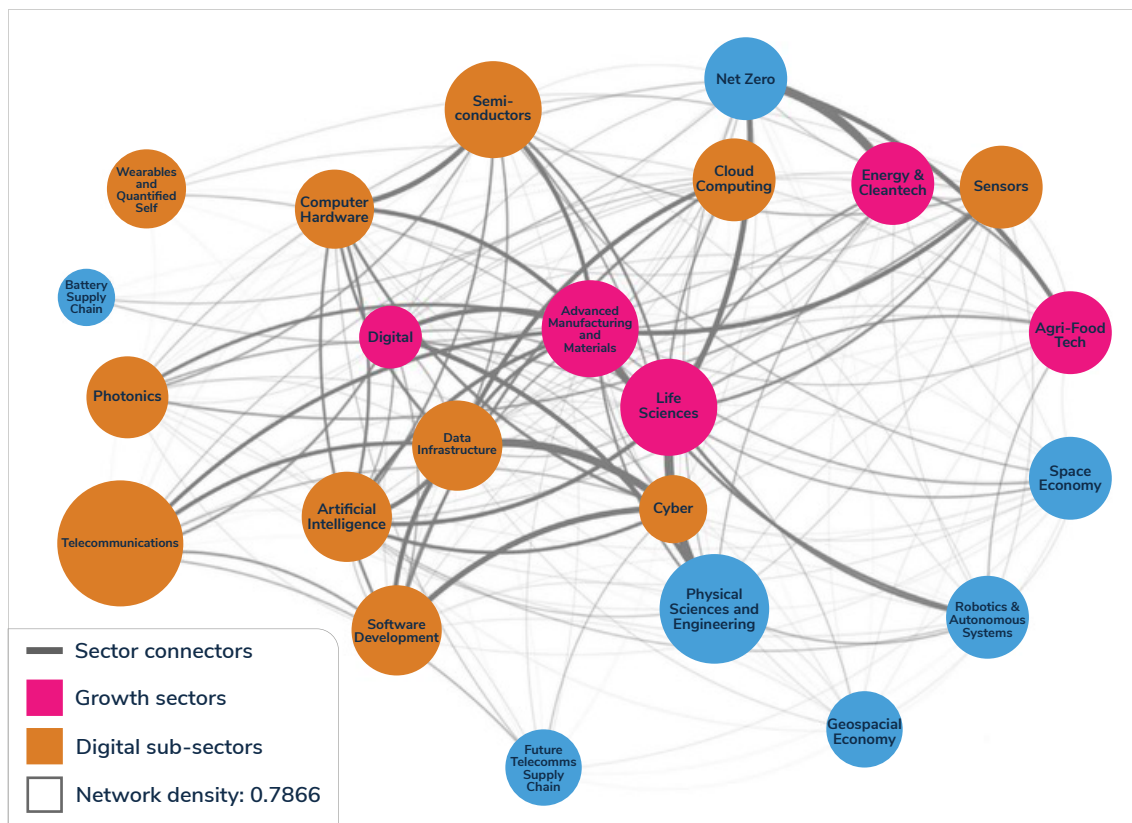
Whilst the regional economy can be divided in to sub areas, focused on the different sectors, there are links which underpin the Cambridgeshire & Peterborough economic area as a whole. With growth in one area and sector providing benefit across the region. The diagram below shows the large network of relationships across the various sectors. Where one sector is growing, it supports the growth and development of another through interconnected industries, talent pools and supply chains. With many different innovation parks, academic resources, research facilities, and manufacturing operations in such close proximity, the sector relationship network is dense and strong. This drives growth by allowing easier collaboration, knowledge sharing,

and synergies that provide a multitude of high-level jobs attracting investment and in turn more innovation. It extends beyond the boundaries of the two main growth poles across the region.

Case study for sector relationship network

Paragraf – founded as a spin-out from Cambridge University’s Centre for Callium Nitride, Paragraf launched its first site in Somersham in 2018. It has expanded rapidly since then, growing from three employees to over 110 in six years. In 2023, they expanded with a brand-new manufacturing facility in Huntingdon, positioning the organisation for future growth. This demonstrates how Cambridgeshire & Peterborough as a region retains highly productive businesses through a strong sector relationship network, with the strong Greater Cambridge cluster impacting on growth for the rest of the region. It can be argued that protecting Greater Cambridge’s place identity will contribute to the prosperity of the region.⁵⁰

Figure • – Sector Relationship Network – CA Local Growth Plan

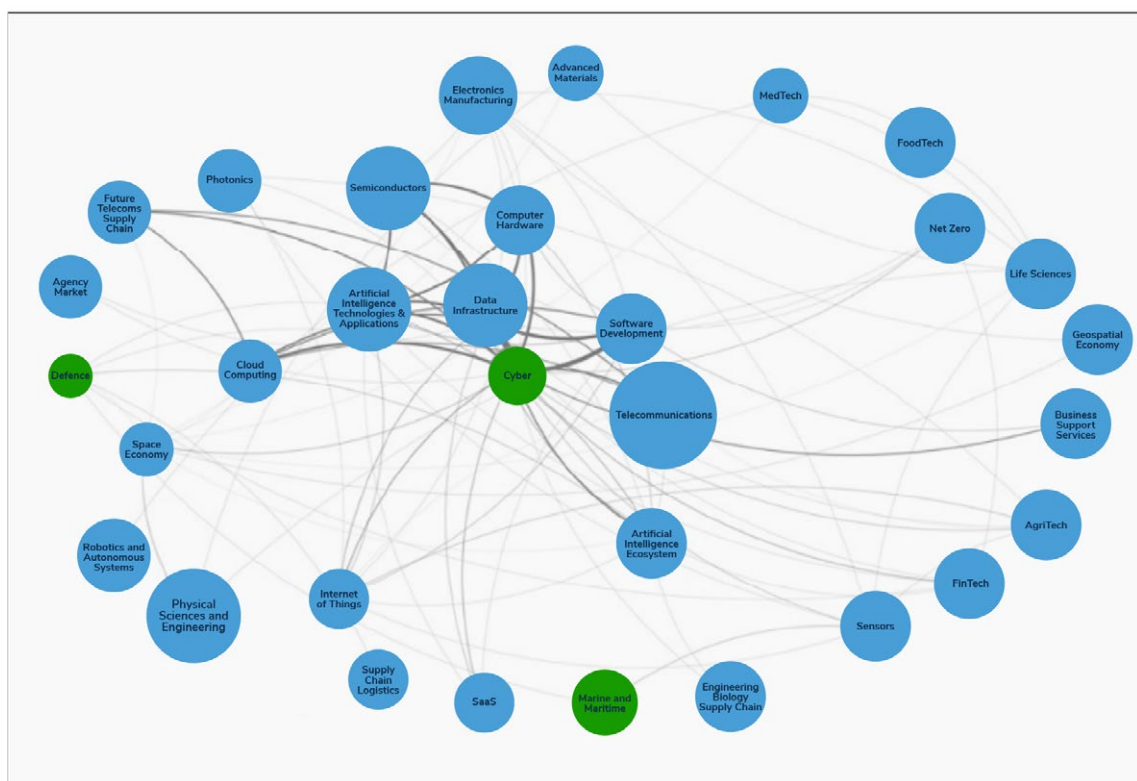


50 [C220817 CPCA Prospectus](#)

The sector analysis forms a key part of the CA Local Growth Plan from which a number of sector diagrams have been taken. Overall, the work highlights the synergies and cross benefits between the different sectors across the region. The work also identifies the relationships relating to specific sectors – with diagram below illustrating defence in the region.

Defence is a key sector for the region, being one of the only sectors in the UK that over the next few years will benefit from significant increased public sector spending. It can therefore be a key element in terms of regional growth. The region, and in particular Huntingdonshire, provide the opportunity to unlock and benefit from this growth.

Figure ● – Defence sector relationship Network – CPCA Local Growth Plan



Defence: Our defence cluster encompasses a broad and diverse range of private and public sector activities across the entire defence supply chain.

Huntingdonshire already provides a location for a significant number of public and private sector defence organisations. It is the location of two strategically important UK and US defence sites (RAF Wyton and Molesworth) where significant investment in defence and supporting infrastructure has already been made. This is likely to continue in the future. The public sector investment has also been accompanied by the growth of private sector defence contractors and a supply chain, focusing on the region and, in particular, the North Huntingdonshire Opportunity Zone.

Figure • : Main RAF bases in the local area.
 (Source: [invest-in-huntingdonshire-brochure.pdf](#)).



Huntingdonshire’s strategic development sites provide the opportunity to continue to focus on defence, taking advantage of the increased public sector investments and the related private sector growth.

The scale and strategic importance of this sector for the Region and UK justifies the LGR options taking into account the ability to deliver these defence growth opportunities which could have a significant positive impact on national security and maximise wider economic growth opportunities that can be delivered through defence. Reducing the risk that this opportunity is missed or stalled should be a key consideration and has fed into the development of Option E. By diluting the engine house that is Huntingdonshire, wider economic

growth opportunity could also be impacted due to the high level of delivery that the authority currently carries out.

Option E – basing the new authority on the Huntingdonshire area as a planning and economic delivery organisation, would enable specific investment projects to benefit from the continuing planning and delivery expertise that the existing council demonstrates, without the potential hiatus that new planning and delivery approaches associated with different administrative areas, would involve.

There is a secondary benefit to Option E, in terms of sustaining existing delivery capacity and delivery momentum. In organisational terms Option E provides stability and the ability to retain experienced planning, economic and delivery teams covering the Huntingdonshire area – an area that has consistently delivered over the past decade. For all other options the two councils focused on the two cities would have this advantage, but the Huntingdon teams would be split or potentially, become the junior partner in consolidated teams alongside the potential for critical projects in the region to be delayed or shelved as they are. There is the risk that the authorities explored in other options could lead to Huntingdonshire becoming a secondary priority to the anchor cities. The advantage of retaining Huntingdonshire's existing capacity reflects one of the critical success factors identified by Cambridge Ahead⁵¹ in their statement on LGR. They state that a key factor to be considered by LGR should be that 'local authority functions that support good growth are maintained through the transition and are designed to operate more efficiently and effectively in the future'. Option E works to achieve this by maintaining the high growth of Huntingdonshire as a unitary authority.

4.1.2 Economic opportunities through simpler governance structures and joined-up services

Governance and decision making

The principles behind LGR at the national level provide the opportunity to develop simpler governance structures and services. Option E and the creation of three authorities, each with clear but separate challenges and opportunities, in turn provides the opportunity to develop clear principles for each authority relating to clarity and transparency, in terms of how decisions are made and how the governance structures operate.

The geographic, demographic and economic description of the three areas covered by Option E demonstrate that each area has a distinctive role. Each will be able to identify a focused set of consistent and self-reinforcing priorities underpinning a clear vision and corporate strategy. The distinctiveness

⁵¹ [Cambridge Ahead Statement on Local Government Reorganisation – Cambridge Ahead](#)

and focus will be clear to residents, businesses as well as investors and infrastructure providers, and other stakeholders such as health partners and the voluntary sector. How decisions are made and priorities balanced should be clear, with competing and inconsistent demands minimised within each authority.

The competing demands relating to different challenges and issues between each of the three authorities will be focused at Combined Authority level and the Strategic Board. Here the constituent authorities will be balanced and matched in terms of role, capability and influence that they bring.

This simplification has the potential to feed through into simpler decision making, benefiting inward investment and infrastructure funding. This simplification can also benefit other areas, with the greater connection of economic development to skills allowing easier delivery of positive outcomes for the CPCA in areas like adult education. In this respect three authorities with the necessary delivery capacity have advantages over either two authorities, with one large and one small, or three smaller authorities. Whilst at the strategic level there are three parties for infrastructure providers to address, much of this strategic engagement will be the responsibility of the Combined Authority.

This simpler decision making will be important in resolving a number of infrastructure constraints including water and power. Whilst these apply to the region as a whole Huntingdonshire's role in the new structure will be important in resolving them – both in terms of land and leadership. Huntingdonshire is the location to a significant proportion of the region's development and infrastructure pipeline projects. It has a good track record relating to delivery and has developed some momentum in delivering projects. These projects benefit the wider region as well as the local area. Developing governance and decision making based on the existing area, plans and relationships is likely to retain this momentum in line with both existing and emerging local plans as well, regional and national policy.

Governance and the region

The three unitaries would have complementary roles in relationship to each other in Option E and in relation to sector specific strategies. The North-Eastern Unitary could have a focus on housing, regional growth and infrastructure, the Central Huntingdonshire Authority would focus on defence, housing and infrastructure to support both Greater Cambridge and Peterborough whilst the South Western Unitary focus would be principally on high-tech jobs, connectivity, life sciences and innovation. All three could develop the necessary services and delivery capacity relating to their sectors. Specifically planning and regulatory function could develop operational specialisms in these sectors within the three new councils, and in turn more effectively supporting the

growth ambitions of both business and CPCA. This would optimise the use of existing capacity and capability both before and after transition to the new authorities.

Option E avoids an over-concentration of investment in one area (as per Options A/B) and instead creates balanced growth opportunities across the region. All three unitaries already have distinctive, well-performing clusters as identified in the CA Local Growth Plan. With Government endorsement and investment to support strategic economic growth through the National Industrial Strategy, Oxfordshire-Cambridgeshire Corridor,⁵² CPCA Economic Growth Strategy and the Local Growth Plan. The three unitary proposals present an excellent means of capitalising and delivering on the growth potential.

Decision making and national policy objectives

Under Option E, a North-Eastern Unitary with greater focus on housing, regional growth and infrastructure would be able to take advantage of the link to Homes England Strategic Plan 2023-2028 priorities and Homes England Strategic Place Partnership (the latter being a key mechanism in delivering CPCA's housing and infrastructure objectives). There is a strong recognition that boosting diversification in the housing sector and stimulating private-sector investment, especially enabling SMEs to increase involvement in the sector, and promote the use of modern methods of construction would be critical to delivering the region's housing growth. This unitary covers a large and diverse supply chain; growing, manufacturing base and housing delivering. Achieving a high level of growth will provide the opportunity to develop and fund the supporting public services required in the area.

Similarly a South-Western unitary, focussing more specifically on life sciences, innovation and high-tech connectivity can capitalise on the link to National Industrial Strategy priorities being tailored locally to emphasise life sciences, advanced manufacturing, AI, and food production, with actions to improve skills, infrastructure, and productivity, and the Government's significant investment, for example, £500m Greater Cambridge City Deal and £600m Devolution Deal, dedicated to infrastructure, skills and doubling the area's economic output over 25 years.

The Central unitary would provide the key link to optimising the regions benefit from defence investment, ensure that the region is fully linked with the Oxford to Cambridge Corridor and contributes to the government's housing targets – specifically by helping to enable and accelerate the Tempsford New Town.

⁵² www.ft.com/content/57286a31-9a56-4a1c-a253-2a3ea7178519

Strategic transport links and connectivity are an important enabler to growth. Option E would require continuing partnership working with Greater Cambridge and the CPCA to enable the region to benefit fully from the Guided Busway and continue to support the delivery of East West Rail (Oxford–Cambridge) to unlock productivity and innovation along this science-rich corridor. This continued partnership working would enable £78bn of GDP to be added to the UK economy by 2035 (research commissioned by the Oxford-Cambridge Supercluster Board).

Similarly, the Huntingdonshire area, includes the recently upgraded A14, a £1.5bn project.⁵³ This is a key piece of infrastructure linking the different opportunity zones identified in the Local Growth Plan, and also a key link improving the accessibility of rural parts of the region such as Fenland (via A141). Option E allows a stand-alone Huntingdonshire unitary to continue to leverage the benefits of this upgrade for the organisations and the Southern unitaries growth, thus having a cumulative impact on benefits to the treasury.

Cambridgeshire & Peterborough combined authority Local Growth Plan

The emerging Local Growth Plan reflects both the economic opportunity of the area as well as Government aspirations and priorities. Option E has a clear alignment with both.

The Local Growth Plan illustrates three growth scenarios to 2050, ranging from a GVA increase to £42.5bn, with business as usual, to £97.2bn, for the high growth scenario. Maximising growth is clearly a regional ambition which aligns with national policy. Whilst none of the LGR options bring with them an increase in the constituent economic assets or tools, it is likely that different options will have an impact on the extent to which achieving maximum growth is supported.

In this context it can be argued that Option E is the option which most supports the regional and national growth ambition.

In terms of the opportunity zones identified in the Local Growth Plan there is an alignment between the North Huntingdonshire Growth Cluster, Global City Cambridge and Peterborough growth opportunities. Huntingdonshire has a sector focus including life science, defence and advanced materials and manufacturing and it shares sectors with Peterborough relating to infrastructure, housing growth and manufacturing.

⁵³ [Mace Group | A14 Cambridge to Huntingdon Improvement Scheme](#)

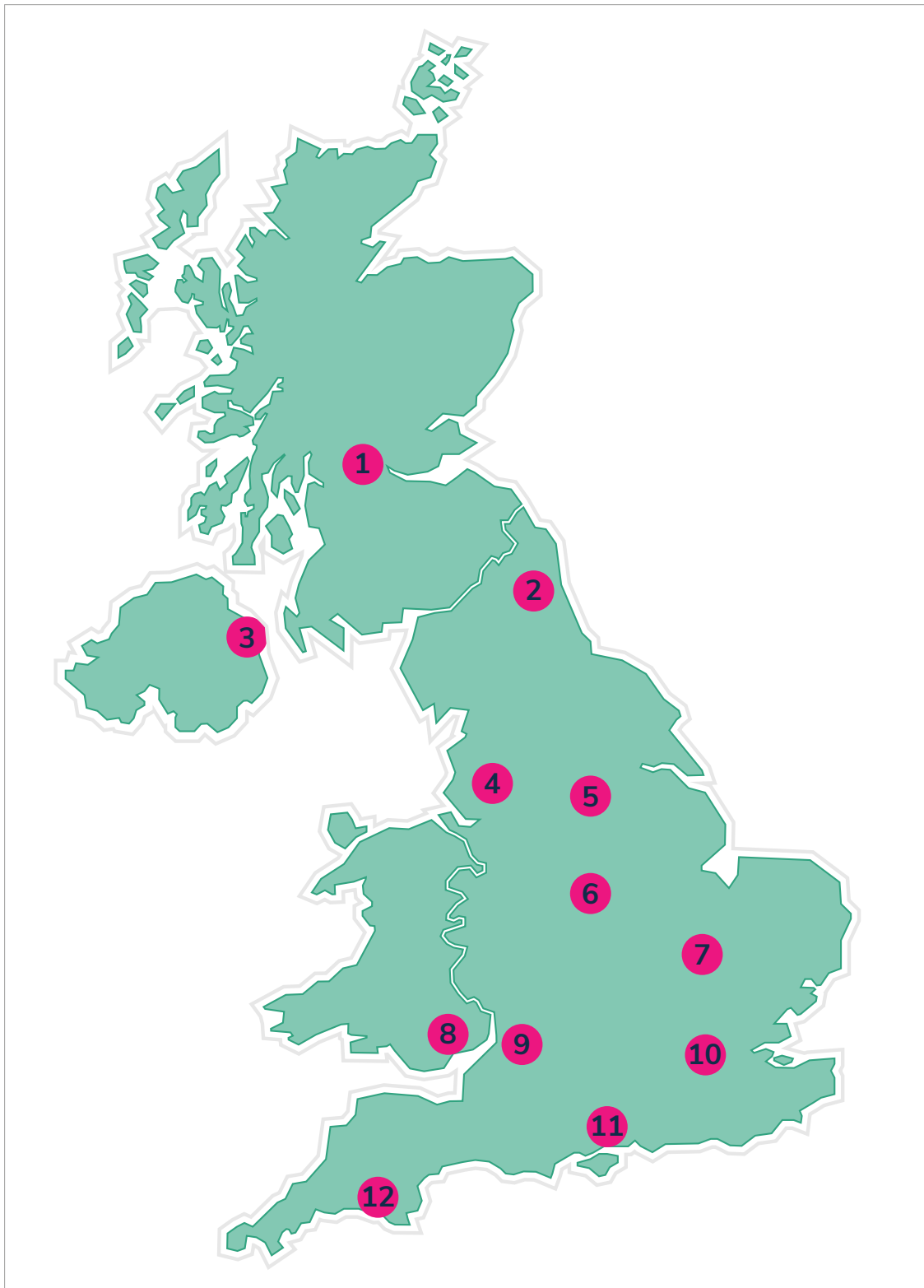
It is the defence sector that distinguishes Huntingdonshire from Greater Peterborough and Cambridge, and which supports a third Central unitary council. Although Cambridge's role is nationally important and has a global footprint the potential role of the Central authority could have the same impact on regional and UK growth. Defence is a unique sector where the increase in public sector spending is very likely to increase significantly. Huntingdonshire has an existing national and international defence organisation presence and development sites linked to these public and private sector organisations which are being planned for expansion – supported with the necessary infrastructure through an existing development pipeline. Basing one authority on this existing and successful delivery area is a low-risk option in terms of delivering the Local Growth Plan.

Within the region the Central authority would take a leading role in terms of defence growth opportunities – one of the few areas where growth could be underpinned by significant increases in public sector spending. As highlighted in The Government's 'Defence Industrial Strategy⁵⁴' and 'Huntingdonshire: Supporting defence and Accelerating Economic Growth⁵⁵' sites such as RAF Wyton provide the opportunity to attract new investment building on the area's existing role as the location for the National Centre for Geospatial Intelligence. It can be used to support existing defence activity and develop new defence related supply chains. The image below is taken from the Defence Industrial Strategy and highlights 12 areas selected as High-Growth-Potential Frontier Industry Clusters. Number 7 represents the Oxford to Cambridge Growth Corridor, highlighting the area's role as a high-growth area for defence. There is the opportunity to develop knowledge intensive industries to benefit the region. Option E would create a new authority that could focus on this growth, invested in helping to deliver this element of Combined Authority's economic policy. The option also allows alignment with the Defence Industrial Strategy's focus on skills development, with the new Huntingdonshire authority well-placed to build off existing connections to education providers like ARU and Cambridge University, whilst also having the capacity to create new institutions or apprenticeship routes.

⁵⁴ [Defence Industrial Strategy: Making Defence an Engine for Growth](#)

⁵⁵ [huntingdonshire-defence-opportunities.pdf](#)

Figure • : High-Growth-Potential Frontier Industry Clusters in the UK. (Source: Defence Industrial Strategy, High-Growth-Potential Frontier Industry Clusters).



Within the region, the Huntingdonshire area would have both a complementary and bridging between the three council areas. It could provide alternative and affordable delivery solutions to the three key sectors underpinning the opportunity zones. It could also provide supporting infrastructure, supply chains and housing, based on the interventions and projects already identified in the Local Growth Plan (and spatial plans). The rationale for this activity would be clear, and self-evident to government, infrastructure providers and private sector investors.

Option E would also enable the wider area of Cambridgeshire & Peterborough to better benefit from the growth generated by this growth strategy. In terms of placemaking and reducing inequality, success is often based on using areas as stepping stones or bridges between the areas of greatest inequality i.e. linking Cambridge to areas within the new North-East council. The Huntingdonshire area offers growth potential via land availability which can support key sectors with complementary and affordable development opportunities – helping to balance and support economic growth more widely. It is not just growth but reducing the gap between the two other authorities in terms of deprivation, raising Fenland and Peterborough's performance, while allowing the South West to keep scaling its global knowledge economy.

Alternative options would create unitaries featuring conflicting priorities and reduce any cross-subsiding merits that could come from coupling them together. Such an approach is also likely to undermine the regional and national growth ambition and the objective of delivering GVA of £97bn by 2050.

An issue exists that will need to be resolved which ever option is selected – how investment is prioritised across the new authority areas and region, when the main determinant i.e. BCR tends to be highest for projects focused in and around the Cambridge City area. This will need to be resolved by the new authorities as well as by the Combined Authority.

4.1.3 How can Option E deliver for all areas in Cambridgeshire & Peterborough?

The proposal for Option E to form three new unitary authorities seeks to reflect the interests, strategic priorities and ambitions of each council and positive outcomes for each local authority. The region has recognisable economic geographies and places. Their distinct identities complement one other, and the ambition is to complement each other in the future to support regional growth.

The North-Eastern unitary could see the creation of significant capacity for housing delivery and logistics and fulfil a strategic role in agri-tech and food security. It could also serve as the housing and logistics engine for wider regional growth and help strengthen skills and employment access via links to Cambridge's innovation economy. This unitary would be able to focus on

the issues of educational attainment and connectivity providing a key role in reducing inequality within the region.

The Central authority would reflect the market town character of its three main urban areas, its location along regional and national transport corridors as well as development opportunities provided in part by the areas defence related history and future role at the national and international level. This area would be outward looking providing a regional link to the Oxford to Cambridge Corridor and bridge to support the delivery of Tempsford in Bedfordshire. Its market town areas can provide support for adjoining cities to thrive and grow, due to their strong transport connections to urban centres and their position as residential hubs.

The South-Western unitary would represent an anchor authority for the country's innovation and R&D economy. It would build upon Cambridge's reputation as a global science and tech leader, and retain the existing identified 'place' boundaries of its growth.

4.1.4 Key and emerging sectors in the North-East and South-West unitary areas

The analysis of economic sectors undertaken by England's Economic Heartland (EEH), the Sub-national Transport Body spanning the existing Combined Authority area and wider sub-region, highlights sectoral strengths across both proposed councils (Connecting Economies, 2024). Similarly, the Innovation Clusters Map prepared by the Department for Science, Innovation and Technology (DSIT) identifies the extent and strength of existing sectoral footprints within the geographies under consideration; this includes across local authority boundaries as well as concentrations of specific sectors.

Across the entire geography under consideration there are currently two distinct Innovate UK (IUK) clusters; one concentrated around Peterborough to the north and Cambridge (including Huntingdon) to the south, respectively. Both are classified as 'Research and Development Collaborating' clusters.

Table • – IUK funding⁵⁶ (Source: DSIT, IUK funding data to January 2023).

Breakdown of Innovate UK funding across both Clusters	Peterborough Innovate UK cluster	Cambridgeshire Innovate UK Cluster
IUK funding (% of all companies across the UK)	0.3%	2.4%
Companies benefiting from IUK funding	133	988 companies
Estimated number of employees benefiting from IUK funding	24,500	40,700
Collective company turnover IUK recipients	£5bn	£18bn
IUK Funding distribution by company size (where known)	28% established 9% scale up companies 14% SMEs 12% start-up	16% established 19% scale up companies 21% to SMEs 23% start-ups

There are sectoral similarities in both Peterborough and Cambridgeshire clusters; namely, Life Sciences, Food Technology, Net Zero, Digital, Cyber and Electronics Manufacturing. Specifically, Peterborough also has a distinct and growing Bio Science sector. Alongside this, there is evidence of clearly defined and concentrated sectoral footprints in the south of the geography across multiple sectors including Advanced Materials, Advanced Manufacturing, Photonics, Quantum Economic, Medical Technologies, Omics (Biochemical), Pharmaceuticals, Computer Hardware, Agricultural Technology, Artificial Intelligence, Clean Tech, Telecommunications and Life Sciences (Source: DSIT Innovation Clusters Map).

This current level of economic activity coupled with significant public investment in innovation demonstrates the presence of distinct and high performing clusters when compared to other clusters across the UK. In terms of geography these clusters are focused on the main urban areas and opportunity sites in the three proposed unitaries in Option E – Peterborough, the towns of Huntingdonshire and the City of Cambridge. This provides a strong foundation to enable economic growth across established and emerging sectors under the

⁵⁶ [DSIT research and development \(R&D\) allocations for 2025/2026 – GOV.UK](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/114444/dsit-research-and-development-r-d-allocations-for-2025-2026.pdf)

proposed governance arrangement. Major investment in infrastructure such as East-West Rail will link the eastern clusters with growth opportunities across the Corridor. This focus on supporting growing sectors is also aligned with the Local Skills Improvement Plan⁵⁷ with Option E allowing for effective growth in life sciences in the South, advanced manufacturing in Huntingdonshire and the North, alongside agri-tech.

Overall, Option E could make it simpler for stakeholders to understand, engage and work with the authorities through the creation of a brand identity with a clear and distinguishable brand for each council area. This is also supported by the sector analysis from 'Cambridge Ahead' which highlights that over the past decade sectoral clustering has increased. Supporting the existing clusters and providing an economic bridge to the surrounding parts of the region is a realistic approach to maximising the benefit of growth and impact for innovation outcomes.

4.1.5 The role of defence in Huntingdonshire

Option E effectively recognises that Huntingdonshire holds a strong economic position within the region – a position that is projected to strengthen in line with new developments in defence. The area has a longstanding military history, particularly in aviation during the Second World War, with sites such as RAF Alconbury and the role of the Pathfinder Force; leading in to the Cold War and its modern guise. This history contributes to the passion and pride of our communities around Alconbury, Molesworth, Kimbolton and beyond.

RAF Wyton is located on the northeastern edge of the Oxford-Cambridge Growth Corridor, an area of significant growth and development. It is also conveniently located with strong transport connections to areas like London, Manchester and Birmingham. The council has shown strong interest in driving growth in the defence sector, outlined by the recently published 'Supporting Defence and Accelerating Economic Growth' Plan, highlighting how Huntingdonshire is well-placed to capitalise on defence opportunities.

RAF Wyton currently serves as a hub for collaboration with over 2,500 personnel working on the base (expected to grow by 1,000 in 2032). The location is the National Centre for Geospatial Intelligence and its connections to local industry and academic institutions allows for significant opportunity to expand its remit in research and innovation. The Government has announced its intention to invest c. £750m over the next 10 years as part of its 'trailblazer' scheme, and the Defence Industrial Strategy 2025: Making Defence an Engine for Growth (Plan for Defence) indicates the importance of Wyton to UK defence. This indicates the government's focus on connecting defence

⁵⁷ [Cambridgeshire-and-Peterborough-Local-Skills-Improvement-Plan.pdf](#)



Figure [●]:
Alconbury Weald.

to economic growth, with the Strategic Defence Review directly stating that 'Defence... has a significant untapped potential to be a new engine for growth.'

It has been made clear by recent announcements that the opportunity for creating a defence cluster in Huntingdonshire is not only achievable, but desirable by the government (Project Fairfax) as a response to the Defence Industrial Strategy. This defence cluster could provide greater collaboration between research and industry with the capability to accelerate innovation at pace; and also reinforce the links between defence and community/place. It will build on the existing intelligence hub that Wyton is already home to, and wider connections to Molesworth and beyond, whilst providing increased job opportunities, growth and investment in the region. Huntingdonshire District Council is keen to support the development of this opportunity by maintaining existing delivery capacity and momentum. This ambition has cross party support, locally, regionally, nationally; as well as significant support and interest from significant industry leaders in the sector; and most important of all, the Military of Defence. Huntingdonshire is already committed to delivery of this ambition, regardless of Local Government Reform; and Option E allows this to continue at pace, without being derailed or obstructed by the reform process. In fact, it would create conditions to allow this to happen within a simpler structure, with improved governance and a desire to deliver as soon as possible.

Option E acknowledges the above developments through its recognition of Huntingdonshire as a unique area that should be preserved in its current geography. Residents will best benefit from these opportunities if the area's strong identity is maintained and the current track record of economic development delivery is strengthened. This interplay with the Councils Place

Strategy (Pride in Place / Inclusive Economy) and the CPCA Local Growth Plan – North Hunts Cluster – represents a central facet of the ambition of Option E. Huntingdonshire can deliver the growth and ambition necessary to deliver the Governments clearly stated ambition.

Huntingdonshire's future role in defence could allow the area to be comparable to the other 3 FEMA's (Greater Peterborough, Greater Cambridge and the Fenlands) This has already been alluded to in the CPCA Local Growth Plan which identifies 4 growth clusters in the region – the city regions of Peterborough and Cambridge, the Fens Growth Triangle and the North Hunts Growth Cluster, which includes Wyton. The growth effects will also spill-over to the neighbouring authorities through existing transport connections and strong industry ties that already exist to RAF Wyton, through its connection to educational institutions and within its role in the Armed Forces Covenant Partnership. The ambition can also link the region to other similar clusters in Lincolnshire, Oxford, and Norfolk. It would also enable the continued work and collaboration with existing academia such as ARU, Cambridge Regional College, and Cambridge University – all of whom currently operate without the restrictions of local authority boundaries. Defence will therefore be a key economic focus for the new unitary authority and the developments posed justify the exploration of maintaining Huntingdonshire's current boundary.

Huntingdonshire is committed to defence and its legacy to the community, with established activities on the Armed Forces Covenant; along with specific economic development work around embedding local suppliers in the defence supply chains; and working with key businesses in other sectors (such as life sciences) on development of policies and links to provide job opportunities for veterans or ex-military personnel.

Option E is the only credible proposal which would enable certainty of delivery of this ambition; this is due to ability to allow continued focus on developing the defence cluster whilst wider transformation takes place. This, combined with a clear understanding of the established pride in place, the military legacy, and the aspiration to create an inclusive and sustainable economy for all would all support retaining Huntingdonshire, albeit as a unitary, thus retaining a credible and ambitious delivery partner for Government who, in collaboration with other industry, place, and academic partners can unlock the true potential of this opportunity.

Achieving this growth will have natural benefits as a result of spin outs, and supply chains, as well as labour, skills and educational opportunities for the other two unitaries proposed under Option E, and would link the growth ambitions of the two core cities with a future node for investment, innovation, research and development.

Case study – Huntingdonshire’s capacity for delivery

On the 28 November 2025, Huntingdonshire District Council hosted a House of Commons event, spotlighting the region’s potential as a centre for growth, innovation and investment. The event focused on the importance of collaboration in driving sustainable growth, with a recognition that partnership working between local government, industry and central government is key to delivery. The event showcased Huntingdonshire’s strategic role in delivering growth in defence, with the council’s momentum, ambition and vision cited as fundamental to opportunities surrounding RAF Wyton. Huntingdonshire continues to work with partners to progress the delivery of these ambitions, with the next event planned in the district itself.

This event was attended by partners from politics, Government/Civil Service, MOD, and most importantly industry – with representation including significant representatives of many key primes such as Lockheed Martin; QuinetiQ; Beretta; BAE; Airbus; and many more. There was consensus of agreement that unlocking potential of a defence cluster in Huntingdonshire is an absolute must, in the national interest, to ensure the UK has a strategic and operational advantage in the future; and to ensure that the UK has an innovative and responsive industrial base in what is an ever increasing unstable geopolitical scene.

The above ambitions are reflective of one of the council’s key journeys in its place strategy – Inclusive Economy. The project to boost and grow defence delivers on the council’s wider ambitions to bolster economic growth in the region, whilst ensuring that this growth links back to the district’s strong place identity.

This innovative approach demonstrates how Huntingdonshire currently adopts a forward thinking; pro-growth; and solution/outcome focussed approach. This demonstrates the commitment to go beyond existing structures and not be bound by process or lanes. Ambition and capacity to deliver is therefore exemplified in all aspects of Huntingdonshire, and this will be taken forward as guiding principles/culture within the new Huntingdonshire unitary for Option E.

4.1.6 How Option E can provide capacity to deliver economic growth

All the existing councils have demonstrated strong capabilities to plan and agree a local economic strategy, define clear economic priorities and develop and deliver projects in accordance with local, regional and national strategies. They each ensure that pipeline projects within their respective local authority boundary or cross-boundary are captured by the Cambridgeshire & Peterborough Combined Authority to ensure effective monitoring and engagement with national infrastructure partners and central government.

Following reorganisation, the three new unitary councils would continue to work proactively with CPCA to secure further funding, progress project delivery and ensure economic benefits are realised to maximum effect. Under any new governance arrangement, they will remain resolute in retaining enablement and delivery of economic growth as a guiding and core principle.

As already highlighted, Option E provides the opportunity to use existing delivery capacity most efficiently. The scale and the track record of the three authorities will enable them to dedicate the necessary resources to economic growth. The division and different economic opportunities will enable each to focus and develop more specialist skills and knowledge. All of these factors make it more likely that this option will support the maximisation of growth in the region. There is an additional benefit to Option E, in terms of sustaining existing delivery capacity and delivery momentum across the three focus areas for growth. In organisational terms Option E provides stability and the ability to retain experienced planning, economic and delivery teams covering the Huntingdonshire area (an area that has consistently delivered over the past decade as highlighted by the significant number of investment projects outlined in section 8) in addition to Greater Peterborough and Cambridge. For all other options being considered the two councils focused on the two cities would have this advantage, but the Huntingdon teams would be split or potentially, become the junior partner in consolidated teams with different priorities. This advantage reflects one of the critical success factors identified by Cambridge Ahead in their statement on LGR. They state that a key factor to be considered by LGR should be that it should enable the functions that support growth to be maintained.

Through LGR, existing initiatives can also be continued and developed further through additional resources, maximising the positive impact they have over the geographic area. This includes economic growth but also clean-energy initiatives. For example, several organisations have started to decarbonise their buildings, implementing solar energy, carrying out grant schemes (South Cambridgeshire's Net Zero Villages Scheme) or participating in partnerships to improve home energy (the Local Area Energy Plan). Option E allows existing good practice to be continued, at pace.

4.1.7 The importance of place connections

As Cambridge is the major employment hub in the region, large numbers of people travel from South Cambridgeshire, East Cambridgeshire and Huntingdonshire into Cambridge daily for the innovation sectors and universities. The Guided Busway and key roads support this flow.

The travel data shows that three unitaries are relatively self-contained in terms of commuting. However, as one would expect the Central area has commuting both into Peterborough and South to Cambridge. This is encouraged by the excellent transport links going north and south. The North-West unitary has an internal containment rate of 78% with inbound commuters (40,000) coming mostly from South Kesteven.

In what would be the North-East unitary, Peterborough attracts commuters from the more residential district council areas of Fenland and East Cambridgeshire to work in priority sectors such as manufacturing and logistics.

The alignment of land use, housing, and transport planning can be jointly managed by the three new unitary councils to reduce congestion and support workforce needs, with each developing a focus on the sectors specific to their area to support local employment and productivity. This will be a key role for the new authorities working together and with the Combined Authority.

4.1.8 How can Option E help deliver pipeline infrastructure projects?

The Cambridgeshire & Peterborough Combined Authority Pipeline Tracker consolidate approximately 140 pipeline projects across all relevant local authorities; detailing project type, project status and potential project value coupled with other known expected outputs and benefits. They range from provision of new infrastructure at Grafham Water to development and regeneration around Peterborough Station, being led by the City Council.

Based on available project data as of August 2025, Option E results in 17% (23) of all projects falling in a single unitary option. Similarly, under this option, 11% (7) of infrastructure projects would be captured in the area. By comparison, options A and B, would result in a less balanced apportionment of projects with the number of projects for Option A at 60%:40% and Option B, 70%:30%. Under Option A, 64% (29) of infrastructure projects would fall under option U1 with 36% (16) under option U2. Overall, Option B could potentially lead to a less balanced apportionment of infrastructure projects with 76% (34) located under Option U1 and 24% (11) under Option U2.

Huntingdonshire has the second highest number of pipeline projects (23) across the seven local authorities considered under all options; behind Peterborough City Council with 30 projects. Where project metrics are known, 52% (24,000) of all potential jobs and 28% (15,227) of all dwellings across the CPCA area fall within Huntingdonshire. This demonstrates the high concentration of pipeline projects which would be included under Option E and the advancement of several projects led by or falling within the existing Huntingdonshire District Council boundary.

Overall, the significant proportion of pipeline projects currently led by Huntingdonshire District Council represents a strong capability and capacity to progress commercial, housing and infrastructure projects from inception, assess and overcome viability challenges and plan at scale to ensure a significant contribute to local and regional economic development outcomes. Option E would retain this capability.

Table •: Pipeline tracker (Source: Analysis of CPCA Pipeline Tracker, August 2025)

	Option A		Option B		Option C	Option D		Option E		
	U1	U2	U1	U2	U1	U2	U1	U2	U3	U1
Overall distribution of pipeline projects (%)	60%	40%	70%	30%	51%	49%	34%	35%	35%	17% within U1
Distribution of infrastructure projects by total	29	16	34	11	27	18	19	15	14	7 within U1
Potential investment (%)	78%	22%	79%	21%	77%	23%	4%	75%	21%	0.3%

As CPCA would act as Sponsor for specific projects, with the local authority acting as delivery lead, no option would significantly hinder the delivery of existing or planned infrastructure arrangements. This approach would also reinforce the support for the opportunity zones proposed in the Local Growth Plan and spread across the three unitaries. It is important to stress that the Pipeline Tracker provides a snapshot of pipeline projects to date, and this will fluctuate based on project progression, approvals and prioritisation against combined authority and local strategic objectives, respectively.

At both the authority and regional level partners will need to continue to work to ensure that an equitable share of infrastructure and other investment is delivered in both unitary areas. Both private and public sector needs to be understood in the context of return on investment. In many cases the benefit cost ratio (BCR) used to assess public sector investment will be easier to demonstrate in the Cambridge area. This should not be to the exclusion of other investment that will assist growth and contribute to the wider objectives for the region.

Approximately, £9m of Innovate UK funding committed across Huntingdonshire; £4.3m in logistics and freight, £3.9m in retail, £620k in business support services and £62k in research consulting – physical sciences and engineering.

Significant foreign investment includes £219m investment from the United States to deliver European Infrastructure Consolidation (EIC) works at RAF Molesworth. Work commenced in 2024 and due to be completed in 2028. The site is home to the Joint Intelligence Operations Centre Europe Analytical Centre and several units from 423rd Air Base Group. RAF Wyton identified jointly by MoD and Homes England as a strategic site to deliver significant housing numbers.

The proposed new town in Tempsford, less than 10km south of St Neots is earmarked to deliver 40,000 new homes, maximising the benefits of East West Rail and developing a well-connected new town at the centre of the Oxford-Cambridge Growth Corridor.

4.1.9 The importance of housing

All three authorities in the North-East unitary have significant housing growth ambitions reflected in local plans via large scale developments, emerging new settlements and targeted growth supported by local plan allocations and housing approvals.

- Peterborough is pursuing a high rate of delivery through large-scale settlements and annual targets of over 1,000 homes. It has specific objectives to renew and improve and improve the quality of its existing stock as well as providing new homes suitable for families.
- Fenland is focusing on concentrated growth, supported by both Local Plan allocations and housing approvals across the district.
- East Cambridgeshire is accelerating delivery via emerging new settlements and evolving Local Plan objectives.

With respect to the South-West unitary, the unitarization of the three existing authorities provides the opportunity to enable the delivery of sustainable housing, with access to community and social infrastructure. This will meet the needs of existing residents and support the economic growth of the area. The Greater Cambridge Housing Strategy (2024-2029), identifies the key objectives for increasing overall housing supply with an emphasis on affordable homes and meeting diverse housing needs. Greater Cambridge has increased its housing target significantly, driven by a need to address affordability, sustainability, with several large-scale development projects. The two current authorities have a joint local planning team and an emerging joint local plan.

Option E will enable both the team and planning work to continue seamlessly – reducing planning and delivery risk in terms of housing targets, thus helping to meet the government target of building 1.5 million homes within this parliament.

Huntingdonshire is scaling up its delivery ambitions, aiming to increase completions to meet future population and housing demand, via a new local plan. The Huntingdon Housing Strategy 2020-2025 (mid-term review) highlights the capability that the area will bring to housing delivery. It highlights that key actions around affordability and needs of specific groups have been achieved. This has been parallel to the ongoing delivery of strategic sites and the general housing targets set by the Huntingdonshire Local Plan (2011-2036).

Housing ambitions are facilitated by Option E in the following ways:

- Growth prospects supported by complementary North East plans, Huntingdonshire, Greater Cambridge strengths.
- New unitary boundaries aligning with local plan areas and facilitating improvements in cross boundary coordination.
- It makes land available to support housing growth and underpin economic development.
- Creates moderate to high potential to meet housing targets, which can be readily managed.
- Housing delivery will be integrated with infrastructure and transport improvements.
- Enables consistent approaches to affordability, design quality and environmental standards.
- Supports Homes England CPCA Strategic Place Partnership initiative.

To meet the local growth plan, sufficient affordable housing will be needed. This is particularly the case in the North-East, which is very people-centric, with industries reliant on people being located nearby. The South-West by contrast is more tech focused with workers more widely spread and drawn from a wider travel to work area.

The Central Huntingdonshire unitary will be able to provide a supporting and complimentary role both in terms of housing accessible to the growth clusters and affordable housing supporting growth and local services. The scale of some of the opportunities provides the opportunity for the development to be sustainable, balancing economic growth and providing the opportunity to provide the full range of social and community services along with homes.

The larger geographic area provides more scope to deal with these housing needs and challenges, balancing challenges and opportunities linked to varying values across the area.

4.1.10 Transport and connectivity

Three unitary councils will be simpler to administer from a transport perspective than the current two-tier arrangements. Having a simpler structure will also help to provide more cohesion with regional planning, to be able to negotiate with the CPCA and other bodies such as Highway England. However, Option E will result in the county transport and other functions splitting. There will be the ability to pull different levers to support growth and streamline processes such as highways consents alongside planning which could reduce time and cost of work.

The Guided Busway sits entirely in the proposed South-West unitary, simplifying governance. Future investment, and planning for its future expansion will require cross authority working with Huntingdonshire. The North-East unitary has capacity for new housing and infrastructure beyond that unlocked by existing Levelling Up funding. Transport planning will need to be cognisant of development proposals that emerge on the back of such investment and also the desire to support the further growth of the logistics sector.

Overall, the North-East, Central Huntingdonshire and South-West split enables strategic investment and should mitigate against planning friction with the latter more focussed on growth emerging from Cambridge while the former looking to develop wider connectivity into the Midlands. There will, however, be a need for collaboration on certain major transport infrastructure such as the A14, for example, which is the backbone across the whole region. This will also be the case for the A142 which will have to play an important role in linking Fenland and East Cambridgeshire to the A14.

4.1.11 Challenges that Option E can effectively address

The Cambridgeshire & Peterborough region is home to both high-growth economic areas (such as Cambridge & Peterborough) and economically challenged places (such as parts of Fenland and Huntingdonshire). Option E addresses challenges of economic growth in the following ways:

- Providing scale and leadership needed to attract public and private investment into key growth corridors, including the A1, A14, A47, and the Oxford–Cambridge Corridor.
- Creation of three authorities with greater resources can be more focused on clear growth opportunities and with the capacity to respond to opportunities and potential threats in relation to economic growth.
- Creates simpler, more effective local governance structures.
- Removes duplication and complexity, fragmented economic governance.
- Drives forward long-term housing and economic growth ambitions with clearer strategic alignment with the CA Local Growth Plan and unlocks full potential of innovation clusters.
- Positions all unitaries to better engage in future infrastructure funding opportunities.
- Provides an efficient structure to help engage with infrastructure providers, enabling the delivery of infrastructure which could otherwise become a barrier to growth. This is particularly relevant in relationship to water and power where land and connections are required.

The North-East unitary has a focus on building upon key regional strengths in logistics and agri-tech. It has regeneration potential through targeted investment and new housing delivery including the supply of affordable housing to underpin economic growth and prevent economic disparities between the three unitary areas.

The Central Huntingdonshire authority would provide a delivery and defence sector growth focus. It can reflect the market town character of its three main urban areas, its location along regional and national transport corridors as well as development opportunities provided in part by the area's defence related history and expanding defence role at the national and international level. This area would be outward looking, providing a regional link to the Oxford to Cambridge Corridor and direct support to New Town delivery partners in Bedfordshire.

The South-West unitary provides innovation-led growth, an R&D hub and a corridor anchor, with land availability to facilitate housing and commercial growth which in turn enables more efficient leveraging of the Cambridge innovation cluster – and Cambridge's international standing.

In each area these will support the building of a brand with businesses being able to engage with a single authority to good effect as a unified voice.

4.1.12 Looking to growth beyond our borders

This proposal has explored an option for Local Government Re-Organisation that uses district geographies as the building blocks of the new unitary authorities, thus making the submission compliant with the guidance.

However, this proposal also seeks to explore the potential for a Principal Area Boundary Review to be carried out following submission. This would see an area of Bedfordshire incorporated into the new Huntingdonshire stand-alone unitary. This comes off the back of the New Towns Taskforce Final Report⁵⁸ published by government which labels Tempsford as one of the 12 new towns that should be prioritised in the UK for further development. The request for a boundary review ensures that growth estimates are sufficiently met through future governance arrangements, beyond current demographics.

The new town proposal outlines that Tempsford has the potential to provide over 40,000 homes in a standalone greenfield settlement at the intersection of the East Coast Main Line and East West Rail, in the heart of the Oxford-Cambridge Growth Corridor. It includes a proposed East West Rail station and conversations around the need for a new regional hospital are on-going.

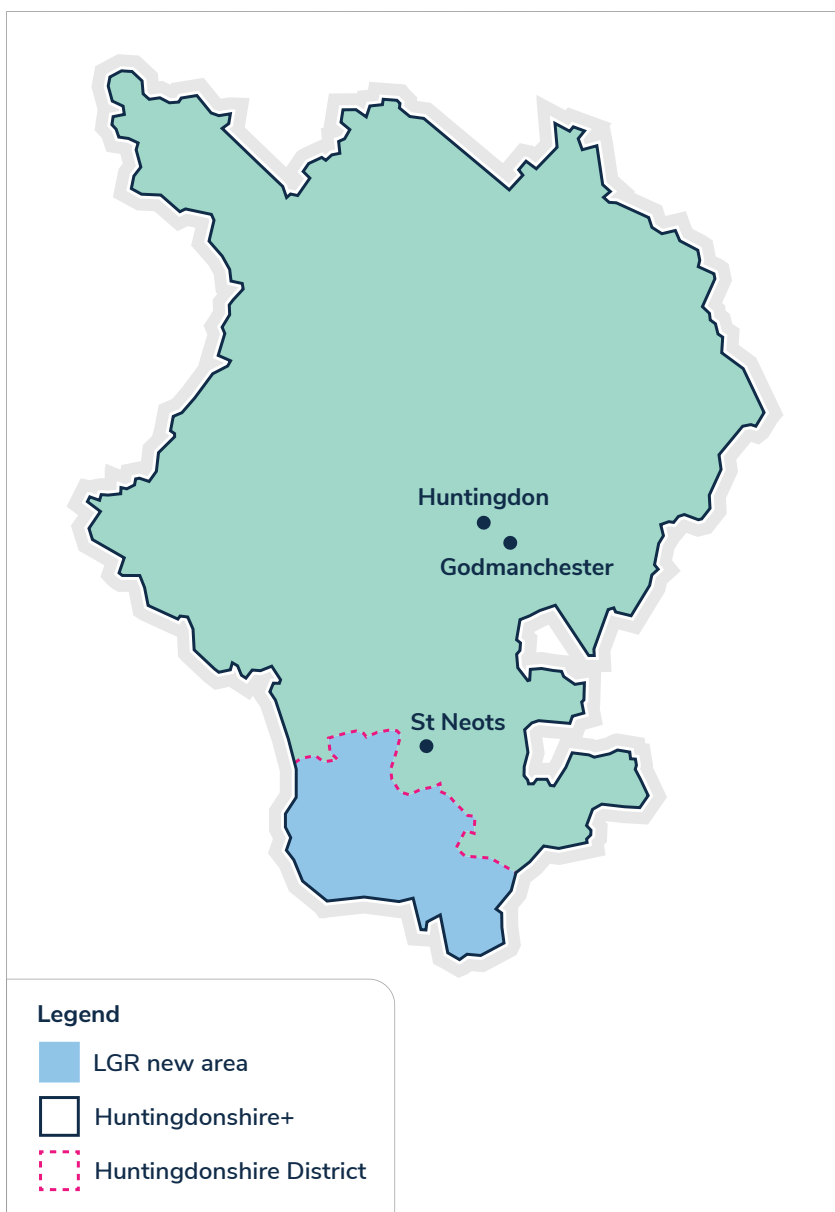
Currently, the taskforce report has not provided any specific boundaries for this new development however, the below outlines an indicative boundary based off current significant development proposals, including locations in Tempsford, Little Barford and Denybrook.

Until relevant services and facilities are developed within those specific developments, it is more likely than not that the residents of these areas would look to St Neots as the most accessible location for key services and facilities, as well as leisure, employment and recreation. Thus, it is considered that boundary review or not, these areas would be likely to add pressure on to existing areas within the Huntingdonshire unitary, and as such, it seems reasonable to account for them within proposed reforms.

⁵⁸ [New Towns Taskforce: final report](#)

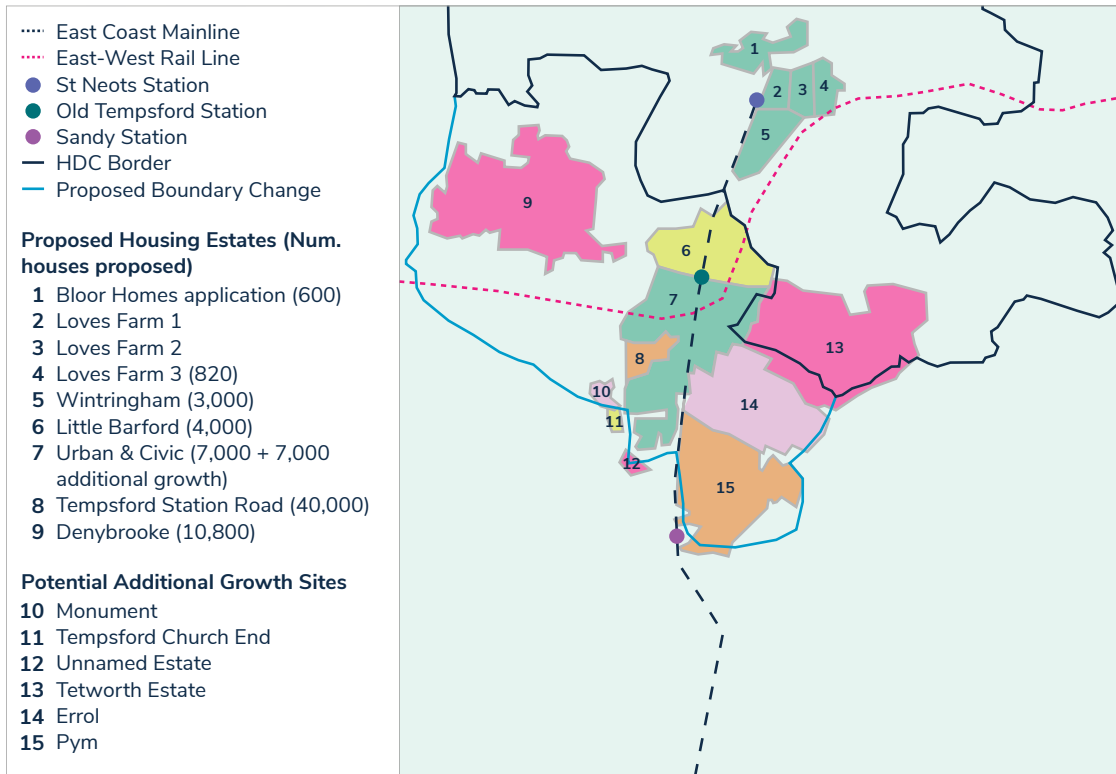
Proposed new developments	Number of new homes
Tempsford	7,000
Little Barford	4,000
Denybrook	7,500-10,150
Total	18,500-21,150
Government estimate	40,000

Figure •: Proposed Boundary Review for the Huntingdonshire unitary.



The above map has been drawn based on those developments alongside an additional map sent into the New Towns Taskforce as written evidence.⁵⁹ It highlights the area that could be incorporated into the Huntingdonshire unitary based off the 40,000 homes estimate.

Figure ●: New Developments Incorporated under Boundary Review.



The above image details further the new developments that could be incorporated into the Huntingdonshire unitary authority. Those developments with significant sites projected are included in the key. The image also demonstrates the reliance that new developments in the area will have on St Neots, due to the close proximity to the market town. This growth will allow the Huntingdonshire unitary to gain more resources and capacity to deliver positive economic growth outcomes and to strengthen the area's role within the region.

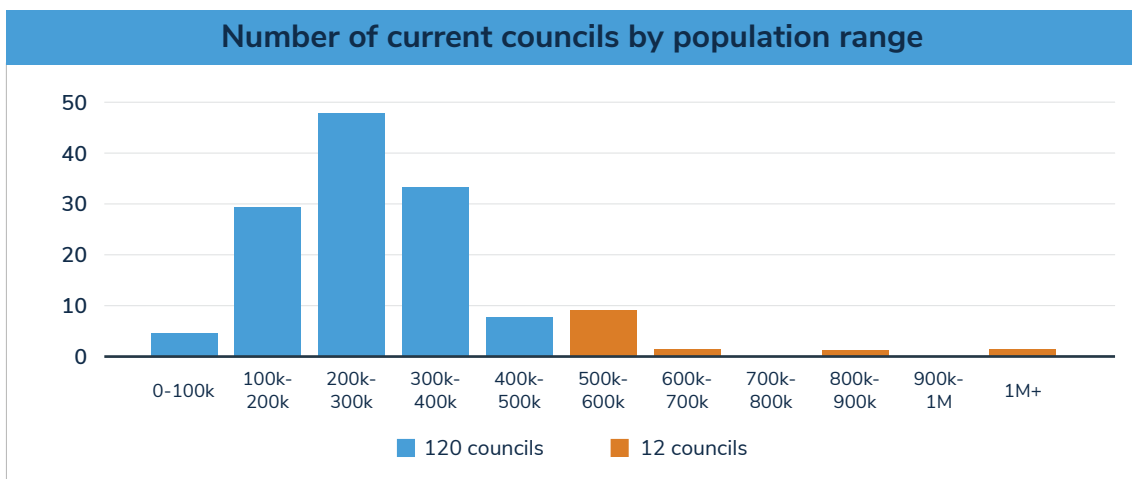
⁵⁹ committees.parliament.uk/writtenevidence/141291/html/

Currently, Huntingdonshire’s population sits at 185k with a projected increase to 213k by 2040, based off current estimates. The following table highlights the impact to Huntingdonshire’s population, if the boundary change is implemented.

Category	Population
Current population of Huntingdonshire	186,000 ⁶⁰
Current population of the suggested area in Bedfordshire	7,600
Population increase if all 40,000 homes are built	96,000
Total	289,600
Total including projected increase to 2040	317,600

The government’s guidance highlights that 500,000 is the optimum population size for new unitary authorities however they have subsequently clarified that this is a guiding principle and not a hard target. According to recent analysis done by the DCN, the guidance for 500k population size doesn’t align to the current picture of unitary authorities in the UK.⁶¹ Most unitary authorities sit within the 200-300k population mark, also highlighting that positive public service outcomes are achievable within that scale.

Figure ●: No. of unitary authorities in the UK by population range.



60 [Huntingdonshire \(E07000011\) – ONS](#)

61 LGR population size and council performance – analysis slides FINAL.pdf

Whilst Option E does recommend a unitary authority in Huntingdonshire that is below the guidance, if a boundary review incorporates Tempsford into the geographic area, the unitary could reach 316k by 2040. This boundary review would provide streamlined service delivery within the existing connection between Tempsford and St Neots but would also provide the Huntingdonshire unitary with more scale and resource to deliver positive service outcomes. It presents a viable option for accommodating incredible growth in the region and beyond – it prioritises sustainable governance for the long-term, beyond current demographics.

Additionally, Huntingdonshire has an established and credible track record of delivery, particularly when it comes to large scale growth. The council is adept at working with Government bodies, stakeholders, and developers to secure solutions which achieve growth. Indeed Huntingdonshire is home to a number of sites being brought forward by Urban & Civic as master developer, and with whom we have relationships going back over 10 years, and which has seen delivery take place at Alconbury Weald and Winteringham Park despite challenging economic circumstances. Alconbury Weald was also where this Government launched the updated NPPF, and which has been used as a case study to inform the New Towns agenda. This would not have been possible had the Council not worked tirelessly to secure delivery and find ways to shape and deliver the growth ambition. In short, whether working with a Development Corporation or not, this proposal would enable the Huntingdonshire unitary to manage strategic growth in a delivery-focussed way, in the same vein as that which has successfully occurred in the north (St Neots and Alconbury Weald) and would enable Government to have confidence in that delivery as a result of our established approach to collaboration and relationships with partners such as Urban & Civic.

The new unitary authority in Huntingdonshire will be well equipped to support development corporations throughout the growth of Tempsford, with a strong capacity for delivery that can be utilised. Huntingdonshire is therefore a partner who can help deliver the Governments stated ambition for growth. Option E, and the proposed boundary review, reinforces this commitment.

Theme 4.2 – Financial sustainability

Section summary

Option E balances financial stability with practicality. Creating three new councils means slightly higher setup costs than a two-unitary model, but the difference in long-term savings is minimal.

The structure spreads financial risk, keeps local tax impacts fairer in areas facing hardship and supports smoother transitions by retaining existing delivery capacity. Estimated transition costs are around £17m, with payback expected within eight years. Each new council would start on a sound footing with manageable debt and sustainable budgets. Overall, Option E provides a steady and affordable route to reorganisation while protecting financial resilience and maintaining confidence in local services.

4.2.1 The financial benefits of Option E

Instinctively, the cost base of a single unitary for the entirety of the region should be lower than the cost of two or more unitaries and this is illustrated through the work of the County Councils Network and PricewaterhouseCoopers.⁶² However, for the reasons set out in Section 3 – Option Appraisal and explored in more detail within Theme 1 – Inclusive and sustainable growth, there is a long-term programme of residential, commercial and economic development which is considered to be subject to the lowest delivery risk under the three unitary option, represented by Option E.

Option E is based on the following configuration:

Unitary 1 Peterborough / Fenland / East Cambridgeshire

Unitary 2 Huntingdonshire

Unitary 3 South Cambridgeshire / Cambridge City

⁶² www.countycouncilsnetwork.org.uk/updated-financial-analysis-evaluating-the-importance-of-scale-in-proposals-for-local-government-reorganisation

It retains the same council combinations that are being put forward in Option C for the north of the region and Option B in the south of the region but, by adding a third unitary to cover Huntingdonshire, inevitably results in a reduced level of overall net revenue savings.

However, the variance in savings as a percentage of the overall projected net revenue expenditure for councils in Cambridgeshire & Peterborough is minimal (less than half a percentage point) and, of all the options being considered, it facilitates the smallest council tax harmonisation impact for the three areas of the region which have the highest level of financial hardship based upon latest ONS records of benefit claimants.⁶³

In summary, although, as per the Option Appraisal section, other options appear more preferable from a purely financial perspective, the inferior cost and saving implications of Option E are very unlikely to have a material impact on the viability of either the region's new councils as a whole or the Huntingdonshire unitary. The rest of this section provides further analysis around Option E.

4.2.2 Estimated transitional costs, ongoing costs, and ongoing savings, using the CIPFA model

In estimating the transition costs for Option E, an assessment was undertaken of the level of management resource that each unitary council would need, relative to what exists currently across the seven existing councils. The resulting saving is dependent on a redundancy programme being undertaken and an approximate cost has been computed for that. A proportion of the staff being made redundant may be eligible for retirement benefits which will produce an additional pension cost and an approximation has been included for that too. Under wider transition costs, account has been taken of the need to resource:

- Public consultation.
- The creation and operation of shadow councils.
- Induction of new staff and members.
- Recruitment.
- A transition programme.
- Changes to ICT systems.
- The closedown of legacy councils.

⁶³ Claimant count (ONS snapshot) % of 16–64 population claiming unemployment-related benefits (March 2024). Office for National Statistics – 1. Peterborough – 5.3%; 2. Fenland – 3.7%; 3. East Cambridgeshire – 3.3%; 4. Huntingdonshire – 3.3%; 5. Cambridge City – 2.2%; 6. South Cambridgeshire – 1.8%

There will also be the cost of reconfiguring service provision which could be significant and for which no assessment has been made at this stage. It would be expected that the payback economics are tested as part of service level business cases. The business cases will start to be commissioned once a decision is made on the unitary model being taken forward.

On the same basis, the savings that have been assessed exclude those that could come from reconfigured services. The savings that are included account for expected reductions in:

- Management resource.
- The cost of the democratic function, principally councillors and therefore the cost of allowances.
- Third party spend.

It may be that once new delivery models are defined, that capital may be realisable from the administrative and operational property portfolio but experience from other authorities indicates that this can take a significant period of time and beyond five years post unitarisation to achieve.

The prevailing, post-pandemic, operating model for councils means that staff reductions arising from reorganisation are unlikely to generate any further property mothballing savings of significance beyond those achieved already.

The table below is taken from the completed CIPFA Financial Template model and summarises the modelled estimates of costs and savings described above.

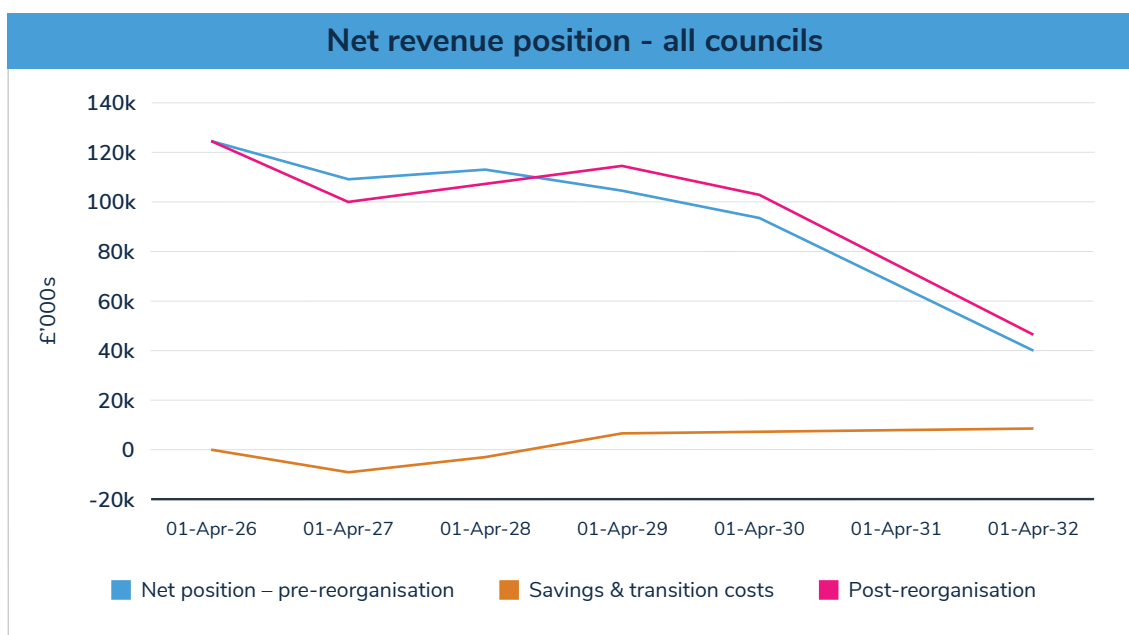
Table [x]: Summary profile of projected savings and transition costs.

Financial information	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total	
	1 Apr 26 to 31 Mar 27	1 Apr 27 to 31 Mar 28	1 Apr 28 to 31 Mar 29	1 Apr 29 to 31 Mar 30	1 Apr 30 to 31 Mar 31	1 Apr 31 to 31 Mar 32	1 Apr 32 to 31 Mar 33	1 Apr 33 to 31 Mar 34	1 Apr 34 to 31 Mar 35	1 Apr 35 to 31 Mar 36	1 Apr 36 to 31 Mar 37	Total Year 0 to Year 10	
Set up transitional costs (without inflation) £'000s													Sign convention: additional costs or loss of income are +ve.
Total	-	8,573	8,489	-	-	-	-	-	-	-	-	17,062	
Annual on-going incremental costs (without inflation) £'000s													Sign convention: additional costs or loss of income are +ve.
Total	-	-	-	-	-	-	-	-	-	-	-	-	
Annual on-going incremental benefits/savings (without inflation) £'000s													Sign convention: savings -are +ve in brackets.
Total	-	-	(1,290)	(2,309)	(2,309)	(2,309)	(2,309)	(2,309)	(2,309)	(2,309)	(2,309)	(19,764)	
Grand total	-	8,573	7,199	(2,309)	(2,309)	(2,309)	(2,309)	(2,309)	(2,309)	(2,309)	(2,309)	(2,702)	

The table shows that upfront costs have been modelled of c. £17m during the shadow council and first year of unitary operation with recurring savings starting in the first year of unitary operation and maximising in the second year at c. £2.3m per annum.

The impact of this on the projected baseline position of Cambridgeshire & Peterborough councils is shown in the graph below. It shows the combined baseline position for existing councils in Cambridgeshire & Peterborough based on Fair Funding estimates produced by Pixel Financial Management. It overlays this position with the savings and transition costs referenced above to produce a post-reorganisation net position for Option E.

Graph [x]: Combined baseline position for all authorities – pre and post re-organisation.



4.2.3 Expected payback period

The CIPFA template table above shows that the total transition costs of £17m have been profiled across two years, the first representing the year of the shadow councils and the second year representing the first year, post Vesting Day.

There are immediate recurring savings in the first year, largely attributable to reductions in staffing and the overall cost of councillor allowances. The savings increase into the second year and are supplemented from the savings from third party spending as a result of scale economies secured through re-procurements and contract negotiations.

This profile achieves payback in year 9 of the analysis which equates to year 8 of the new councils' existence. The actual payback at individual council level will depend on how transition costs are borne and resource budgets, relative to funding, are allocated. In addition, there will be opportunity, over the longer term, to achieve further savings beyond those estimated in this analysis.

4.2.4 Estimated disaggregation costs of County functions

Irrespective of the unitary option that is ultimately chosen, the strategy for disaggregating the functions of the county council will be the same. In practical terms, the operational footprint of Peterborough City Council's tier one level services will expand across the district areas that fall into Unitary 1 in the north and the footprint of the county council's services will contract back to the footprint of the remaining district areas that create the Huntingdonshire unitary and Unitary 3 in the south. The main financial implications of this are with respect to the workforce, systems, assets and associated borrowing as detailed in the table below.

Table [x]: Disaggregation costs.

Element	Financial implications
<p>Workforce</p>	<ul style="list-style-type: none"> • The North-East Unitary will contain a mix of city and county council staff performing the same roles on different terms and conditions. • Terms and conditions will need to be harmonised as part of a wider programme of work involving service re-design and job evaluation. <p>It is worth noting the potential timescales involved with this recent example taking place six years after the new councils came into being as a result of LGR.⁶⁴</p> <ul style="list-style-type: none"> • There will need to be an actuarial assessment of how the assets and liabilities of the county pension fund that Peterborough and the five districts all participate in are re-assigned across the North-East Unitary and South-West Unitary based on current and past employees. <p>It is expected that the South-West Unitary will inherit the administering authority responsibility for the pension scheme.</p>
<p>Systems</p>	<ul style="list-style-type: none"> • The transition phase will require data sharing protocols to cover data transfer exercises and access rights to legacy council systems. • There will be a period where both new councils will need access to legacy systems which will increase licensing costs. • Legacy systems will also need upgrading and potentially replacing to accommodate the needs of the new councils.
<p>Assets</p>	<ul style="list-style-type: none"> • The ownership of county council assets located within the footprint of North-East Unitary will need to be transferred and will include a number of depots, offices and libraries.
<p>Debt</p>	<ul style="list-style-type: none"> • An exercise will need to be undertaken to assign borrowing linked to transferring assets. This can be a complex exercise and has proved difficult for other local authorities formed through LGR.⁶⁵

⁶⁴ bcpcouncil.gov.uk/news-hub/news-articles/trade-unions-accept-new-proposal-on-new-pay-structure-for-bcp-council-staff

⁶⁵ bbc.co.uk/news/articles/c8994w3zed5o

At this stage, there has been no quantification of the costs involved in the above work. However, much of it will cost the same for the region regardless of which option is chosen, albeit that the three unitary option is estimated to require a c. 20% higher transition cost budget in total. There will be less staff made redundant under Option E and effectively one less council to close down, which largely explains why the costs of establishing a third unitary are not more significant.

There are some costs that will be driven by the scale of council. For example, the more officers that transfer from the county into Unitary 1 in the north, the larger the likely costs of harmonising terms and conditions.

4.2.5 Reserves for each constituent council

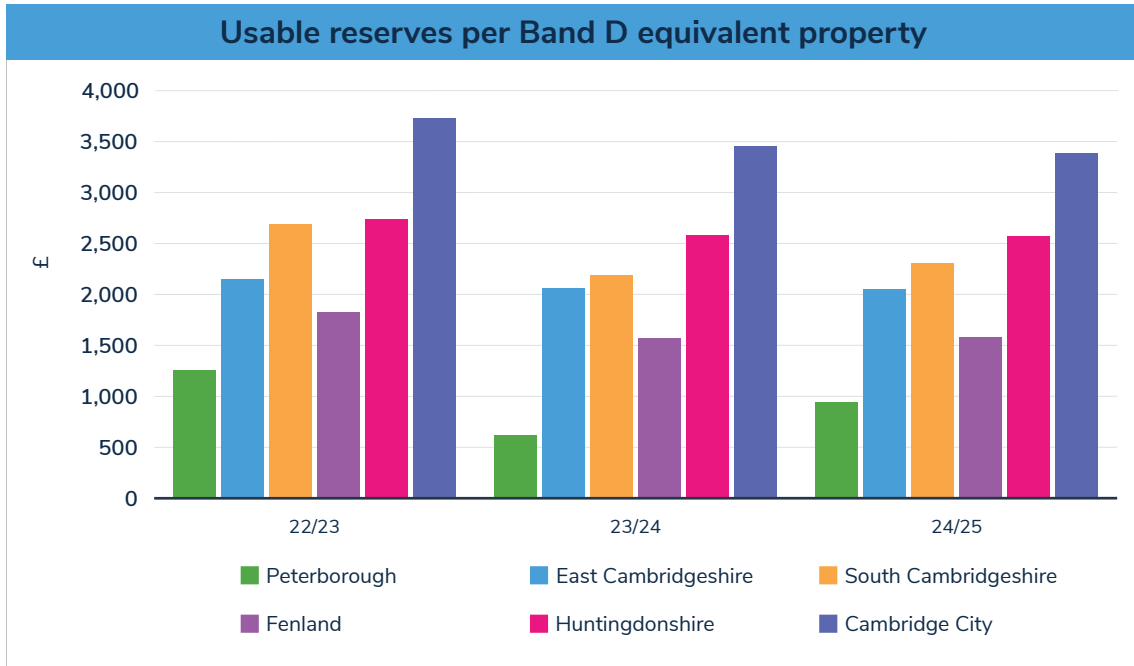
The published usable reserves position for each council, excluding, where applicable, the reserves ring-fenced in housing revenue accounts is shown in the table below for the last three years.

Table [x]: Usable reserves balances for Cambridgeshire & Peterborough councils over the last three years.

Usable reserves	2022/23	2023/24	2024/25
Peterborough	77,959	48,176	29,799
East Cambridgeshire	27,758	30,071	33,464
Cambridgeshire County	322,681	280,702	263,373
South Cambridgeshire	92,168	73,352	84,644
Fenland	16,978	17,037	16,551
Huntingdonshire	92,281	96,789	103,137
Cambridge City	113,781	107,202	105,849
Total	743,606	653,329	636,817

The graph, below, is based upon the values above, divided by the number of Band D equivalent council tax properties in each council. It should be noted that the amount per property attributable to the county council has been added to each county district to get a total per property by district.

Graph [x]: Usable reserves position per Band D equivalent property.



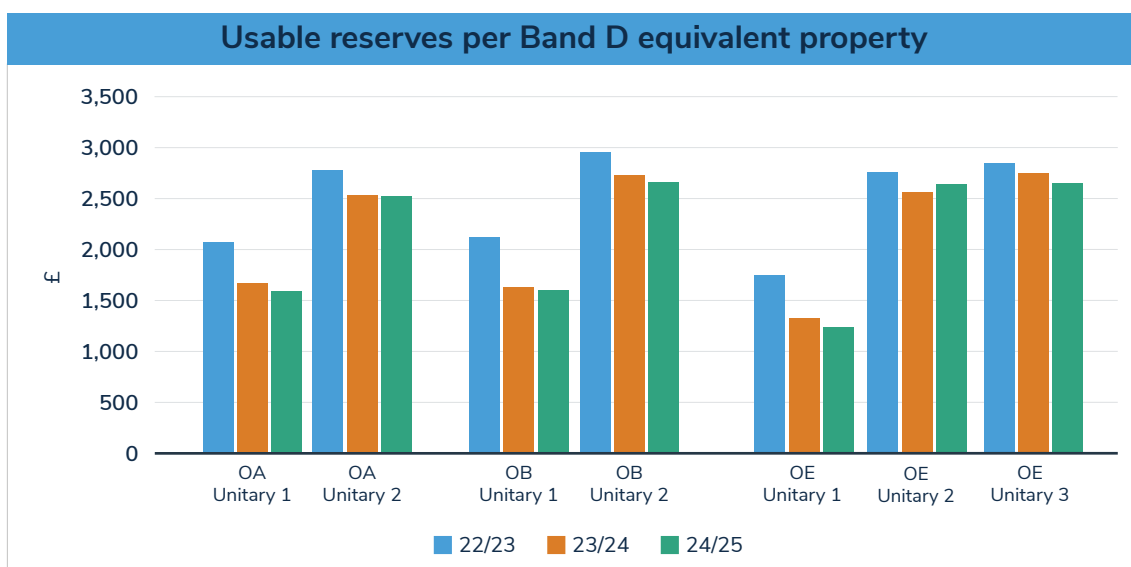
The values above reflect funds retained for general fund activity and, as part of which, help achieve the annual balance required. It also includes funds for capital activity, generated through either capital grants, capital receipts or development activity i.e. via Section 106 agreements or community infrastructure levy. These funds will be transferred into the new councils under LGR with the table below showing how each option would compare had they existed in the proposed combinations at each of the year end dates.

Table [x]: Usable reserves balances for Cambridgeshire & Peterborough councils over the last three years, grouped into the unitary options.

Option A	2022/23	2023/24	2024/25
Unitary 1	333,373	273,939	261,646
Unitary 2	410,233	379,390	375,171
Total	743,606	653,329	636,817
Option B	2022/23	2023/24	2024/25
Unitary 1	410,115	341,865	332,860
Unitary 2	333,491	311,464	303,957
Total	743,606	653,329	636,817
Option E	2022/23	2023/24	2024/25
Unitary 1	226,203	169,691	156,964
Unitary 2	183,912	172,171	175,896
Unitary 3	333,491	311,464	303,957
Total	743,606	653,329	636,817

The values above have also been analysed on a per Band D equivalent council tax property. The graph and table below shows the position across all three years.

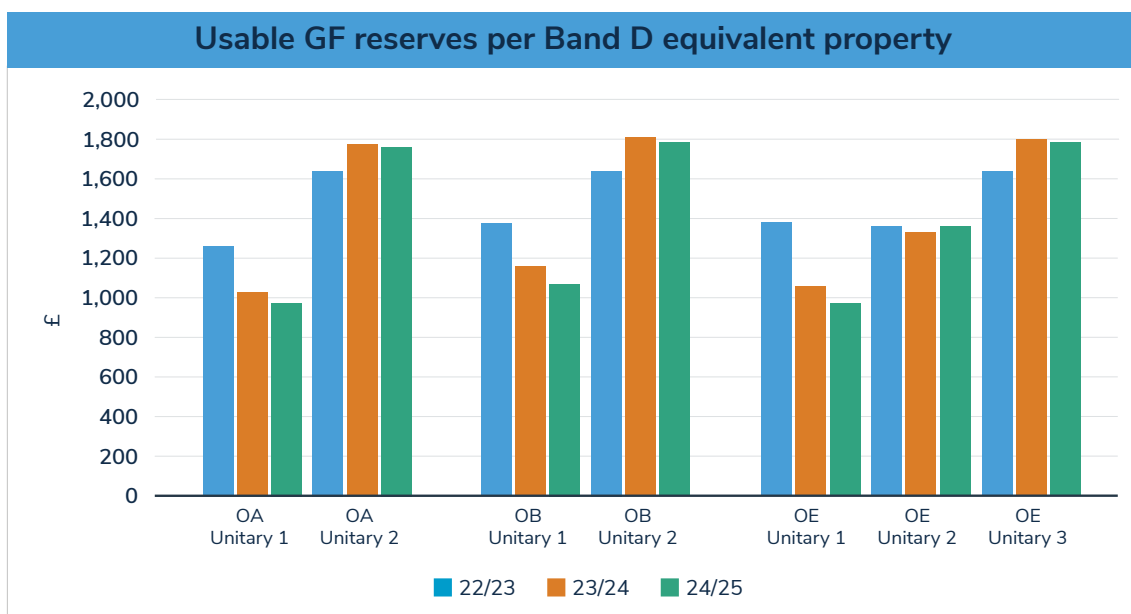
Graph [x]: Usable reserves position per Band D equivalent property for LGR options.



	Option A			Option B			Option E		
	Unitary 1	Unitary 2		Unitary 1	Unitary 2		Unitary 1	Unitary 2	Unitary 3
2022/23	2,050	2,738	0	2,090	2,870	0	1,750	2,748	2,870
2023/24	1,685	2,532	0	1,742	2,680	0	1,313	2,573	2,680
2024/25	1,609	2,504	0	1,697	2,616	0	1,214	2,629	2,616

Under Option E, a significant element of the apparent mismatch between reserve balances of Unitary 1 and the other two unitaries is largely due to the capital associated with development activity. This is more significant for Huntingdonshire, South Cambridgeshire and Cambridge City reflecting the greater development activity in these districts compared to the more rural districts of East Cambridgeshire and Fenland. The same graph and table are shown below but solely based on reserves held for revenue purposes which is more reflective of financial resilience as these are the funds that could be used to help achieve balanced general fund positions going forward.

Graph [x]: Usable revenue reserves position per Band D equivalent property for LGR options.



	Option A			Option B			Option C		
	Unitary 1	Unitary 2		Unitary 1	Unitary 2		Unitary 1	Unitary 2	Unitary 3
2022/23	1,293	1,668	0	1,367	1,651	0	1,369	1,364	1,651
2023/24	1,044	1,768	0	1,130	1,816	0	1,055	1,303	1,816
2024/25	960	1,762	0	1,085	1,782	0	949	1,349	1,782

4.2.6 Debt implications and potential impacts on sustainability

A review of the level of indebtedness of each of the existing Cambridgeshire & Peterborough authorities does not suggest the need for any red flags to be raised. The debt positions are stable and where levels are higher than national benchmarks, these are sufficiently covered by the revenues generated by the assets being financed.

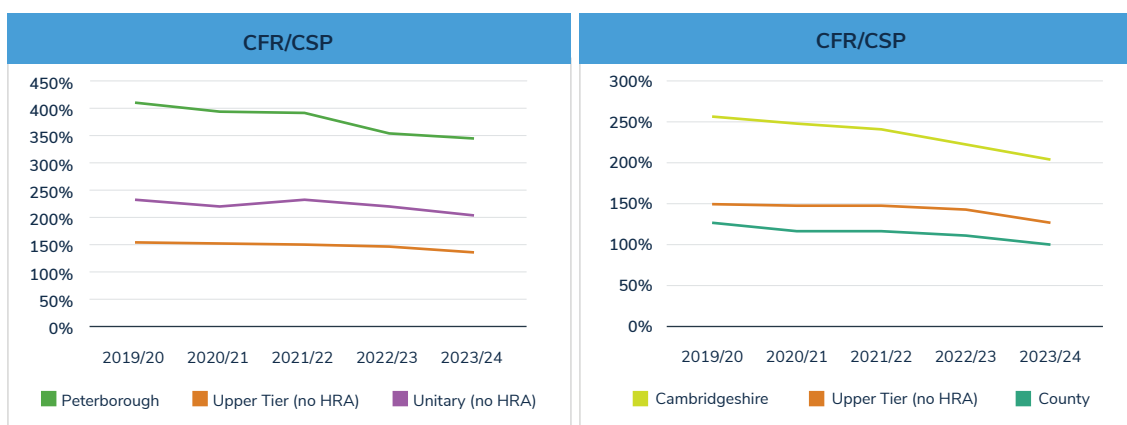
The table below shows each council's capital finance requirement (CFR) as a percentage of its core spending power (CSP) for 2023/24 and compares this to national benchmarks for equivalent council types.

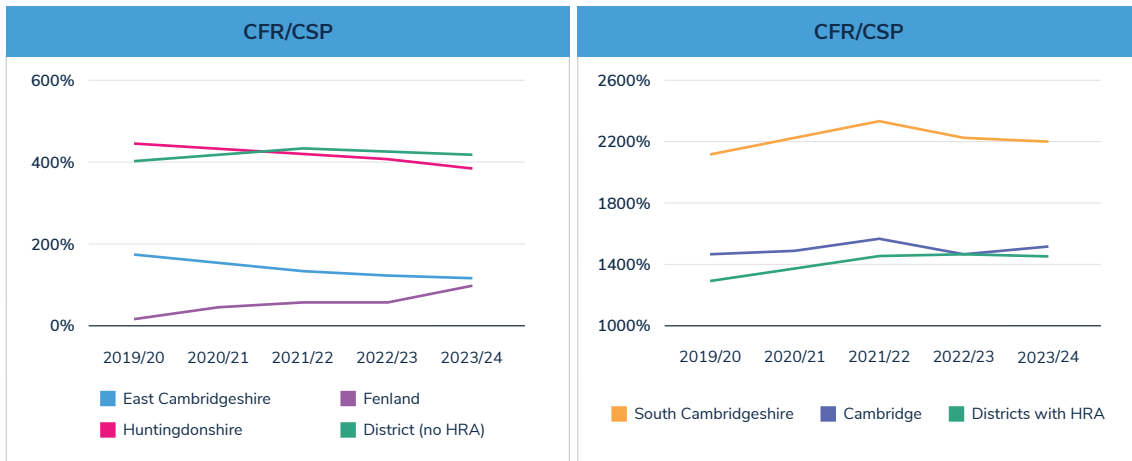
Table [x]: Council debt levels as a % of core spending power and compared with national benchmarks.

2023/24 Data	CFR £'000s	CSP £'000s	CFR/ CSP	Bench- mark	
Peterborough	638,328	186,945	341%	130%	Unitary – no HRA
East Cambridgeshire	10,571	9,171	115%	428%	District – no HRA
Cambridgeshire County	1,074,600	515,130	209%	102%	County
South Cambridgeshire	384,844	17,491	2,200%	1,461%	District – HRA
Fenland	13,471	13,765	98%	428%	District – no HRA
Huntingdonshire	72,341	18,615	389%	428%	District – no HRA
Cambridge City	288,721	19,172	1,506%	1,461%	District – HRA

The table shows that Cambridgeshire, Peterborough, South Cambridgeshire and Cambridge City all have higher borrowing when compared to their respective benchmarks. However, analysis of their debt trajectories, based on previous five-year values shows that debt levels, as a percentage of CSP, are either stable or decreasing.

Fig [x]: Five year historic CFR/CSP trajectories.





High levels of debt are often associated with financial vulnerability. However, levels of debt should be looked at alongside equity and asset values as well as incomes that arise from those assets. For instance, HRA authorities have high levels of debt but also high asset and equity values. In these cases, those assets provide income, in the form of dwelling rents (as well as commercial property income), that contributes to servicing and paying down the debt.

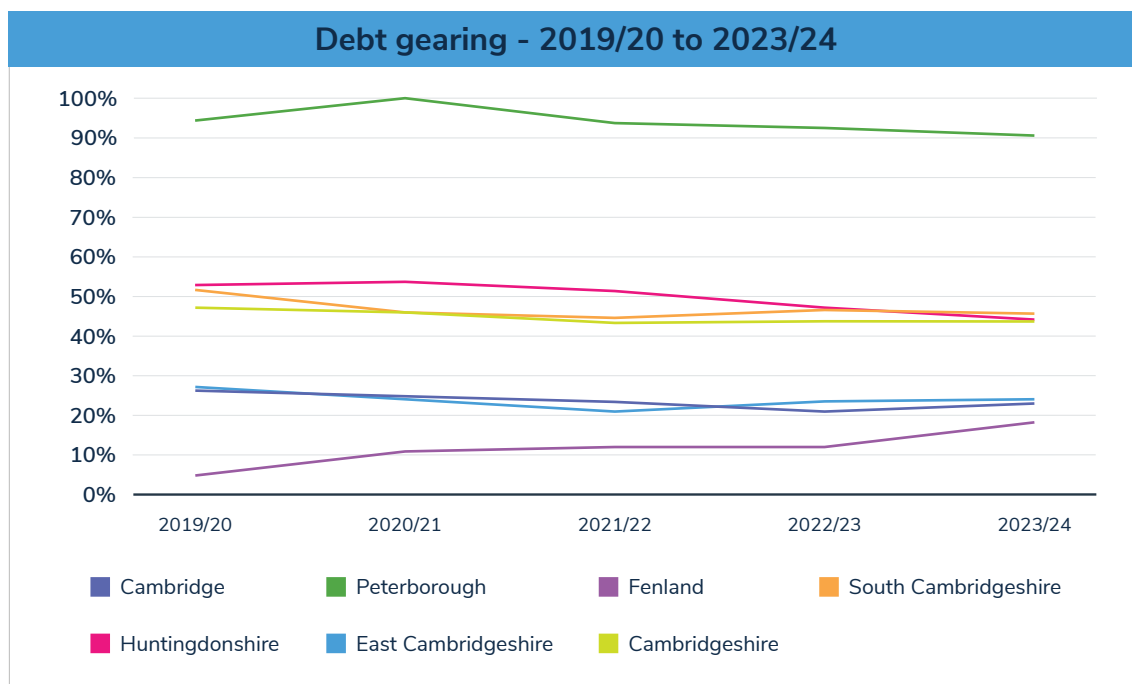
Debt gearing is also important to consider as it is a measure of the level of debt to equity and provides additional context in respect of capital health. Councils with high debt gearing have a higher proportion of assets underpinned by borrowing and will likely have debt financing costs over a longer period and might be more susceptible to interest rate changes over that period as well as the uncertain funding outlook.

Table [x]: Council debt gearing compared with national benchmarks.

2023/24 Data	CFR £'000s	Equity £'000s	Gear- ing	Bench- mark	
Peterborough	638,328	66,373	91%	50%	Unitary – no HRA
East Cambridgeshire	10,571	33,789	24%	40%	District – no HRA
Cambridgeshire County	1,074,600	1,353,569	44%	35%	County
South Cambridgeshire	384,844	488,372	44%	37%	District – HRA
Fenland	13,471	60,876	18%	40%	District – no HRA
Huntingdonshire	72,341	84,846	46%	40%	District – no HRA
Cambridge City	288,721	972,086	23%	37%	District – HRA

Debt gearing is higher than the relevant benchmark average at Peterborough, Cambridgeshire, Huntingdonshire and South Cambridgeshire, three of whom also have higher than average debt levels as per the earlier Table [x]. However, as Graph [x] below shows, for each of these councils, the trajectory is either stable or declining based on the last five years of data.

Graph [x]: Five year historic debt gearing trajectories.



There are two types of debt financing costs; i) Interest payments – the interest payable on external borrowing; and ii) Minimum Revenue Provision – an amount set aside in the revenue budget to repay debt.

Debt financing costs as a proportion of CSP is used as a measure of the extent to which an authority’s resources are used to service and pay down borrowing. This measure should be reviewed with care as it can be misleading to conclude that high debt financing costs are necessarily a sign of vulnerability because making additional (voluntary) provision for debt repayment, arguably prudent, would result in higher debt financing costs and the measure takes no account of income including HRA dwelling rents and commercial property rental income.

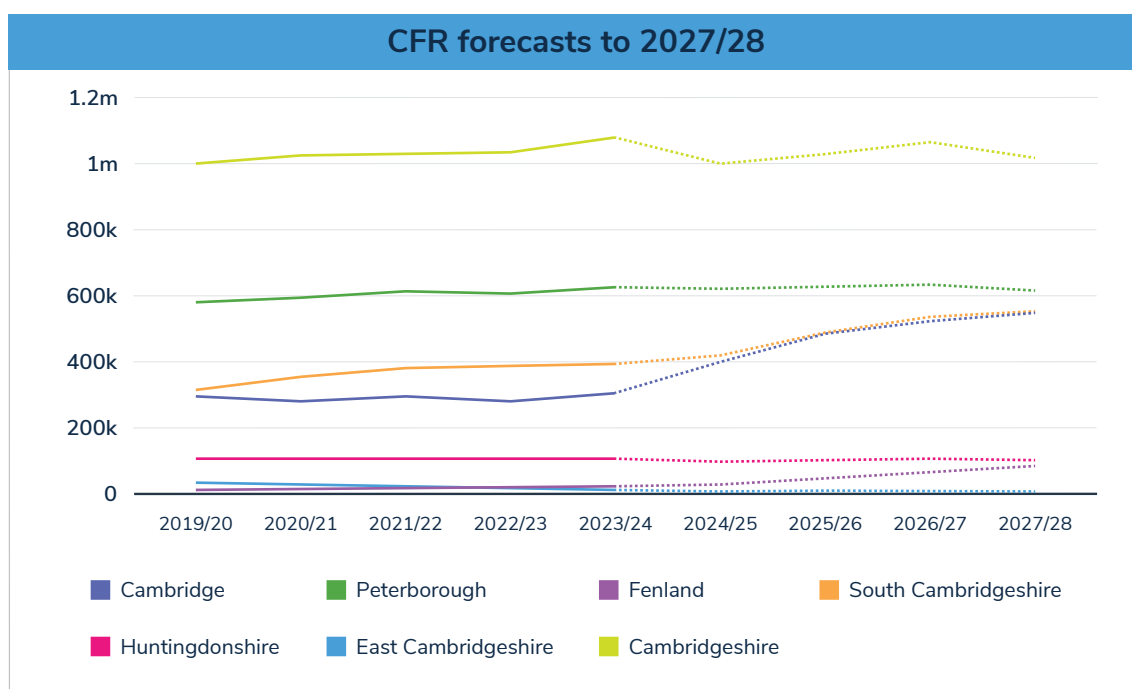
So as a gauge for debt affordability, debt financing costs and incomes from assets should be considered together as set out in the analysis in Table [x] below.

Table [x]: Council debt financing costs.

2023/24 Data	Interest payable £'000s	MRP £'000s	Total £'000s	% of CSP	HRA rents £'000s	Invest- ment property income £'000s
Peterborough	18,788	18,693	37,481	20%		
East Cambridgeshire	91	319	410	4%		
Cambridgeshire County	34,690	25,774	60,464	12%		8,678
South Cambridgeshire	8,533	1,147	9,680	55%	34,162	2,079
Fenland	683	383	1,066	8%		90
Huntingdonshire	394	2,660	3,054	16%		3,922
Cambridge City	7,494	314	7,808	41%	44,460	10,547

Debt financing costs do stand out as high for Cambridge and South Cambridgeshire, but both these authorities have significant rental income in order to cover financing costs. Looking ahead, the capital and asset strategies for each council project CFR requirements are as shown in the graph below.

Graph [x]: CFR forecasts to 2027/28.



This shows a fairly static position for all but the two HRA authorities, where the CFRs are projected to increase, driven by stock investment requirements.

4.2.7 Council Tax base implications

The table below shows the number of Band D equivalent properties in each of the Cambridgeshire & Peterborough councils.

Table [x]: Analysis of council tax bases.⁶⁶

Option A		Option B		Option E	
Unitary 1		Unitary 1		Unitary 1	
Peterborough	62,606	Peterborough	62,606	Peterborough	62,606
Fenland	32,129	Fenland	31,129	Fenland	32,129
Huntingdonshire	66,254	Huntingdonshire	66,254	East Cambridgeshire	33,271
		East Cambridgeshire	33,271		
Sub-total	160,989 52%		194,260 63%		128,006 41%
Unitary 2		Unitary 2		Unitary 2	
East Cambridgeshire	33,271	South Cambridgeshire	68,458	Huntingdonshire	66,254
South Cambridgeshire	68,458	Cambridge City	46,600		
Cambridge City	46,600				
Sub-total	148,329 48%		115,058 37%		66,254 21%
				Unitary 3	
				South Cambridgeshire	68,458
				Cambridge City	46,600
Sub-total					115,058 37%
Total	309,318 100%		309,318 100%		309,318 100%

⁶⁶ assets.publishing.service.gov.uk/media/67cab2ba8247839c255ae419/Council_Taxbase_Local_Authority_Level_Data_2024.ods

Each council has made, within their medium-term financial plans (MTFP), an assumption about the rate of growth in their tax bases which averages out at c. 1% per annum. Using this growth rate as an assumption and also assuming each council will increase council tax at the maximum rate allowed, enables a baseline level of council tax revenue to be calculated, against which, the impact of council tax harmonisation can be assessed i.e. the need for residents in the new unitary councils to, sooner or later, be paying the same rate of council tax rather than the rate associated with their previous council.

The table below shows show how much the council tax rate would need to change in each of the legacy areas under LGR to achieve a Day 1, harmonised rate that results in no loss of income relative to the baseline. The percentage movement assumes the 4.99% has already been applied. For example, under Option A, residents in Peterborough would experience a rise of over 10% in council tax in their first year, with the rate for residents in the ex-Fenland district being less than the previous year.

Table •: Day 1 harmonisation rate changes.

Option A		Option B		Option E	
Unitary 1		Unitary 1		Unitary 1	
Peterborough	5.10%	Peterborough	5.14%	Peterborough	4.34%
Fenland	-5.97%	Fenland	-5.93%	Fenland	-6.65%
Huntingdonshire	-1.49%	Huntingdonshire	-1.45%	East Cambridgeshire	-0.94%
		East Cambridgeshire	-0.18%		
Unitary 2		Unitary 2		Unitary 2	
East Cambridgeshire	2.37%	South Cambridgeshire	1.22%	Huntingdonshire	0.00%
South Cambridgeshire	0.55%	Cambridge City	-1.75%		
Cambridge City	-2.40%				
				Unitary 3	
				South Cambridgeshire	1.22%
				Cambridge City	-1.75%

4.2.8 Challenges and risks associated with LGR and impacts on sustainability

There are a range of constraints, risks, issues and dependencies associated with the financial case for LGR.

Constraints – the main constraint is securing sufficient capacity and capability to deliver the LGR programme. A budget of c. £4m has been included in the transition cost estimate for Option E, to cover the costs of recruiting and backfilling the additional staff that will be needed to deliver the LGR programme.

Risks – there are a range of financial risks surrounding the LGR process, the most prominent and their mitigations are shown in Table [x] below.

Table [x]: Key risks and mitigation.

Risk	Mitigation
Sub-optimal decision making by existing councils with respect to their assets and resources	Protocols and agreements will be put in place around recruitment, contracts, major projects and transactions in advance of shadow councils being created that will then have approvals over such decisions.
It becomes difficult to both retain staff and recruit into vacancies within existing councils	A strategy will be developed for working with the interim and consultancy market as well as retaining talent, in a cost effective manner, within the local government sector across Cambridgeshire & Peterborough.
Projected savings are not realised at either the scale or within the timescales predicted	A prudent approach has been taken in assessing the potential savings attached to Option E, with only the most visible and deliverable included in the projections.
Projected costs are higher and more expansive than estimated	Further work is on-going to investigate areas that have yet to be fully explored, for example, the aspects of disaggregation noted in Table [●●] above.
Dependent upon decisions taken with council tax harmonisation, LGR could result in the new councils being financially worse off than their predecessors	Members to be briefed early on the different harmonisation options available and the consequences for residents.

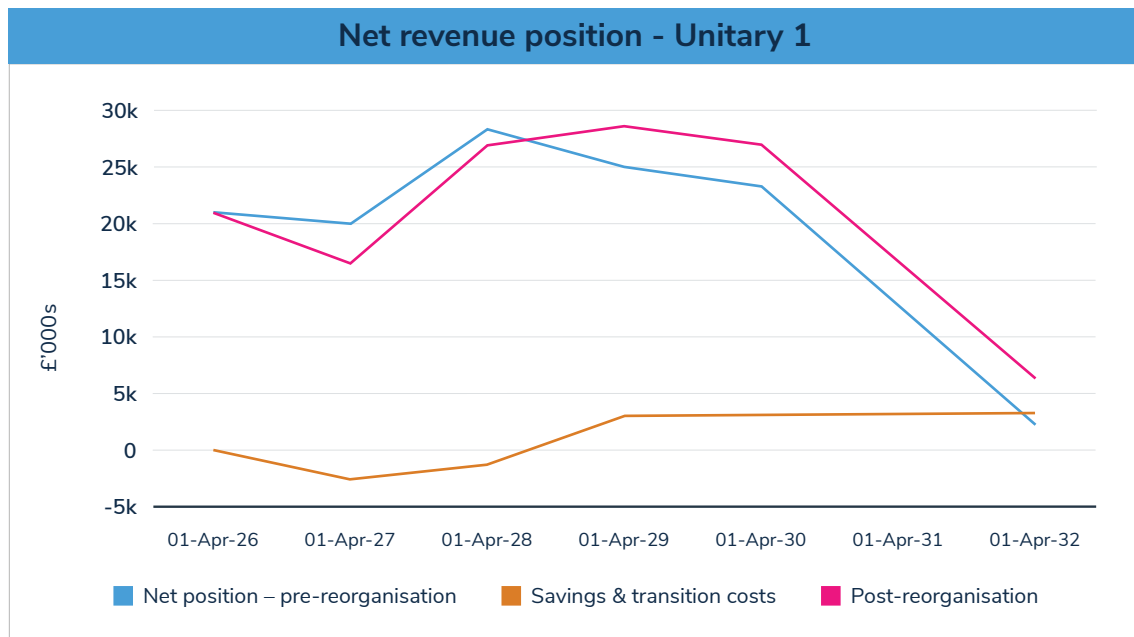
Issues – the main financial issue is that council tax will need to be harmonised and that this will result in a permanent and, potentially, material loss in income for local government in the Cambridgeshire & Peterborough region unless a decision is taken to harmonise at the inception of the new councils, requiring varied changes in tax rates for council tax payers that could be considered inequitable.

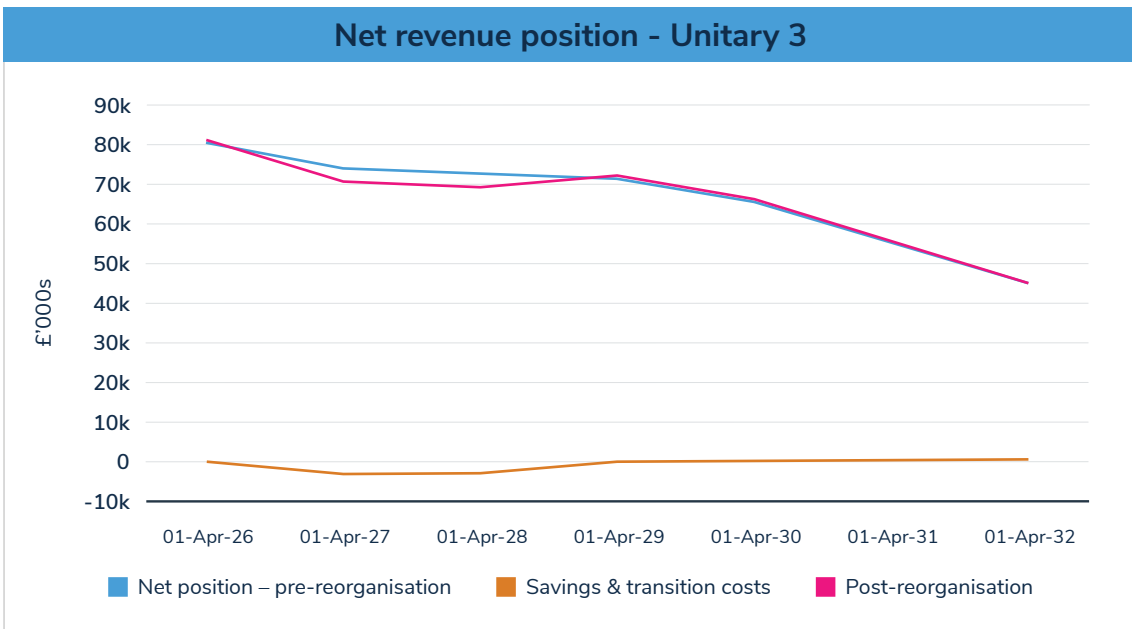
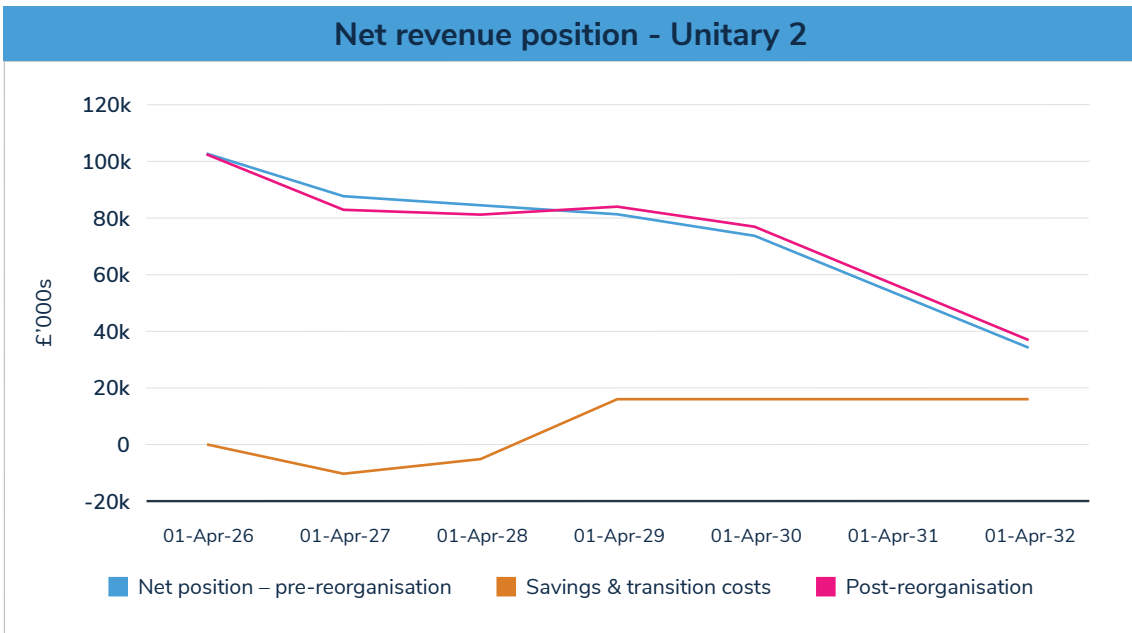
Dependencies – the financial implications of LGR are being calculated and considered in advance of the full impact of the forthcoming Fair Funding Review being known. The financial option work and its conclusions are dependent upon the outcome of the Fair Funding Review not being materially different to what has been advised at the time of this work. The projections are also based on timescale assumptions which are dependent upon timely decision making around the national programme. Finally, there will be significant service restructuring required, the costs of which have not been included for reasons noted above. However, the viability of LGR is dependent upon these being achievable within an affordable payback period.

4.2.9 The finance picture for both authorities over 5-10 years

The graphs below replicate Graph [x] above but show the position for each of the three new unitaries based on the combined values, pre-reorganisation and then as single unitaries, post re-organisation i.e. baseline plus savings and transition costs.

Figure •: Net revenue position for each unitary authority under Option E.





The charts visualise the point made at the beginning of this section about the level of savings and how relatively insignificant they are to the financial health of each of the new organisations, placing the emphasis on the qualitative factors for consideration around the impact on economic growth potential (Theme 1) and public services (Theme 3).

Theme 4.3 – Public services

Section summary

Option E strengthens public services by joining up care, housing and prevention under one system that works locally but collaborates regionally. Three would tailor services to local needs while keeping links with NHS, Police and other partners. Smaller councils can act faster, focus on prevention and make services more personal, while shared systems and data improve coordination. This approach keeps services ‘safe and legal’ on Day 1 but builds capacity to modernise using digital tools and shared assets to deliver better outcomes for residents across all communities.

4.3.1 Overview

In this section we demonstrate how the proposed restructuring of local government across Cambridgeshire & Peterborough will improve and strengthen service delivery. This is not as a result of creating scale which, as a recent DCN report⁶⁷ identified, there is “a non-existent or faint relationship between a council’s population and its outcomes”. It is about being able to tailor and target preventative programmes to the needs of residents, to help raise quality of life and reduce the burden of more costly interventions. This proposal illustrates how existing public service reform initiatives can be enhanced and accelerated through the adoption of Option E to achieve better value for money with a particular focus on critical services such as social care, children’s services, SEND and homelessness.

The effectiveness of this preventative approach was highlighted most recently in the recent House of Commons’ Education Committee report into SEND⁶⁸ which recommended, for example, a focus on inclusive practices and early intervention to reduce the number of Education, Health, and Care (EHC) plans. As such, smaller unitary authorities may be more equipped to provide a more localised service that can target prevention more effectively. A number of existing unitary authorities in England do have positive social care outcomes so scale is not always everything (examples include Hartlepool⁶⁹ and Rutland⁷⁰).

⁶⁷ Local Government Reorganisation DCN Briefing, October 2025

⁶⁸ Special Educational Needs: support in England

⁶⁹ [Overall summary – Care Quality Commission](#)

⁷⁰ [Children ‘Thriving’ as Rutland given highest possible inspection outcome for SEND services – Leicestershire Partnership NHS Trust](#)

4.3.2 Key principles for the region's approach to service delivery

- **Place-based focus** – service design that makes sense for specific localities, addressing the challenge of balancing urban/rural needs in the area. This can also enable tailored responses to anti-social behaviour, domestic violence and youth offending.
- **Prioritising inclusive growth** – ensuring that all unitary authorities service delivery works to ensure a vibrant and growing economy with a focus on housing development to build healthy, vibrant communities.
- **Joint-up working and a 'one team' collaborative culture** – combining district and county services will provide opportunities for open channels of communication and advanced data sharing to aid with early help.
- **Prevention as the guiding star** – a prevention focus maintained in all high-risk areas, capitalising on existing district-level services like housing and leisure to support a wrap-around approach. Strong prevention can not only work to reduce demand on council services but can be effective in reducing crime, making streets safer in line with government priority, and in reducing the need for healthcare provision.
- **Use what works well already** – the identification of positive working in the region and a focus on maintaining this going forward. This is particularly maintained by Option E due to retaining Huntingdonshire's best practice in prevention.
- **Capitalising on existing assets and scale** – use of additional resources through LGR to support high-risk services.
- **Partnership working and collaboration** – maintain strong connections and existing partnerships with the NHS, Police, ICB, VCSE, whilst ensuring that new opportunities for partnership working are explored, particularly within front-line neighbourhood support.
- **Commissioning at scale** – use existing relationships with partners to collaborate on commissioning to achieve value for money and efficiencies.
- **Value for money** – the three unitary authorities should work to increase productivity, efficiency and innovation in all aspects of service delivery. They should be outcome-focused with a view to continuously improve.

These principles have been used to create a suggested Target Operating Model for the new unitary authorities – the domains of which are:

Outcome drive

Solutions which are based on providing demonstrable outcomes and making a difference, rather than being driven by process; underpinned by data, insight and analysis; streamlining delivery and balancing risk and reward as opposed to red-tape and bureaucracy; focusing on what really matters and who is best placed to secure the outcomes needed.

Innovation in productivity and efficiency

Making services more efficient to deliver value for money. This includes improving enabling services to ensure effective operational support and a smooth customer experience. Digital transformation is integral to this.

People

Ensuring that on-the-ground services deliver for people and are place-based. Growth should prioritise the needs of residents and the new unitary authorities should be forward-thinking in their approach to delivering positive outcomes, hailing prevention as a key driver.

Governance and effective decision-making

Ensure that the new authorities can make effective decisions that are evidence-led. It is important that risks are effectively managed and that a robust PMO is in place to manage programme delivery.

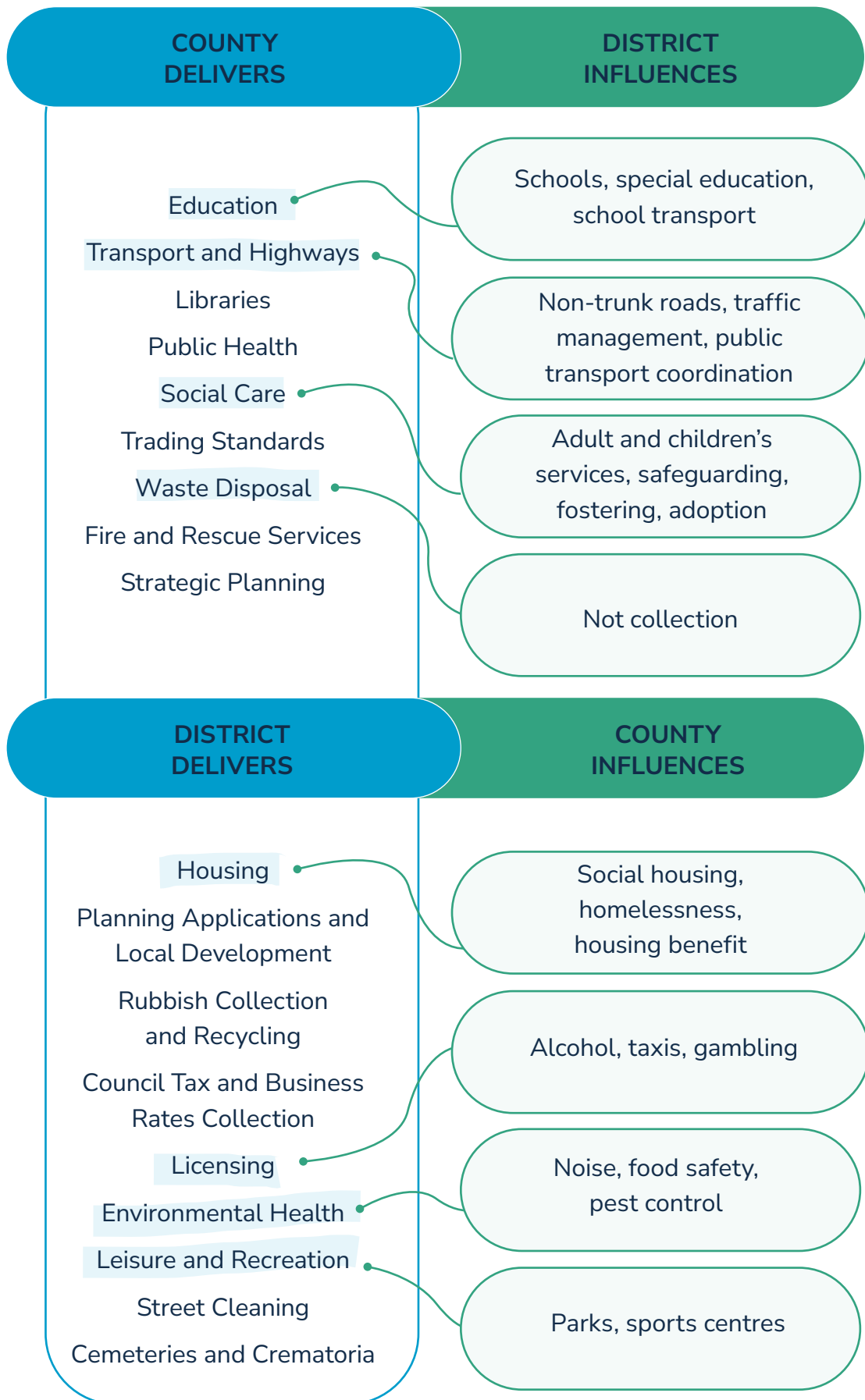
Strategic thinking

Ensuring that service delivery links back to the authorities corporate plan and the strategic vision for the future. This helps the new authorities deliver on key priorities.

Stability

Ensuring financial stability and the effective capacity to deliver all of the above.

Delivery by tier



4.3.2 Adult social care

Current position

Delivery model

A partnership-based delivery model operates across the region, co-ordinated and supported by Cambridgeshire County Council and Peterborough City Council.

There are five partnership boards as follows:

- Older People's Partnership Board.
- Carers Partnership Board.
- Learning Disability Partnership Board.
- Physical Disability Partnership Board.
- Sensory Impairment Partnership Board.

Each partnership board includes people who frequently use health and/or social care services (Independent Members), voluntary sector service providers and statutory services, operational managers and commissioners from health and social care services.

The region also has the Integrated Care System which brings together health and care organisations with Councils and the VCSE sector which is focused on tackling issues within the region that can impact residents' ability to live independently and healthily.

A significant driver of demand for adult care services is loneliness and the Network for Addressing Isolation and Loneliness in Cambridgeshire & Peterborough (NAILCAP) is a collaborative initiative aimed at reducing social isolation among older adults. It brings together voluntary sector partners, local authorities, and health services to co-produce solutions to tackle loneliness. The aim is to share best practice among organisations, improve signposting and help each other to meet demand and gaps in services.

The delivery model for adult care services is likely to remain heavily workforce dependent, albeit technology will be able to reduce some of that reliance. Therefore, a major challenge for the delivery model is attracting and retaining the staff that it needs. In 2023/24, the staff vacancy rate was 7.4% with a turnover rate of 27%. It is estimated that the number of total posts will need to increase by 31% to meet the demands from anticipated population growth.

Performance

The table below gives a high-level insight to the level of demand and cost for adult care services across the region. It highlights the district-level difference in % of cases throughout Cambridgeshire & Peterborough as well as the level of spend per adult.

Figure ●: Distribution of adult social care cases and spend in the region.

	Approx. adults receiving care	% of cases	Approx. annual spend (£m)	Spend per adult (£)
Huntingdonshire	~2,000	25%	44.0	~£22,000
South Cambridgeshire	~1,600	20%	33.6	~£21,000
Fenland	~1,400	18%	33.6	~£24,000
Cambridge City	~1,400	18%	32.2	~£23,000
East Cambridgeshire	~800	10%	16.0	~ 20,000
Cambridgeshire total	~7,900	100%	~159.4	~£22,100 avg.
Peterborough	~2,900	N/A	~£65.0	~£22,400

* District population estimates: Based on ONS 2021 mid-year estimates. Caseload: Based on proportional estimates derived from Cambridgeshire County Council Adult Social Care Account, JSNA 2023 data and other public sources. Illustrative and estimated Annual Spend based on weighted averages (£m) reflecting historic caseload and cost-per-user averages rather than actual spend. Cambridgeshire average reflects build-up of spend by district, if 700 'unallocated' cases are included the County average falls to around £20,200 per adult.

The table below shows how the expected spend per resident is expected to grow across each of the proposed unitaries over the next 15 years.

Figure ●: Estimated spend per resident in ASC in Option E (Newton).

	2025			2040			Growth		
	U 1	U 2	U 3	U 1	U 2	U 3	U 1	U 2	U 3
Total spend per resident (£ pa)									
ASC	401	342	326	706	589	570	76%	72%	75%

The region is also facing an increase of 48% for the 65+ population from 2021-2036. The 85+ population is expected to increase by 110% with predicted increases for people living with dementia, people experiencing a fall, people with complex conditions and people with multiple co-morbidities.

These are all drivers of demand for high-cost provision such as care homes.

The total and predicted market demand for residential and nursing homes is highlighted below⁷¹. By 2036, the [Unitary 1 – northern] would see a growth in market demand of 13.5% to 3,085 units, [Unitary 2 – Huntingdonshire] would see a similar percentage growth to 1,222 units while the South-West Unitary would see slightly higher growth of 14.1% in market demand to 1,843 units.

Remove square brackets and name consistently

Table •: Market demand by district and projected growth in ASC.

		Total market demand				Growth (%)
		2021	2026	2031	2036	
East Cambridgeshire	U1	556	581	606	631	
Fenland	U1	930	972	1,013	1,055	
Peterborough	U1	1,231	1,287	1,343	1,399	
Sub-total		2,717	2,840	2,962	3,085	13.54%
Huntingdonshire	U2	1,077	1,125	1,174	1,222	13.46%
Cambridge City	U3	687	722	756	791	
South Cambridgeshire	U3	928	969	1,011	1,052	
Sub-total		1,615	1,691	1,767	1,843	14.12%
Total		5,409	5,656	5,903	6,150	

⁷¹ [Older People's accommodation demand profiles](#)

Opportunities

The key challenges for adult care services in the region that need to be addressed, and which represent an opportunity for local government reorganisation are:

- **Ageing populations** – constitute around 60% of social care recipients in both Cambridgeshire & Peterborough, with numbers rising.
- **Cost pressures** – driven by demographic changes, high inflation, wage pressures, and complexity of care needs, resulting in projected increases of around 25% in 5 years and 60% in 10 years.
- **Managing inequalities** – high demand and deprivation is concentrated in the North, with notable disparities with the South. For example, there is currently a 10-year life expectancy gap between men in the poorest areas of Peterborough and the most affluent areas of Cambridge.
- **Market shaping** – risk of lasting resilience in smaller providers.
- **Workforce shortages** – recruitment and retention remain critical issues with high turnover and vacancy rates.
- **System fragmentation and integration challenges** – despite the ICS, fragmentation between health and social care still affects continuity. Transitions from Children's to Adult's are also noted as needing improvement, highlighting an opportunity for more joint-up working.

The creation of unitary authorities as proposed under Option E provides an opportunity to join-up District and County services to ensure a stronger connection between prevention and care. This connection can be strengthened by maintaining strong working relationships with public sector partners to provide multi-agency solutions to area-specific problems and/or needs.

For example, by creating a Huntingdonshire unitary council, this will link what the districts has been doing in terms of preventative work through their leisure services to reduce demand on adult social care and NHS services. Shared data and information can lead to referrals for prevention initiatives and analytics to predict demand and need.

This is illustrated by the examples below.

Active for Health

A Tier 2 equivalent Adult Weight Management Programme, led by Huntingdonshire District Council, for adults 18+ with a BMI of at least 25 or 23.5 for BAME groups. The scheme runs over 12-weeks and helps to alleviate obesity pressures on health services, particularly those that lead to a cardiovascular event which are estimated to cost the NHS an average of £4,855 each.

Falls Prevention

Huntingdonshire District Council deliver evidence-based falls prevention classes which include Strength and Balance (Otago), Postural Stability Exercise and Chair Based Yoga. The team has also developed a 9-week course, 'Staying Active', aimed at preventing frailty. In total there are twelve different older adult type activities delivered and 72% of participants have successfully completed the course. The average cost of a fragility fracture in older adults is £8,350, illustrating the value for money case for a prevention-focus in health and social care.

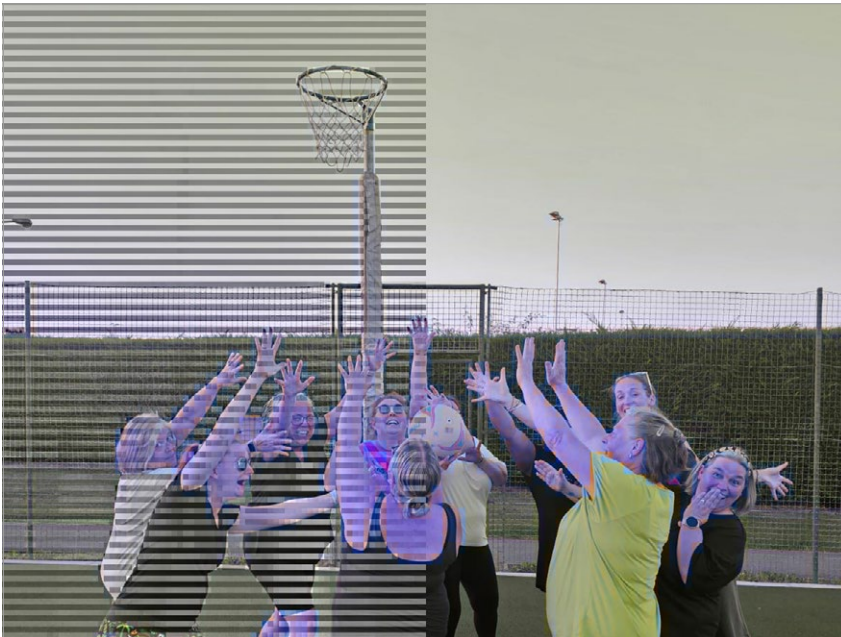


Figure [●]: Active for Health.



Figure [●]: Active for Health.

Recruitment and retention of staff is a challenge felt in the sector and the unitaries configured in Option E will need to continue initiatives by Peterborough City Council and Cambridgeshire County Council to garner workforce morale and support. This includes building on the former's workforce support plan with their upskilling initiatives and the latter's localised initiatives, such as the Care Home Support Team and their improved appraisal and progression systems. Option E could provide a positive option for recruitment and retention, with the configuration providing two cities and a third smaller, well-defined area that is easily accessible with a good quality of life. It is therefore attractive to potential Directors of Adults/Childrens Services and talented staff due to the smaller unitary areas.

A part of the recruitment and retention challenge is ensuring sufficient availability of suitable and affordable housing for key workers. The housing supply opportunity is considered in detail elsewhere in this document but the presence of a national innovation programme, involving Cambridge University Hospitals and South Cambridgeshire which integrates health effectively into urban planning through the development of Northstowe will be a major asset for all three unitaries. The initiative includes: accessible housing for care workers, integrated community facilities and a focus on wellbeing through design and infrastructure.

Localised, place-based working will be seen as vital for each of the unitaries to manage rurality challenges. For example, in Unitary 1 in the North, differences will prevail with a focus in the Peterborough area on working-age adults with complex mental health issues needing to be balanced by the focus on ageing populations of East Cambridgeshire and Fenland. However, the high spend per adult and high care needs in Fenland can be offset by the lower needs felt in East Cambridgeshire.

4.3.3 Childrens

Current position

Delivery model

The Cambridgeshire & Peterborough Safeguarding Children Partnership Board is a central multi-agency body coordinating Children's safeguarding efforts in the region. It includes statutory partner membership from both upper-tier authorities, the Integrated Care Board and Cambridgeshire Constabulary. It is also supported by a number of other relevant agencies, including education providers, VCSE, youth offending services, district councils, probation services and NHS trusts.

The partnership is currently focused on three key areas: neglect, child sexual abuse and child criminal exploitation and some of their recent developments have focused on separating the front door to increase local responsiveness, launching a new referral pathway to address risks in peer and community contexts and updating the threshold documents for referrals.

Other relevant partnerships/collaborations in the region include: the Children's & Maternity Partnership led by Cambridgeshire Community Services NHS Trust; FullScope Collaboration focused on supporting Mental Health Services; and Integrated Neighbourhood Teams.

Cambridgeshire & Peterborough Public Health recently supported peer-led mental health guidance for young people. This was developed with Fullscope and was aimed at empowering youths to support each other. The 'Help You, Help Them' toolkit was co-created with local youth to provide practical, accessible guidance for supporting peers and to respond safely and effectively to mental health crises.

Childrens Services is, like adult care services, workforce intensive and, according to a 2022 workforce development framework for Children's Services by Cambridgeshire & Peterborough, agency work has increased dramatically in the region. More than 70% of posts in 2022 were unfilled in some front-line teams, with Family Safeguarding and Assessment feeling the biggest impact.

Performance

In Peterborough, the Ofsted rating for Children's services recently moved from 'Good' to 'Inadequate' due to a lack of support for care-leavers. Cambridgeshire retained a 'Requires improvement' grade at its last inspection but improvements have been made since then, and following the end of joint management arrangement with Peterborough.

The quality of social care assessments are generally considered poor and there is a lack of capacity and stability of the workforce in both Councils. Youth help also consistently performs worse than early years – both in terms of homeless youth and care leavers. Out-of-hours support is also seen as a key challenge with consistency and responsiveness a concern.

The table below highlights the demand trends felt in the region. It demonstrates a regional increase in Children Looked After and Children In Care and also highlights the different causes for budgetary pressures. In Cambridgeshire, rurality has had a greater impact on SEND transport provision and both areas are facing significant workforce challenges.

Table [●]: Financial trends.

	Cambridgeshire	Peterborough
Cash growth 2023/24 to 2024/25	+£19m (+26%) – inflation on placements, SEND transport and a £4.8m demographic pressure for rising numbers of children in care.	+£7m (+14%) – mainly to cover a 5% rise in children looked after and agency social worker costs.
Share of council net revenue budget	~25% (adult social care 39%, place and others 36%).	~25% (adult social care 33%, place and others 42%).
Cost-drivers called out in MTFS	<ul style="list-style-type: none"> • Inflation on external residential / IFA fees (+7%). • Home-to-school SEND transport inflation (+8%). • Demographic step-ups for 30 extra high-cost CLA and complex-disability packages. • £3m contingency for agency social work. 	<ul style="list-style-type: none"> • Sharp rise in 10-17 year-old CLA (422 at March 24). • Care-leaver accommodation costs up 18%. • £1.5m Children’s Social-Care Prevention Grant built into base. • Reliance on agency social workers still >20%.

The table below demonstrates the differences in need between the districts and how that would be reflected as a baseline under the three new unitaries of Option E. All three unitaries will have a baseline below the national average. This is partly because the Early Help Assessment rate throughout the region is higher than the England average, highlighting a strong preventative offer. Whilst this is plateauing due to demand pressures, it demonstrates an area of good practice that should be maintained. However, there is an evident difference in pressures between Unitary 1 in the north and the other two unitaries. As with adult care services, it will be important for all the unitaries to be able operate models that respond effectively to the geographical differences that exist in each of their areas i.e. the mix of urban and rural through targeted place-based responses.

Table •: Distribution of Childrens Social Care Cases by District. (*ONS 2023).

		Popula- tion U-18*	CiC	CiN	CPP	Early help
			per 1,000			
East Cambridgeshire	U1	18,600	3.5	14.8	1.8	12.1
Fenland	U1	24,400	6.1	23.5	3.1	14.3
Peterborough	U1	54,500	7.4	26.4	7.0	29.5
U1-total		97,500	6.3	23.5	5.0	22.4
Huntingdonshire	U2	40,200	3.9	17.4	2.1	11.8
Cambridge City	U3	21,500	4.5	19.0	2.3	13.0
South Cambridgeshire	U3	38,800	1.9	7.0	0.8	7.2
U3-total		60,300	2.8	11.3	1.3	9.3
Regional		198,000	4.8	18.5	3.3	16.2
National average		–	7.0	33.3	4.2	N/A

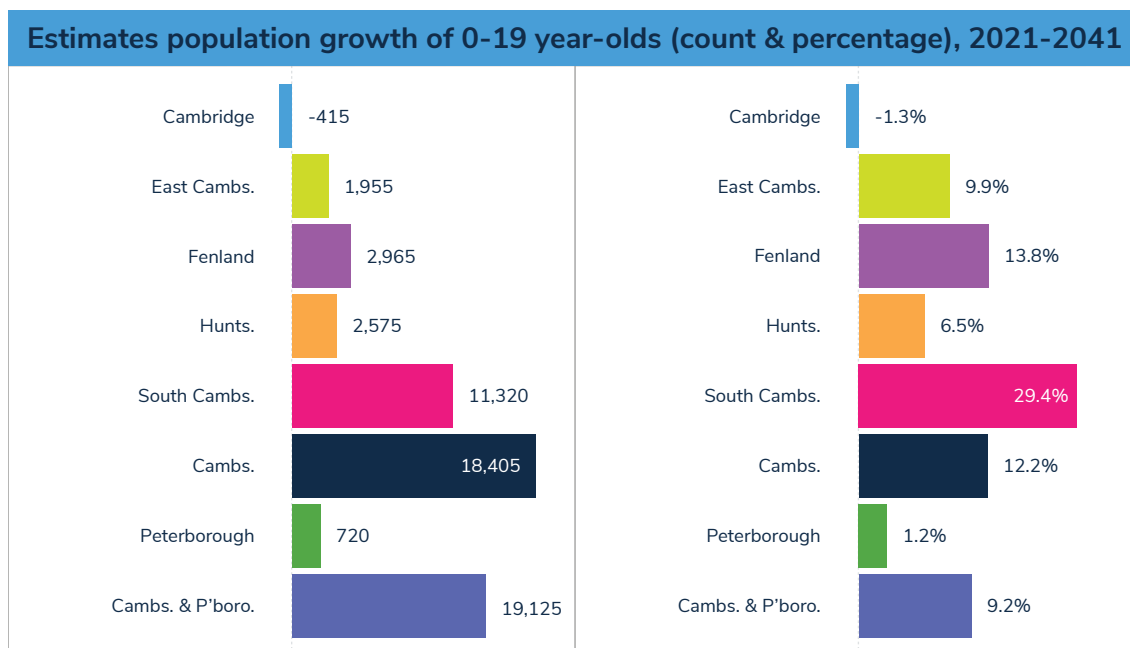
The table below shows how the expected spend per resident is expected to grow across each of the proposed unitaries over the next 15 years.

Table •: Estimated spend per resident in CSC in Option E (Newton).

	2025			2040			Growth		
	U 1	U 2	U 3	U 1	U 2	U 3	U 1	U 2	U 3
Total spend per resident (£ pa)									
CSC	295	150	147	427	229	215	45%	53%	46%

This growth is explained further by the graph below from Cambridgeshire Insight which highlights population trends up to 2041 for 0-19 year olds. It shows that the demand for Children’s social care services is likely to increase alongside expected increased complexity – the 2024 JSNA highlighted an increase in mental health, neurodivergence and physical and/or learning disability cases alongside adverse childhood experiences.

Figure [•]: Estimates population growth of 0-19 year-olds (count and percentage), 2012 to 2041. (Source: ONS 2021 Census and 2041 Cambridgeshire County Council population forecasts.)



These regional trends in demand and need are not dissimilar to those felt nationally but clearly there are some distinctions in where the growth is anticipated to occur.

Opportunities

LGR provides significant opportunity for re-thinking how Children's Social Care Services are delivered – particularly with how we align health and social care, district and County services more closely to deliver on prevention and capitalise upon districts knowledge of local communities.

Undoubtedly, the workforce challenges highlighted above will be an area that the new unitaries will have to address.

By having smaller unitaries, these will be better placed to deliver the localised approaches required across all three areas and something that is sorely needed for addressing rurality changes and the difference in needs across the rural and urban nature of the region.

A 'one size fits all' approach would be quite limited in achieving this and smaller scale can allow greater opportunity for exploring co-production with the VCSE with a more intimate knowledge of local communities. This is a feature of delivery that will appeal to staff and help with recruitment and retention. Ensuring that education provision factors in early intervention and prevention is also vital for ensuring positive outcomes for young people.

A particular focus will be on trying to address inadequate youth provision which is consistently labelled inadequate, particularly in terms of care leavers and the transition into Adult's Services. Specialist mental-health provision is also becoming a core service under this banner. Early intervention in youth provision can also create other positive outcomes, both for the community and other public sector organisations, particularly in terms of crime reduction.

The smaller authorities in Option E could provide more localised place-based responses that are specifically focused on local area needs. The high-needs Northern unitary will have the effective scale to meet demand and address issues like rurality. The smaller, low-needs unitary authorities can use their deep knowledge of place to focus on area-specific issues. All of the unitary authorities are strengthened by their strong economic focus, allowing for investment to also benefit social care and health needs, with the ability to create better infrastructure across the region.

4.3.4 SEND

Current position

Delivery model

The strong partnership ethos borne from years of collaboration between Cambridgeshire & Peterborough is evident within the SEND provision. There are a number of existing partnerships to retain and build on following reorganisation, including:

- Cambridgeshire & Peterborough SEND Executive Board – attended by both upper-tier authorities, the Integrated Care Board, Parent Carer Forums, Education, health and social care leaders and VCSE. Aims are to: improve EHCP timeliness and quality; enhance co-production with families; strengthen transitions to adulthood; and expand specialist provision.
- Cambridgeshire Area SEND Partnership – including the ICB and local authorities working together on joint commissioning of services; coordinated assessments and therapies and early help and inclusion initiatives. Their recent Inclusion for All strategy has been praised by Ofsted for improving early identification.

There are a number of positive initiatives worth noting:

- The Inclusion for All Strategy focused on early identification, mainstream inclusion, and financial sustainability.
- SEND Ordinarily Available Toolkit – providing guidance for mainstream schools on support for those without an EHCP.
- The SEND Hubs Network in Peterborough – hosted by schools, each hub focuses on a specific SEND area (e.g., autism, ADHD).

- Shared regional strategies including the Cambridgeshire & Peterborough SEND strategy focused on inclusive education, multi-agency collaboration, and lifelong learning and the All Age Autism Strategy, promoting autism-friendly services and environments across both authorities.

Performance

Recent OFSTED reviews of SEND have concluded that ‘Arrangements lead to inconsistent experiences and outcomes for children and young people with SEND’ (May 2025) and that progress in addressing weaknesses in preparing children for adulthood has not been sufficient (March 2022).

Local SEND inspections have also highlighted major areas of improvement within the region. Some consistencies include timeliness concerns in response to EHCP issuance, assessment pressures and improvements needed in communication and transparency with families.

In terms of differences, Peterborough is experiencing significant budget strain pressures with a need to increase specialist placements while Cambridgeshire’s access to mental health services is poor as well as their preparation for adulthood.

In Cambridgeshire, EHC plans have increased by 90.7% from 2019-2025. This is in comparison to Peterborough’s 53% increase and the national average of 80.4%. The region is therefore facing a significant rise in demand.⁷²

This is reflected in the table below which shows how the expected spend per resident is expected to grow across each of the proposed unitaries over the next 15 years.

Table •: Estimated spend per resident in SEND under Option E (Newton).

	2025			2040			Growth		
	U 1	U 2	U 3	U 1	U 2	U 3	U 1	U 2	U 3
Total spend per resident (£ pa)									
SEND	220	178	183	734	515	507	234%	189%	177%

⁷² [Local area dashboard: Special educational needs and disabilities \(SEND\) in England](#) [Local area dashboard: Special educational needs and disabilities \(SEND\) in England](#)

Word file suggested to draw out into Exec Summ

The time taken to issue EHC plans is vastly different in each upper-tier authority. Peterborough City Council are significantly quicker at issuing, with 89.4% of cases responded to within 20 weeks. In comparison, Cambridgeshire County only has 8.8% of EHCPs responded to – in law, 20 weeks is the threshold for which a plan should be issued once applied for. The below data could perhaps be explained by the difference in size and scale between the unitaries – Peterborough is smaller and therefore more reactive, with a lower caseload. This highlights how smaller unitary authorities could demonstrate similar strengths in response times.

Chart • : Cambridgeshire County Council.

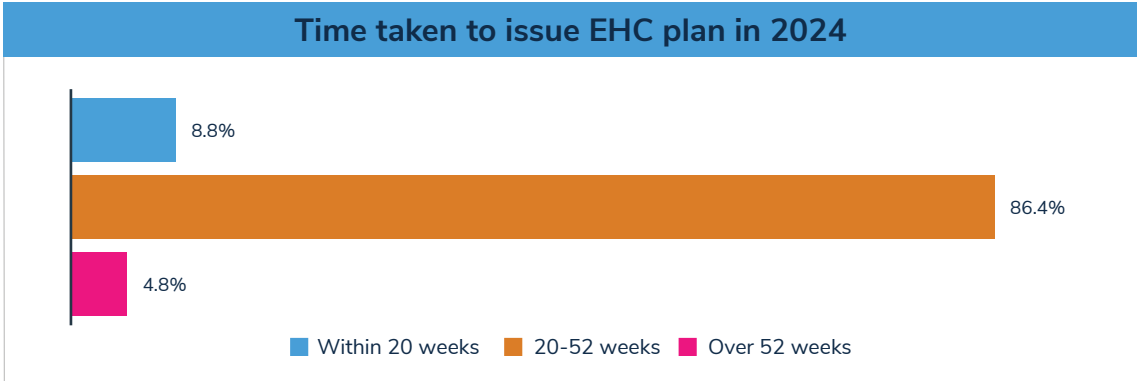
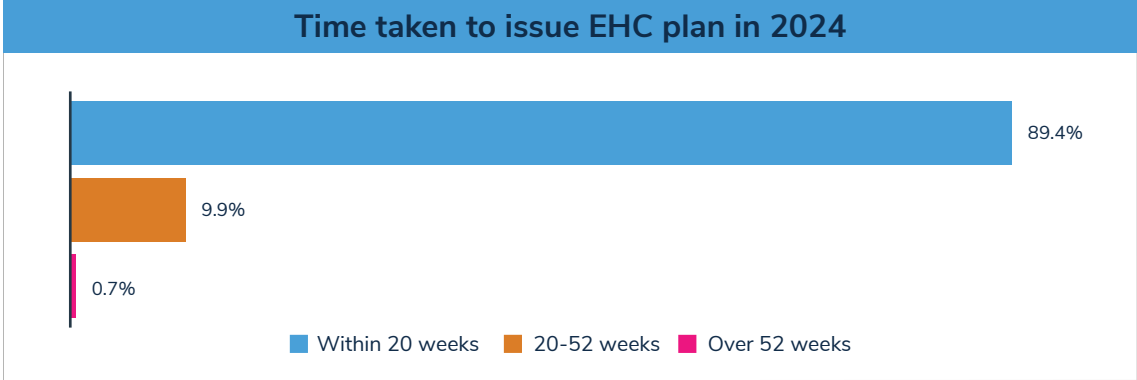


Chart • : Peterborough City Council



(Source: Local Area SEND Dashboard, House of Commons Library.)

Table •: SEND, approximate EHCP breakdown by authority (2023).
 (Source: Derived from overall 2023 EHCP counts (~7,000 Cambridgeshire pupils), SEND Sufficiency Statement 2023 projections, and recent place-planning data).

	Under-18 population	Estimated EHCP pupils	EHCP prevalence (%)
Cambridge City	~21,500	~1,190	5.5%
South Cambridgeshire	~38,800	~1,610	4.2%
Huntingdonshire	~40,200	~1,750	4.4%
Fenland	~24,400	~1,470	6.0%
East Cambridgeshire	~18,600	~980	5.3%
Cambridgeshire total	~143,500	~7,000	4.9%

The above table highlights the EHCP breakdown by district in Cambridgeshire. Fenland Cambridge City and East Cambridgeshire have the highest SEND prevalence. Fenland has a higher concentration of need with their special school (Meadowgate Academy) operating at or over capacity. Workforce recruitment is a challenge and SEMH expansion is needed. This is in contrast to East Cambridgeshire which has a mixed needs profile with ASD, hearing impairment and MLD common. The area faces challenges in that limited local specialist places mean a reliance on out-of-area placements. Peterborough’s prevalence is at 4.7%, demonstrating a slightly lower percentage with the majority of their need coming from ‘communication and interaction’ issues (mainly autism).

Cambridge City’s prevalence at 5.5% reflects their urban challenges and potentially better access to diagnostic services. Autism spectrum disorder dominates their need profile, perhaps due to proximity to autism-specialist provision. Huntingdonshire sees a lower rate of 4.4% with speech, language and communication needs and ASD dominating. Rurality creates challenges for specialist provision access but the new Prestley Wood school in Alconbury Weald has absorbed their growing complex-need cohort. South Cambs has a low prevalence rate at 4.2% but is seeing rapid growth through new developments. Autism and moderate learning difficulties dominate.

The table below provides a snapshot of attainment metrics in the region. It is worth noting that school readiness is the only metric that is below national average throughout the region. Cambridgeshire tends to perform better

than Peterborough with regard to the other themes however this may mask potential regional inequalities. One key regional theme is that, whilst we are sometimes performing well on the whole, we are geographically and demographically diverse so inequalities persist.

Home to school transport provision is another challenge across the region. Rising demand has shown an increase in spend on school taxis, particularly in Cambridgeshire. This is not helped by an uneven distribution of school provision in the County. In urban centres, schools are more densely populated however, in areas like South Cambridgeshire and Fenland and East Cambridgeshire, there are larger catchment areas where more pressure will be placed due to new developments and growth. This is an area that all unitaries will need to focus on when addressing SEND and Education Provision.

Table •: Educational Attainment Metrics in Cambridgeshire & Peterborough.

Theme	Metric	Cambridgeshire	Peterborough	National average
Free School Meals	Proportion of pupils eligible for FSM (2022/23)	20.5%	27.6%	23.8%
SEND	% of pupils with an EHCP (2022/23)	17.8%	15.4%	18.4%
SEND	% of children receiving SEN support (2022/23)	12.3%	11.1%	13.6%
School readiness	% of pupils with a good level of development at end of Reception (2022/23)	66.2%	63.1%	67.2%
School readiness	% of pupils eligible for FSM with a good level of development at end of Reception (2022/23)	39.8%	48%	51.6%

Theme	Metric	Cambridgeshire	Peterborough	National average
Educational Attainment	Average attainment 8 score at GCSE	48.6%	43.2%	46.2%
Pupil absence	Pupil absence rates	6.6-7.5%	6.6-7.5%	7.4%

Opportunities

There are a number of challenges that LGR provides an opportunity to address, including:

- **Regional disparities** – educational attainment is often unbalanced in the region, with areas like Fenland and Peterborough achieving less than South Cambridgeshire and Cambridge City, due to differences in affluence and deprivation.
- **Rurality and accessibility** – rural areas face increased barriers to access, particularly in villages in South Cambridgeshire, Fenland and East Cambridgeshire. The new councils will need to address transport and connectivity issues as well as ensuring maintained service provision.
- **Differences in demand growth** – whilst the North faces higher need, the greatest population growth will be felt further south leading to an increase in demand. The reorganisation provides an opportunity to establish organisational structures that facilitate effective communication and joint working – the connection of planning to education provision as well as leisure and health can provide greater outcomes for young people.
- **Workforce** – there are a number of workforce challenges felt in the region in education and SEND. The recent Local Skills Improvement Plan highlighted a 22% drop in teaching employment in Fenland and Peterborough since 2022 and teaching vacancies have risen by 81% compared to pre-pandemic levels. Both Councils have outlined significant staffing pressures and challenges in workforce ageing and staff retention. The opportunity exists to increase incentives for SEND support workers and teachers, with clear pathways for progression. Greater economic focus on transport provision could also clear barriers to workplace access.
- The three unitaries are small enough to provide hyper-local, place-based approaches to SEND provision that can be effectively tweaked to support regional differences.

- **Prevention** – improved prevention and placing importance on district-level services to provide early support and care for SEND students. Ensuring that prevention is embedded in education provision.
- **Accessibility** – the three unitaries provide alignment with natural transport links which are vital in addressing home to school transport issues but also, the strong economic identities of each unitary can work to increase funding and address regional issues like rurality.

4.3.5 Housing and homelessness

Current position

Delivery model

The region has numerous distinct housing markets with their own unique supply and demand pressures but there are also common challenges upon which the councils collaborate and partner to address. For example:

- **The Cambridgeshire & Peterborough Homelessness Transformation Partnership⁷³** – including all local Councils, NHS partners, criminal justice partners, the voluntary sector and housing associations. It supports local commissioning, shared data and outcomes, housing first-style pilots and integrated support for those with multiple disadvantages.
- **P3 – Cambridgeshire Street Outreach⁷⁴** – provides services for rough sleepers including engagement, rapid rehousing and support to access benefits, ID and health care. It is supported by local authorities, drug and alcohol services, mental health teams and housing providers.



Figure [●]: Off the streets project.

⁷³ cambridgeshireinsight.org.uk/wp-content/uploads/2020/08/Cambridgeshire-Homeless-Transformation-project-Main-Report-June20.pdf

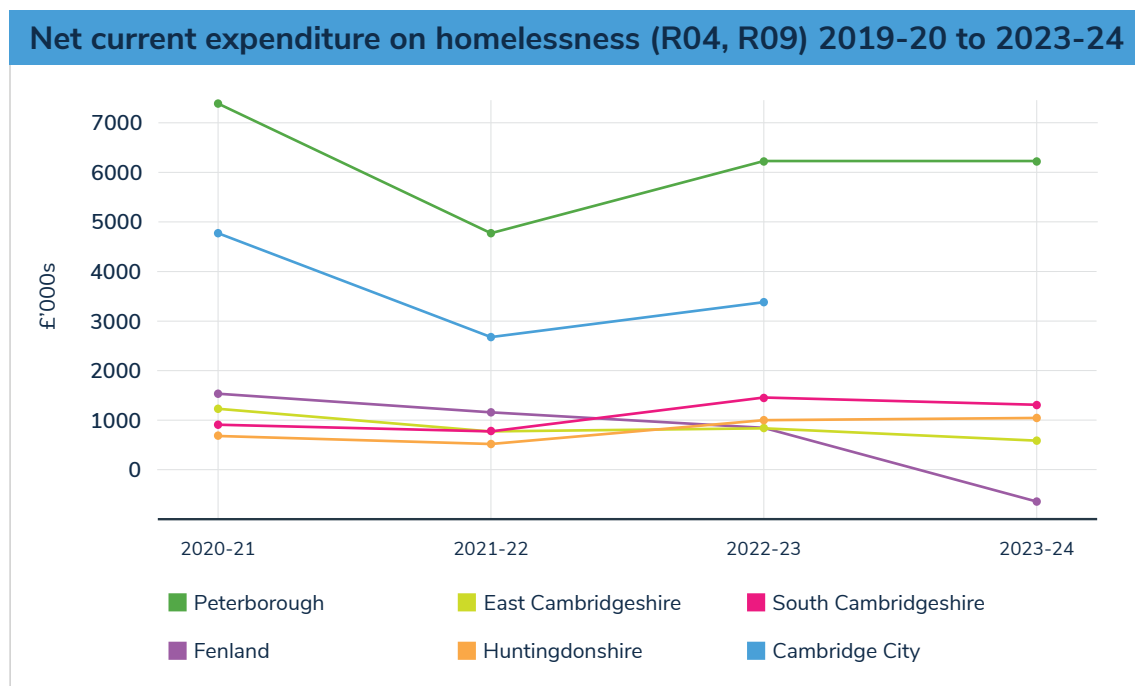
⁷⁴ [P3 Cambridgeshire Street Outreach | P3 Charity](#)

The following are examples of individual council led schemes to deal with rough sleeping and homelessness, **'Housing First' initiatives**⁷⁵ – particularly in Cambridge City, where a pilot programme was launched to provide housing as the first support mechanism to rough sleepers and provide wrap-around care after. **'Off the Streets' project**⁷⁶ – pioneered by Peterborough City Council and the Light Project Peterborough, the project focused on providing immediate and longer-term support for people sleeping rough. This included providing emergency night shelter pods in local churches, multi-agency support with personalised action plans for individuals and the 'Garden House,' Peterborough's homeless hub with a central access point for advice.

Performance

Current expenditure on homelessness up to 2023/24 is outlined in the graph below. It highlights how Peterborough and Cambridge account for two-thirds of homelessness spend in the region, due to urban pressures and high temporary-accommodation use. The more rural areas see less spend; however South Cambridgeshire and Huntingdonshire are seeing a steady increase in demand.

Chart •: New current expenditure on Homelessness.



75 [Housing First In Cambridge – Interim Report.pdf](#)

76 [Safer Off The Streets Peterborough](#)

The table below supplements the information above by providing a snapshot of homelessness data in the region, noting that a snapshot may not necessarily give a consistent picture of the prevailing situation.

Table •: Homelessness Demand by District (Cambridgeshire & Peterborough).

Unitary	District	Homelessness Applications (2024/25)	Rough Sleepers in Autumn 2024	Duties owed – either prevention or relief	Number of families in TA at end of Q4 2024/25 (Snapshot on the date)
1	Peterborough	1,679	16	1,679	327
1	Fenland	630	7	470	75
1	East Cambridgeshire	448	3	434	17
2	Huntingdonshire	870	9	864	114
3	South Cambridgeshire	620	1	591	75
3	Cambridge City	772	26	772	163

It is evident that Unitary 1 in the north will have significantly high TA needs and family homelessness rates in Peterborough although rough sleeping has recently stabilised. Fenland’s family homelessness rates have also increased alongside their B&B usage due to a significant shortage of move-on housing. In comparison, East Cambridgeshire has the lowest homelessness caseload for any LA in the Country but has a strong focus on prevention, with a 76% success rate in threatened evictions. It must be noted that rural hidden homelessness could also persist, however the low needs of East Cambridgeshire could balance out the high needs of Peterborough whilst providing increased scale of resources to address TA needs and established best practices in prevention. Shared issues such as hidden homelessness could also be effectively addressed.

For Unitary 2, Huntingdonshire has a combination of both urban and rural homelessness with again, an increase in family homelessness.

Unitary 3 will face a mix of issues. Cambridge City dominates homelessness provision. High rates of applications and increases in family homelessness is brought on by the housing affordability pressures felt in the city. Visible homelessness is also quite acute. In comparison, South Cambridgeshire faces moderate levels of homelessness but a rise in family homelessness and more relief rather than prevention cases.

Opportunities

Each unitary will have to face, to a lesser or greater extent, balancing the urban demands of their towns and cities and their challenges around visible homelessness with rural challenges around provision and invisible homelessness.

The creation of three unitary councils enables collaboration with partners to commission temporary accommodation at scale. They will have a greater voice to reach out to public sector partners and community organisations to effectively create multi-partner solutions to complex problems and more resources allows more capacity for prevention.

The joining-up of homelessness and housing provision with social care allows for wrap-around solutions and clearer pathways for vulnerable residents to access advice and support – particularly for those with multiple disadvantages. This should also provide greater data analytics to predict demand and also to target that wrap-around care and support, particularly for prevention purposes.

The growth focus of each unitary will be key to providing more social housing which could combat the rental gap that drives homelessness. The rise in rent is most acutely felt in the South at present and, as discussed elsewhere, the preferred configuration of three unitary councils is very much with a housing delivery focus, providing an economic coherence for the region that maximises its delivery potential.

The additional housing will support with managing homelessness demand and need over time, potentially providing capacity for housing-first schemes and more affordable housing generally.

Wider services

Whilst we have explored in depth the services outlined by the Government as 'high-risk', there is a vast array of services that Councils provide beyond those that are classed as 'people-centred'. This includes place-based services such as planning, operations and leisure alongside corporate enabling services and digital/customer services. In this section, we outline how LGR and the adoption of Option E can exploit opportunities for improving and transforming public services.

Optimising service delivery

There are a number of transformation opportunities that could be harnessed through the connection of these services under 'one roof':

For example:

- Creating connections between services like planning and highways can lead to more efficient ways of working to solve local issues with the opportunity to improve local places and connectivity quicker. Combining waste planning/collection/disposal with planning and economic development can provide opportunities to streamline services and find outcome-driven solutions, rather than passing on responsibility. Services can more readily talk to each other, with waste routes potentially being optimised by greater integration with highways and planning. This could also result in long-term benefits around recycling and carbon reductions as well as greater operational efficiencies
- The combination of County and District assets widens access to a property portfolio that can be more flexibly utilised, with, for example, community and leisure centres potentially being used for social care or support services. Whilst this way of working is already occurring across the tiers, having control under one authority allows for quicker implementation and a greater understanding of where needs should be met and delivery should be prioritised.
- Combining economic development with cultural and museum services – allows for growth and development of local businesses to build on existing cultural offerings, improving a visitor economy focus in each unitary. Collaboration could lead to increased foot-fall and economic growth through joint initiatives that capitalise on existing strengths.

A summary of what we envisage to be the changes from a Day 1 'safe and legal' position to a position that exploits the opportunities that LGR brings across service areas is shown in the table below.

Table [*]: Potential delivery models underneath Option E.

Service area	Day 1 delivery model	Future transformation options
Adult Early Help & Reablement	Existing locality teams transferred to new councils.	Embedded into neighbourhood models; potential use of digital triage and reablement services.
Care & Support Planning (Older People, LD, MH)	Teams lifted and shifted; existing Section 75 agreements continued.	Renegotiate Section 75 to support local integration; embed LD and Autism into neighbourhood teams.
Children's Social Care	Locality-based teams, Early Help, SEND and safeguarding transferred.	Strengthened locality integration; expansion of in-borough fostering and residential provision.
Education & SEND	Admissions, school improvement, SEND casework transferred.	Co-commissioning with schools; expand in-area SEND provision to reduce out-of-county placements.
Public Health	Statutory services (sexual health, substance misuse, health checks) transferred.	Closer integration with ICS and neighbourhood health networks; stronger prevention-led focus.
Housing & Homelessness	Housing and homelessness prevention teams transferred from districts into new councils.	Integration of housing, health, and social care responses; early intervention to prevent homelessness; and ensuring pipeline of delivery. Focus on getting people into work and staying there. Maximise system wide prevention alongside greater focus on enablement of people and places to solve problems for themselves.

Service area	Day 1 delivery model	Future transformation options
Operational Services	Ensure safe and legal delivery of services, including waste collection, disposal and highways management (amongst other duties). Teams lifted and shifted and operating by locality.	Combine services into one, allowing for collective oversight of the area and greater efficiencies. Maintain localized hubs where needed.
Planning	Ensure safe and legal delivery of statutory services, including processing of planning applications and statutory committees. Teams lifted and shifted and maintained by locality.	Bring teams together to create one shared planning service with increased oversight. Streamline planning processes and create efficiencies by taking a risk-based approach. Work together with the CPCA to create a strategic vision for the area that moves beyond district geographies.
IT/Digital	Colleagues have access to all systems and data to enable effective continuation of service and to reduce occurrences of communications being misrouted and missed interventions.	Developing joined-up proactive services utilising data-informed decisions, and citizen-centric design, working across peer councils, blue light services and the third sector to ensure early interventions and outcome focused support.
Leisure	Existing locality provision maintained, and assets transferred to new authorities.	Greater interconnection of leisure to social care and wider provision of the service to enable end-to-end health provision. Leverage connections to health partners to create a holistic view of residents. Expand existing leisure provision to the new unitary geography, to ensure equitable service delivery across the patch.

Digital led transformation

Underpinning a lot of the above are the opportunities for digital transformation that LGR brings.

Digitalisation provides opportunity to join previously separate services to tackle key themes such as vulnerability and financial stability, allowing these to be better targeted and focused upon key demographics. Specifically, the creation of a digital offering to customers through our resident-facing services whilst also improving the way that we manage information internally to provide better services which meet the widest needs at a potentially lower implementation cost. This is a 'once in a generation' opportunity to fundamentally redesign our services and ensure a digital-enabled future way of working, that will provide a platform for future capabilities and initiatives.

LGR allows us to have a 'one-stop shop' for residents with the ability for them to contact us directly about any issues they are facing, alongside a 'tell us once' approach. Our digital solutions should facilitate quick and efficient responses to local issues with services that talk to each other through data to allow a strong reactive approach.

Having one single voice of a new unitary authority can sharpen relationships with partners to share data easily, allowing scope for creating single data platforms with Health, Police, Fire and CPCA partners that take into account all service delivery data.

If we can harness this strong communication, we can also become more pro-active going forward, allowing for stronger data analytics to predict need and provide a well-rounded view of local issues to lead to more positive outcomes.

The key principle driving our digital transformation will be a focus on outcomes – we will not harness technology for the sake of technology but rather, to deliver for our residents, improving their quality of life.

The creation of three new unitary authorities also creates an opportunity to adopt a common regional digital approach which would create operational efficiencies, improve services and enable joint future developments.

Ensuring success

The new councils will adopt a vision for delivery that strives to be:

- Localised and tailored to specific community needs.
- Pro-active and forward-thinking, using digital solutions and shared data to predict need and providing a strong offering of prevention.
- Collaborative and joined-up, with services that have the digital means to talk to each other and share data across the organisation for more efficient working.

- Interconnected with other public service providers, allowing a greater understanding of the local area and the ability to use multiple services and providers to solve complex issues.
- Retaining or deepening existing shared services where it makes sense to do so. The new unitary authorities will be well-placed to continue existing partnerships which enable economies of scale whilst ensuring place-based response services that are more frontline are maintained by locality.

In practice this will involve

- Building on what works well already – the identification of positive working in the region and a focus on maintaining this going forward. This includes;
 - improving our enabling services to ensure effective operational support and a smooth customer experience.
 - expansion of district services that provide prevention – implementing wider operations of services that are already doing work in the prevention space, for example leisure. This includes scaling up what works well – for example, the existing work Huntingdonshire is doing with the NHS/ICB on co-located health hubs and combining district and county services through organisational structures that provide constant connection and communication. For example, ensuring housing sits within or next to social care.
- Providing a hyper-local approach that seeks to involve service users in co-production of services. This will particularly address the challenge of rurality as well as disparity of needs between the urban and the rural.
- Supporting the micro-provider market in the region by bringing together providers with local residents to support the wider use of personal budgets.
- Linking economic growth objectives with care needs to address social care provision and provide the connections needed to meet rurality challenges and a focus on housing development to build healthy, vibrant communities. For example, in Huntingdonshire, the Community Health and Wealth Building Strategy provides funding for projects aligned with the strategy's goals of improving health and social connection. Through LGR, this work could be scaled up and supported by business investment facilitated through growth.
- Collaborating for scale – joint commission services where cross-boundary collaboration offers better outcomes and value for money, such as safeguarding adults board, transfer of care hubs.
- Maintaining strong connections and existing partnerships with the NHS, Police, ICB, VCSE, whilst ensuring that new opportunities for partnership working are explored, particularly within front-line neighbourhood support.

- Effective governance and decision making to ensure that the new authorities have the ability to make effective decisions that are evidence-led. It is important that risks are effectively managed and that a robust PMO is in place to manage programme.
- Ensuring that service delivery in each council links back to individual corporate plans and their strategic visions for the future to ensure key priorities are delivered.
- Ensuring financial stability and the effective capacity to deliver all of the above.

Option E allows for existing partnerships in service delivery to continue, including 3CICT that is currently shared between Huntingdonshire, South Cambridgeshire and Cambridge City. It allows existing best practice in digital innovation to continue with smaller unitary authorities that have existing strong knowledge of residents and the local area. It creates authorities that will have resources to transform but are small enough to address specific local needs through digital technology.

Theme 4.4 – Democratic representation, community engagement, local identity

Section summary

Option E simplifies local democracy by creating three with clearer representation and more accessible decision-making. Modern governance structures will make councils more transparent, digital and responsive. Residents will have stronger voices through neighbourhood forums, participatory budgeting and closer partnerships with town and parish councils. This approach protects local identity while making it easier for people to shape decisions and see tangible results in their communities.

4.4.1 Democratic representation

As part of the submission to government, councils have been asked to consider the democratic and electoral arrangements for new unitary authorities, subject to later review by the LGBCE⁷⁷. There is a recognition that through LGR, councillor numbers should be reduced with the LGBCE recommending that numbers should be between 30 and 100. As Cambridgeshire & Peterborough is home to a significant number of county and district councillors, a lot of work has taken place to review the current numbers and to provide a view of the future that outlines an appropriate council size alongside warding arrangements.

4.4.2 Current elector:member ratios

In Cambridgeshire & Peterborough, there are currently 331 elected councillors representing the region. Of this, 270 are district and city councillors and 61 are county councillors. The current system of governance can therefore be confusing for residents, with multiple layers of representation across the two-tier system. The below table highlights the electoral arrangements for each council excluding the county council:

⁷⁷ Electoral Arrangements Paper

Table •. *Electorate numbers and ratios by district using wards as a base.*

Council	Electorate June 25	Number of wards	Number of district/city councillors	District/City electorate to member – Council wide
CCC	86,235	14	42	2,053
ECDC	68,825	14	28	2,458
FDC	76,695	18	43	1,784
HDC	140,201	26	52	2,696
PCC	147,183	22	60	2,453
SCDC	128,595	26	45	2,858
Totals	647,734	120	270	Average 2,399

The elector to member ratios across the district and city councils range from 1,784:1 in Fenland through to 2,858:1 in South Cambridgeshire. At ward level, these differences are even more pronounced, with 1,398:1 in Newnham Ward of Cambridge City through to 3,365:1 in Brampton Ward of Huntingdonshire.

An analysis of elector:member ratio shows that representation at ward level varies significantly, with 15 wards having fewer than 1,800 electors per councillor and 12 wards with more than 3,000 electors per councillor. This means that on balance there are relatively poor levels of electoral equality across the district and city wards of Cambridgeshire & Peterborough.

Figure ●: Electorate totals of District and City Councils in Peterborough and Cambridgeshire, the number of county divisions, and their overall elector to member ratios.

Council	Electorate June 25	Number of divisions	Number of county councillors	County electorate to member – council wide
CCC	86,235	12	12	7,186
ECDC	68,825	8	8	8,603
FDC	76,695	8	9	8,522
HDC	140,201	17	17	8,247
PCC	N/A	N/A	N/A	N/A
SCDC	128,595	14	15	8,573
TOTAL	500,551	59	61	Average 8,206

In comparison, the above table highlights the electoral arrangements for county council divisions in the region. The council wide elector to member ratio between the district and city councils for their county divisions range from 7,186:1 in Cambridge City through to 8,603:1 in East Cambridgeshire. It should be noted that these ratios are skewed by two Cambridge City divisions with markedly low electorates (Newnham and Market). With the numbers for those two divisions removed, the average ratio in Cambridge City becomes 7,797:1. Analysis has demonstrated that only six divisions are below 7,000 electors per member and three divisions are more than 9,500 electors per member. This means that on balance the county divisions offer somewhat better levels of electoral equality when compared with district and city wards.

In conclusion, it is prudent to use county divisions as the building blocks of new unitary wards as it would lead to largely fairer and more consistent levels of representation.

4.4.3 Option E recommendations

Within Option E, using the county divisions as building blocks, the following electoral arrangements are proposed.

Table •: North-East (East Cambridgeshire/Peterborough City/Fenland) and summary.

Council	Current division	Electorate	Potential councillors	Per member	Deviation
ECDC	Burwell	9,327	2	4,664	17.90
ECDC	Ely North	7,908	2	3,954	-0.04
ECDC	Ely South	8,094	2	4,047	2.31
ECDC	Littleport	7,534	2	3,767	-4.76
ECDC	Soham North & Isleham	8,490	2	4,245	7.32
ECDC	Soham South & Haddenham	9,422	2	4,711	19.10
ECDC	Sutton	9,399	2	4,700	18.81
ECDC	Woodditton	8,651	2	4,326	9.36
FDC	Chatteris	8,335	2	4,168	5.36
FDC	March North & Waldersey – Half 1	9,072	2	4,536	14.68
FDC	March North & Waldersey – Half 2	9,072	2	4,536	14.68
FDC	March South & Rural	8,636	2	4,318	9.17
FDC	Roman Bank & Peckover	9,239	2	4,620	16.79
FDC	Whittlesey North	8,644	2	4,322	9.27
FDC	Whittlesey South	8,939	2	4,470	13.00
FDC	Wisbech East	7,544	2	3,772	-4.64
FDC	Wisbech West	7,213	2	3,607	-8.82
PCC	Barnack	2,793	1	2,793	-29.39
PCC	Bretton	6,743	2	3,372	-14.76
PCC	Central	9,151	2	4,576	15.68

Council	Current division	Electorate	Potential councillors	Per member	Deviation
PCC	Dogsthorpe	6,913	2	3,457	-12.61
PCC	East	7,602	2	3,801	-3.90
PCC	Eye, Thorney & Newborough	7,475	2	3,738	-5.51
PCC	Fletton & Stanground	7,407	2	3,704	-6.37
PCC	Fletton & Woodston	7,688	2	3,844	-2.82
PCC	Glington & Castor	5,203	1	5,203	31.54
PCC	Gunthorpe	6,804	2	3,402	-13.99
PCC	Hampton Vale	5,704	2	2,852	-27.90
PCC	Hargate & Hempsted	7,402	2	3,701	-6.43
PCC	North	7,221	2	3,611	-8.72
PCC	Orton Longueville	7,559	2	3,780	-4.45
PCC	Orton Waterville	7,257	2	3,629	-8.27
PCC	Park	7,143	2	3,572	-9.71
PCC	Paston & Walton	7,349	2	3,675	-7.10
PCC	Ravensthorpe	7,524	2	3,762	-4.89
PCC	Stanground South	7,745	2	3,873	-2.10
PCC	Werrington	7,712	2	3,856	-2.51
PCC	West	4,242	1	4,242	7.24
PCC	Wittering	2,546	1	2,546	-35.63

Summary			
Number of wards/divisions	Number of councillors	Average elector:member ratio	Councillors per unitary division
39	74	3,955	2

The above analysis proposes 39 new unitary wards with 74 councillors with an average elector:member ratio of 3,995. Two councillors per unitary division has been suggested with the exception of four smaller PCC wards. Peterborough City Council's wards are roughly consistent in size (though broadly smaller) to the county divisions with three elected members each. This proposal recommends that the number of members is reduced to two per ward to ensure equity in representation. Four smaller wards have been maintained and the member number has been reduced from two to one.

March North & Waldersey has been split into two as the division currently elects two county councillors rather than one. By maintaining the electorate ratio, four councillors would have to be suggested for the area if it were to remain the same size. This number of councillors is unwieldy and is not in line with LGBCE guidance. By splitting the area in two, there is more even representation in both halves of the division.

Table •: Central Huntingdonshire and summary.

New council 2 – HDC					
Council	Current division	Electorate	Potential councillors	Per member	Deviation
HDC	St Neots East & Gransden	6,230	2	3,115	-24.46
HDC	Huntingdon West	7,619	2	3,810	-7.60
HDC	Somersham & Earith	7,743	2	3,872	-6.10
HDC	Warboys & The Stukeleys	7,802	2	3,901	-5.40
HDC	St Neots Eynesbury	7,856	2	3,928	-4.74
HDC	St Ives North & Wyton	7,972	2	3,986	-3.34
HDC	The Hemingfords & Fenstanton	8,022	2	4,011	-2.73
HDC	St Ives South & Needingworth	8,142	2	4,071	-1.27
HDC	Godmanchester & Huntingdon South	8,172	2	4,086	-0.91
HDC	Alconbury & Kimbolton	8,202	2	4,101	-0.55
HDC	St Neots Priory Park & Little Paxton	8,250	2	4,125	0.03

New council 2 – HDC					
Council	Current division	Electorate	Potential councillors	Per member	Deviation
HDC	Yaxley & Farcet	8,297	2	4,149	0.62
HDC	Huntingdon North & Hartford	8,344	2	4,172	1.17
HDC	Ramsey & Bury	8825	2	4,413	7.02
HDC	St Neots The Eatons	9,464	2	4,732	14.76
HDC	Brampton & Buckden	9,580	2	4,790	16.16
HDC	Sawtry & Stilton	9,681	2	4,841	17.40
Summary					
Number of wards/divisions	Number of councillors	Average elector:member ratio	Councillors per unitary division		
17	34	4,124	2		

The above table outlines our approach to the Central unitary – this would see 34 proposed councillors with 17 wards with an average elector:member ratio of 4,124. It is suggested that each ward has two councillors with no variations in the unitary.

Table •: South West – Cambridge City and South Cambridgeshire and summary.

New council 3 – CCC/ SCDC					
Council	Current division	Electorate	Proposed councillors	Per member	Deviation
CCC	Castle	6,080	2	3,040	-26.42
CCC	Abbey	6,846	2	3,423	-17.15
CCC	Arbury	6,990	2	3,495	-15.40
CCC	Queen Edith's	7,702	2	3,851	-6.79
CCC	Chesterton	7,925	2	3,963	-4.09
CCC	Petersfield	7,982	2	3,991	-3.40

New council 3 – CCC/ SCDC

Council	Current division	Electorate	Proposed councillors	Per member	Deviation
CCC	Newnham & Market	8,262	2	4,131	-0.01
CCC	Cherry Hinton	8,336	2	4,168	0.89
CCC	Kings Hedges	8,518	2	4,259	3.09
CCC	Trumpington	8,563	2	4,282	3.63
CCC	Romsey	9,031	2	4,516	9.30
SCDC	Bar Hill	7,169	2	3,585	-13.24
SCDC	Fulbourn	7,599	2	3,800	-8.03
SCDC	Papworth & Swavesey	7,899	2	3,950	-4.40
SCDC	Sawston & Shelford – Half 1	8,244	2	4,122	-0.23
SCDC	Sawston & Shelford – Half 2	8,244	2	4,122	-0.23
SCDC	Duxford	8,418	2	4,209	1.88
SCDC	Melbourn & Bassingbourn	8,457	2	4,229	2.35
SCDC	Histon & Impington	8,551	2	4,276	3.49
SCDC	Longstanton, Northstowe & Over	8,657	2	4,329	4.77
SCDC	Gamlingay	8,785	2	4,393	6.32
SCDC	Linton	8,875	2	4,438	7.41
SCDC	Cottenham & Willingham	9,093	2	4,547	10.05
SCDC	Waterbeach	9,288	2	4,644	12.41
SCDC	Hardwick	9,484	2	4,742	14.78
SCDC	Cambourne	9,832	2	4,916	18.99

Summary

Number of wards/divisions	Number of councillors	Average elector:member ratio	Councillors per unitary division
26	52	4,131	2

In summary, the above recommendations allow the creation of three unitary authorities with balanced elector:member ratios (3,955 vs 4,131) that also factors in district variances, such as smaller divisions in Peterborough and larger ones in Fenland. All three councils are well within the LGBCE's guidance with the number of councillors sitting between the recommendation of 30 and 100.

As per the new legislation in the Devolution Bill, the new unitary authorities will have a Leader and Cabinet model. Currently, the region has two councils with the committee system – Cambridgeshire County Council and East Cambridgeshire District Council. Work will need to be done to determine the new governance and committee structures when the shadow authority is elected however all three unitary authorities will comply with the government's recent announcements for a Leader and Cabinet structure.

The reorganisation presents a significant opportunity to reset constitutional frameworks by developing clear, simple, and modern governance structures that embody best practice and reflect the ambitions of the new unitary authorities. This clean slate approach will enable the creation of more efficient and accessible governance arrangements, moving beyond legacy challenges that may have constrained predecessor authorities and building confidence in the new organisational culture. The constitutional reset will embrace digital transformation, incorporating innovative practices such as proxy voting and virtual attendance—both subjects of recent government consultation—to enhance democratic participation and operational flexibility. Furthermore, this foundational work will establish a progressive framework for Member and Officer relationships, supported by comprehensive training and development programmes designed to attract the next generation of talent into local government. By embedding these principles from inception, the new unitary authorities will be positioned as modern, forward-thinking employers and democratic institutions that set the standard for effective local governance.

4.4.4 Community engagement and neighbourhood empowerment

As part of the guidance for LGR, MHCLG have outlined that proposals should 'enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.' The above analysis and approach to democratic governance works to ensure effective decision-making. However, it is important that the proposal recognises the importance of the 'third-tier' and other public sector organisations whilst also allowing residents to participate in various forms of engagement. It is vital that the new unitary authorities continue to recognise the role that elected members play as central to community leadership and that their relationship with residents is strengthened by widening participation to other relevant groups.

The approach to community engagement builds on the existing structures for local decision-making that exist within the area and draws on examples of best practice. It also identifies examples of best practice elsewhere nationally, particularly in those areas where LGR has already occurred.

Our approach is centred around the following priorities:

- Ensuring clear pathways for residents to access councillors and decision-making so that issues can be raised quickly.
- **Co-design of services with service users** – increased methods of participation for service users to co-produce solutions to complex problems.
- **Cultivating effective partnerships** – ensuring relationships between partners is strengthened by a strong community engagement approach.
- **Inclusive and accessible** – approaches that are accessible to all and inclusive of different user groups and diverse communities.
- **Trust** – making sure that residents trust council services and councillors with decision-making and that outcomes are effectively communicated, providing accountability and transparency.

These principles are important for ensuring that decision-making is based on local views and knowledge and works to address local need.

How could residents and councillors take ownership and influence decisions?

There are a few examples below of opportunities to expand resident influence in decision-making through the LGR process:

- Structured input into the Community Infrastructure Levy – CIL is already in place in Peterborough, Huntingdonshire and East Cambridgeshire and is currently being explored by South and City. Residents could have a more direct influence on local investment priorities, ensuring that needs are met and that infrastructure design considers the needs of different user groups.
- Involvement in place-based decision-making such as on planning applications, traffic management, refuse collection, pathways and roads. Inclusion of parish and town councils in delivery of key local assets – a previous example in Cambridgeshire is the priory centre in St Neots where the town council was essential in delivering the redevelopment of the community hub.
- Establishing local priorities, particularly through connections to other public sector bodies, such as the police, fire, and health.
- Participatory budgeting trials, allowing local people to allocate funding, building greater understanding of council processes and ownership of allocation. This could include expanding the use of health and wealth

funding opportunities whereby local partners and people make decisions on project funding – this approach is currently being used in Huntingdonshire and could be expanded outwards to allow more joint ownership of investment in priority areas to residents.⁷⁸

- Open space meetings where participants create their own agendas, allowing for informal and inclusive discussion with relevant public sector organisations.
- Advisory Groups focused on specific user needs, such as Youth provision or social care. These allow forums for underrepresented residents to access decision-making beyond traditional communication methods.
- Committees/forums in response to area-specific issues – these bodies may have a more specific focus and could be tailored to individual areas specific needs. For example, the North-East unitary's increased deprivation and poverty could be worked through by a 'deprivation commission'.
- Neighbourhood planning embedded – potential scope to delegate further planning functions (e.g. decision making) down to them; true local decision making.
- The potential transfer of additional assets to parish and town councils, particularly in light of the Devolution Bill's Community Right to Buy provisions.
- Promoting and championing the model and the funding opportunities available to the community via the Health and Wealth Building work in Huntingdonshire.
- Consistency of four-yearly cycles allows greater time to embed new members, develop and implement policy over their tenure and then to prepare for new membership. This allows for greater consistency in administrations but also allows for difficult decision-making to be effectively actioned as well as for allowing greater strategic planning.

How could the above approaches work in practice?

Currently, residents engage through parish structures where they exist through case work, local drop-ins, community events and informal neighbourhood forums, where opportunity is given to shape priorities and raise local concerns. Members play a convening role as part of this work, facilitating local conversations, supporting place-based work and connecting residents with council services. It is important that through LGR, these forms of engagement are continued. However, more formalised committees and forums would work to strengthen this convening power and could ensure that regular connections with partners are established.

⁷⁸ [Huntingdonshire Community Health and Wealth Building Strategy – Huntingdonshire.gov.uk](https://www.huntingdonshire.gov.uk)

The above approach to neighbourhood engagement is empowered by Option E's alignment to existing partnerships, including the ICB, Police, Fire and NHS boundaries. Each area's distinct economic identities will help the new authorities pin down the key issues that should be addressed through neighbourhood engagement, allowing a more localised, place-based approach.

Responsive engagement

One approach to neighbourhood engagement is one of flexibility, where enhanced models will be implemented when significant change is taking place or a certain issue is considered significant and greater collaboration is necessary. This can be termed as 'responsive engagement' – engagement that is aimed at tackling arising issues in geographic areas. A key focus of this will be to align with public service providers to address and solve complex problems. An example of where this approach has worked effectively is through Truth Poverty Commissions in various councils⁷⁹. These are set up in response to poverty and social exclusion in local communities through engagement with those with lived experience. Public sector partners are effectively pulled into the commission to work through the root causes of deprivation. This is an example of when neighbourhood engagement has been tailored to specific areas to solve pertinent issues.

Participatory budgeting is another area that can be effectively explored through LGR. An example of where this has worked well is in Newport City Council⁸⁰ where ideas for projects are submitted by community groups and citizens come together at a decision-making event to decide on allocation of funding. The process allows joint ways of working to be established whilst ensuring that residents can effectively allocate funding according to their needs. The regions current relationships with the VCSE can therefore be leveraged to contribute to participatory budgeting exercises. This approach can also be tweaked to encompass rural or urban specific issues, according to locality and the specific geographic needs of the North-East or South-West.

Pro-active engagement

Whilst the above approach has been highlighted as an effective reactive response to neighbourhood issues, a second approach is termed 'pro-active engagement.' Pro-active engagement could include targeted approaches to communities that are traditionally underrepresented in decision-making or through establishing forums/committees for issues that are on-going and will need to be continually addressed. Therefore, rather than being in response to arising issues, the groups and committees are formed to continually address

⁷⁹ councils.coop/case-study/salford-poverty-truth-commission/

⁸⁰ [Participatory budgeting | Newport City Council](#)

certain groups needs and particular thematic areas that require ongoing collaboration.

For example, London Borough of Waltham Forest recently started their 'Young Advisors & Youth Independent Advisory Group'⁸¹ which is aimed at bringing young people into the heart of decision-making. The group creates 'Young Advisors' who essentially become youth consultants in their community, as experts in the place they grew up and live. The group takes referrals from partners such as the Youth Offending Service, Children's Social care and Victim Support. Similar approaches have begun to be explored in the region, with Cambridge Youth Assembly bringing together young people to raise concerns to local decision-makers.

Vital to this work will be to use any existing relationships with the VCSE and local community groups to establish new or strengthen existing communications with residents. One example of how these connections are already being leveraged was the 'Movement for Recovery' collaboration. This was a move to bring together various church leaders from different denominations to establish conversations with public sector providers, including Cambridge City Council and the police.⁸² Church leaders began to meet once a term to address key local issues, including in Peterborough and Fenland. This is an example of how the region has already begun to make these connections and the increased leveraging power of the new unitary authorities will work to strengthen these.

Town Deal Boards are another example of pro-active engagement that can be utilised following LGR. Town Deal Boards are local partnerships established under the UK Government's Towns Fund initiative⁸³ and are designed to drive economic regeneration and community-led development in selected towns. They often have representation from multiple stakeholders including local authorities, local MPs, business leaders, community representatives, public sector agencies and cultural and educational institutions. The purpose is to develop evidence-based town investment plans and to ensure effective community engagement in decision-making. An example of where this has worked well is in Truro in Cornwall⁸⁴ – the town was awarded £23.6m and delivered improvements to waterfront areas, created pedestrian and cycling routes and developed 'The Hive,' a creative and digital innovation centre.

81 [Waltham Forest Young Advisors](#)

82 [A new era unity in Cambridge | Gather Movement](#)

83 [Towns Fund: supplementary guidance for Town Deal Boards – GOV.UK](#)

84 [Truro Town Deal Public engagement boards](#)

The new unitary authorities will be well placed to develop relationships with local community organisations, through the two-pronged approach outlined above. This approach allows scope and flexibility for the new authorities to solve complex issues whilst allowing an increase in accessibility for protected groups. Increased capacity and scale means that unitary authorities can afford to be pro-active. More focused characteristics and need in the three unitary authorities demonstrates how Option E can effectively deliver this approach.

Essential to the above is the role of elected members. Councillors will hold responsibility for cultivating relationships with community groups and ensuring that issues are responded to efficiently and effectively. Members with portfolio or service responsibilities can provide reassurance that insights will influence policy, delivery and scrutiny.

Strengthening our relationship with Town and Parish councils

Town and parish councils are important stakeholders in the above approach to neighbourhood engagement. However, it is important that their position is upheld as key local forums and organisations within their own right. Whilst LGR does not directly change third-tier council arrangements, their relationship with existing council structures will fundamentally shift.

In Cambridgeshire & Peterborough, all the rural districts are parished. Peterborough City Council is mostly parished and Cambridge City is completely unparished. Through LGR, it is important that the South-West and North-East unitary retain strong relationships with parish councils whilst also ensuring effective local governance in the urban centres. Neighbourhood governance mechanisms could therefore be immediately prioritised in Cambridge City and Peterborough to ensure that all areas are covered effectively for hyper-local decision-making. This work will build on those forums that already exist such as South Newnham Neighbourhood Forum in Cambridge.⁸⁵

It is also possible through LGR to explore the devolution of assets to parish and town councils, allowing greater local control over vital community infrastructure. An example of this is Horncastle Town Council where East Lindsey District Council transferred a number of assets down to the third tier, including a town hall, a car park and local sport and play facilities.⁸⁶ The devolution of assets will be an area that the new unitary authorities can effectively discuss and collaborate with parish councils over, potentially bridging the gap between the new larger authorities and the third tier.

⁸⁵ [Home | SNNF](#)

⁸⁶ [Issue – items at meetings – Proposed Transfer of Assets to Horncastle Town Council: – East Lindsey District Council](#)

Another example of best practice that should be maintained and strengthened by the new unitary authorities are town and parish forums. In Huntingdonshire, an annual town and parish forum⁸⁷ is held for various third tier organisations to come together and discuss any issues or concerns with officers whilst strengthening relationships amongst themselves. It is also an opportunity for the council to keep them informed of any shifts or updates – for example, LGR-themed forum was held recently to establish effective ongoing methods of communication with the third-tier and to make sure that they were clearly cited on what the process means for their organisations. Huntingdonshire District Council has also sought to connect local engagement to the national stage through forums like the ‘Pride in Place’ event. The event was intended to showcase the district’s potential as a prime location for investment and growth however, it included local representation from parish and town councils. This local perspective should be recognised as vital to pursuing strategic aims and unitarization should work to strengthen parish and town councils further.

Regional councils also regularly keep councillors informed through regular monthly bulletins. This is a practice that should be maintained within the new unitary authorities, particularly to alleviate any concerns around more ‘remote’ authorities.

Parish and town councils are vital organisations that will be included at all stages of establishing improved neighbourhood engagement.⁸⁸ Option E facilitates a localised approach whilst also increasing the authorities voice with local partners to effectively pull them into decision-making forums, given their additional resources and scope of powers. The three unitary authorities will have the ability to strengthen third-tier councils themselves, allowing them to take greater ownership of their local area, supported by their smaller geographies.

Case study: Using CIL to strengthen local democracy

In Huntingdonshire, Community Infrastructure Levy (CIL)⁸⁹ funding illustrates how local communities shape development-led investment. Each year, parish and town councils receive a share of CIL to reinvest locally, with funding across the district amounting to over £6m. While some councils hold funds for major capital schemes, others quickly channel spending into smaller but visible projects.

⁸⁷ [Town and Parish Council Forum | Let's Talk Huntingdonshire](#)

⁸⁸ [Committee details – Parish Council Liaison Meeting | Peterborough City Council](#)

⁸⁹ [Community Infrastructure Levy \(CIL\) – Huntingdonshire.gov.uk](#)

In 2023/24, projects funded through CIL included:

- **Community buildings** – new or refurbished village halls, sports pavilions and public toilets.
- **Sports and play** – play areas, skate parks, youth shelters, and lighting for 3G pitches.
- **Green spaces and public realm** – cemetery works, benches, landscaping, and allotments.
- **Traffic management and safety** – 20mph schemes, speed signs, and pedestrian improvements.
- **Health and resilience** – provision of defibrillators and flood response equipment.

Annual reports published by each parish provide transparency and accountability. The framework ensures residents and elected members influence how growth funds are invested, balancing immediate priorities with longer-term projects.⁹⁰



Figure [●]:
Community
Infrastructure
Levy.

⁹⁰ Electoral Arrangements Paper

Case study: Peterborough Parish Liaison Committee

Many parts of the Peterborough Local Authority are parished, including both urban city centre and rural areas with 26 parish councils forming part of the local government landscape. The parishes and city council have developed a Member led Parish Liaison Committee to enhance the voice of parishes within the city council, identify areas of common interest and develop new methods of service delivery that can improve efficiency and reduce costs.⁹¹

Case Study: Huntingdonshire Health and Wealth Strategy

The Community Health and Wealth Building Strategy is the council's long-term commitment to tackling the root causes of poor health and economic inequality. It focuses on creating the conditions for people to thrive, through better physical and mental wellbeing, stronger local economies, and more connected communities.

The Community Health and Wealth Building Delivery Fund is a £750,000 investment by HDC to support the delivery of its Community Health and Wealth Building Strategy over the next three years. The fund is a dedicated resource to support projects that align with the strategy's goals. It aims to:

- Maximise local social benefits, such as employment and housing.
- Support community-led initiatives that foster connection and well-being.
- Encourage innovative solutions to improve health, economic resilience, and social connection.

The fund will empower local communities, organisations, and partners to lead initiatives that address the root causes of inequality and poor health. While the initial funding comes from HDC, the fund is open to contributions from external partners to expand its reach and impact – and crucially the decisions on which projects are progressed is taken jointly by members of the community, health representatives, the Police and Council officers – true local ownership.

⁹¹ [Huntingdonshire Community Health and Wealth Building Strategy – Huntingdonshire.gov.uk](https://www.huntingdonshire.gov.uk)

Theme 4.5 – Devolution

Section summary

Devolution is about giving more powers and funding to local areas so decisions can be made closer to the people they affect. This simpler setup of Option E strengthens local leadership by aligning powers and priorities. Each council's distinct economic focus helps balance growth and influence across the region.

'Right powers at the right scale'

An existing and effective relationship between the Cambridgeshire & Peterborough Combined Authority already existing to ensure any new governance arrangement is response to further devolution. Existing working and governance arrangements will enable an effective and efficient transitional arrangement should the CPCA transition a Mayoral to an Established Strategic Authority. Option E does not preclude or impact the CPCA apply for Establish Strategic Authority status.

The existing Combined Authority already acts to unify strategic planning and investment in our region, with a focus on transport, housing and skills. Consequently, the rationale for Option E and its alignment with devolution is therefore not about creating a new organisation but strengthening existing relationships and unlocking further opportunities for Huntingdonshire and the region.

Based on historic leadership and Council-wide performance, Huntingdonshire is the right size to achieve the expected efficiencies, capacity improvements and withstand financial shocks. The council's track record to date and aspirations for the future demonstrate clear leadership locally worthy of an 'active partner nationally' to consider the validity of this option.

Whilst Option E falls below the 500k population guidance the evidence supporting Option E justifies an exceptional case to ensure new governance structures make sense for the local area, including for devolution. The continuation of high quality and sustainable public services to citizens and communities is sustained under Option E. The two smallest unitaries under Option E are both growing rapidly, Potential boundary changes being discussed by Huntingdonshire would further increase its population, bringing it nearer to the Government's threshold.

‘New unitary structures must support devolution arrangements.’

The above statement was included as part of the guidance in the invitation to submit an LGR proposal. Its inclusion represents the current focus of the UK government to strengthen local decision-making through a transfer of powers to new ‘Strategic Authorities,’ as highlighted by the English Devolution and Community Empowerment Bill.⁹²

Most areas going through LGR will be expected to provide a detailed assessment of how their unitary structures can allow the formation of these new Strategic Authorities. However, in Cambridgeshire & Peterborough, the existing Combined Authority acts to unify strategic planning and investment in the region, with a focus on transport, housing and skills. Our argument for Option E and its alignment with devolution is therefore not about creating a new organisation but about strengthening our existing relationship and unlocking further abilities for our region.

4.5.1 History of the CPCA

The CPCA was created in 2017 as a devolved mayoral authority, covering a population of approximately 890,000 people in Cambridgeshire & Peterborough. It is made up of a directly elected Mayor who chairs the Combined Authority Board and seven constituent councils: Cambridge City Council; Cambridgeshire County Council; East Cambridgeshire District Council; Fenland District Council; Huntingdonshire District Council; Peterborough City Council and South Cambridgeshire District Council.

The Combined Authority Board is responsible for major decisions, including transport and funding allocations. Decisions on key issues require: all members present and a two-thirds majority of members in favour, with Cambridgeshire County Council and Peterborough City Council in that majority.

4.5.2 Looking to the future

The English Devolution and Community Empowerment Bill proposes further devolution which will significantly broaden the Combined Authority’s powers and responsibilities across a wide range of policy areas, including transport, strategic planning, economic development, regeneration, health and public safety.

Further, it is expected that, at the conclusion of the Police and Crime Commissioner’s term of office, the powers and responsibilities for this role will be assumed by the Mayor of Cambridgeshire & Peterborough.

As noted earlier, the CPCA’s geography will remain unchanged as part of this proposal. However, a reduction from seven constituent councils

⁹² [English Devolution and Community Empowerment Bill – Parliamentary Bills – UK Parliament](#)

to three unitary authorities requires some thought to any changes in the organisation's governance.

4.5.3 Why Option E is best aligned to the CPCA

Under this proposal, the population sizes are as follows:

Unitary	Population size (approximate)
PCC / FDC / ECDC	405,900
HDC	185,700
SCDC / CCC	319,800

In Cambridgeshire & Peterborough, Cambridge City and Peterborough City account for almost half of the total GVA, followed by SCDC, then HDC. FDC and ECDC each account for around 7-8%. A three unitary model is therefore seen as optimum for achieving a strong balance of GVA The North-East unitary brings together the rural east of the area with the strength of Peterborough. Cambridge and South Cambridgeshire will promote growth based on their existing strengths and Huntingdon can retain momentum in terms of growth on its allocated opportunity sites.

Table •: GVA distribution by district.⁹³

District	GVA (£m)	% of Total GVA
Cambridge	6,200	25.2%
South Cambridgeshire	5,100	20.7%
East Cambridgeshire	2,000	8.1%
Huntingdonshire	4,000	16.3%
Fenland	1,800	7.3%
Peterborough	5,500	22.4%

Option E creates three distinct economic areas that are anchored by three different sectors and clusters. The North-Eastern unitary creates a strong rural identity whilst accommodating for Peterborough's growth and ensuring

⁹³ [Gross Value Added \(GVA\) – Office for National Statistics](#)

alignment in key industries such as logistics and manufacturing. The unitary will also be notably distinct in its rural focus on agriculture.

The Central unitary, specialising in defence provides an important bridge in economic and infrastructure terms between the two other CPCA unitaries as well as the Oxford to Cambridge Corridor.

The Western unitary draws on the power and international reputation of Cambridge City allowing knowledge-intensive sectors like and life sciences to thrive.

This option therefore creates strong economic identities with a relative balance of GVA – 46% in the South and 37.8% in the North and 16% in the Central area. This balance of population and GVA combined with growth potential, allows for an equal seat at the table within the CPCA whilst retaining strong economic identities in each unitary that can focus on lobbying for their own goals for growth.

It should be noted that the CPCA is significantly smaller than other combined authorities in the country, serving a population of 0.9 million in comparison to an average of around 1.5-2 million people. It can be argued that having more councils underneath the CPCA (three in comparison to two) could make the CPCA work more democratically by providing additional challenge and perspective to decision-making and by having representation closer to individual areas.

4.5.4 Changes to governance

The governance of the CPCA will need to reflect the changes brought by LGR – the CPCA will therefore be made up of the directly elected Mayor, the Combined Authority Board and three Unitary Authorities. The make-up of the Combined Authority Board will need to reflect the make-up of the Unitary Authorities to ensure that any risk of economic distortion is mitigated.

The proposed Board will be chaired by the Mayor and consists of two representatives from each Unitary Authority, the chair of the Business Board and co-opted members; the Cambridgeshire & Peterborough Police & Crime Commissioner (until such time this role is absorbed by the Mayor) and representatives from the Cambridgeshire & Peterborough Fire Authority and the Cambridgeshire & Peterborough Clinical Commissioning Group.



5. Stakeholder engagement and local support

Section summary

Thousands of residents, staff and local organisations took part in surveys and focus groups to share their views. The feedback showed strong support for change if it improves services, keeps rural voices heard and makes councils easier to deal with.

Top priorities that emerged were having councillors who understand their area, simpler access to services and more transparent decision-making. Many also highlighted concerns about rural neglect, transport, infrastructure and fairness between communities.

5.1 Engaging with our stakeholders

To support the development of this proposal, each Council committed to engage with the public across the region jointly, to develop a shared understanding of how our residents, stakeholders and staff feel about LGR.

Underpinning this joint engagement has been a survey for residents and a separate survey for stakeholders.⁹⁴

The two surveys were intended to inform the creation of this proposal and their feedback has effectively shaped our argument for Option E. We have

⁹⁴ Survey reports LINK

worked to accurately reflect their aspirations and priorities for the area as well as to address any concerns they may have about the process of re-organisation. We have not only taken their option preferences into account but also, their view on what can be improved in our current structure to inform our vision for the future.

We also carried out a number of focus groups conducted with a total of 38 residents across six locations (all districts in the region). Our intention was to identify current service experiences, delivery preferences, an understanding of local identity, development priorities and reorganisation concerns. The focus groups therefore built on our survey findings and both methods have been used to inform our proposal.

5.2 Who did we reach?

Through an accessible survey, we have received representations from 2,407 residents, 767 local government staff, 83 parish and town councils, 76 businesses across multiple sectors and sizes, and 72 voluntary and community organisations, public sector bodies, and individual responses from Councillors. We received responses from a diverse cohort of residents, particularly with regard to location. Huntingdonshire and East Cambridgeshire are the most represented areas, however all other areas sit comfortably within 10-15% of the response rate.

It is also important to note the limitations of the survey and that it will not capture the full picture of opinion. The survey also did not ask residents about their preferences for particular options – so any analysis that we have conducted to demonstrate direct support for an option has been taken from free-text comments and the focus groups.

5.3 What residents told us

Overwhelmingly, residents told us that they would strongly support reorganisation if it improved services (84% of responses). This was caveated with the fact that the reorganisation should safeguard rural representation and identity as well as deliver tangible benefits in investment and quicker response times.

The top three priorities for the unitaries were identified as:

- Having local councillors who understand their area.
- Simplifying access to services.
- Increasing the transparency and accountability of local government decision-making .

These priorities were reflected in the areas for improvement that respondents identified. Transparency and accountability was identified as a weak point alongside attempts to reduce costs for residents.

Conversely, local Councillors are seen to know their local area well (61%) – this is therefore a strength that needs to be built upon. Similarly, residents felt that they have a strong sense of community identity (62%) so it’s important for the new authorities to retain individual areas identities through a community focus.

Through the analysis conducted of the survey results, it is clear to us that Huntingdonshire residents would be supportive of Option E and that there is an attraction for residents to be aligned to both Peterborough and Cambridge and to retain the existing cultural and physical connections with the two city areas.

In terms of size preference, the results for residents of each proposed unitary are highlighted below. The preferred size of unitaries ranges between 300,000 and 500,000 mark. Unitary 2 – Huntingdonshire and Unitary 3 – Southern both favour a unitary size of 500,000, however residents in Unitary 3 – Northern express a more general preference for smaller scale of 300,000.

Figure •: Travel patterns in survey responses for Unitary 1 – Northern.

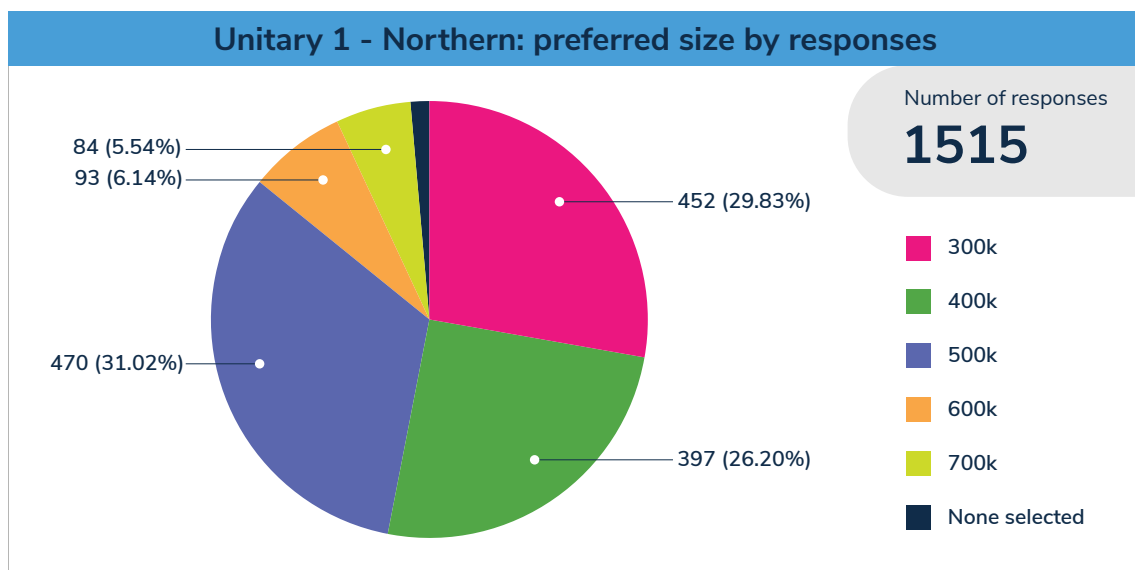


Figure ●: Travel patterns in survey responses for Unitary 2 – Huntingdonshire.

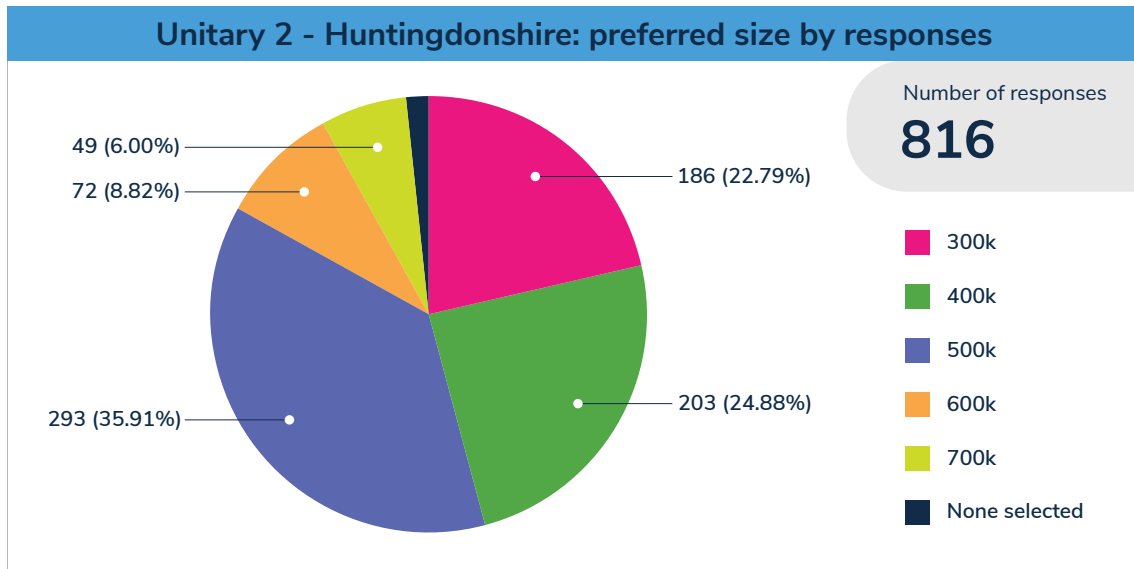
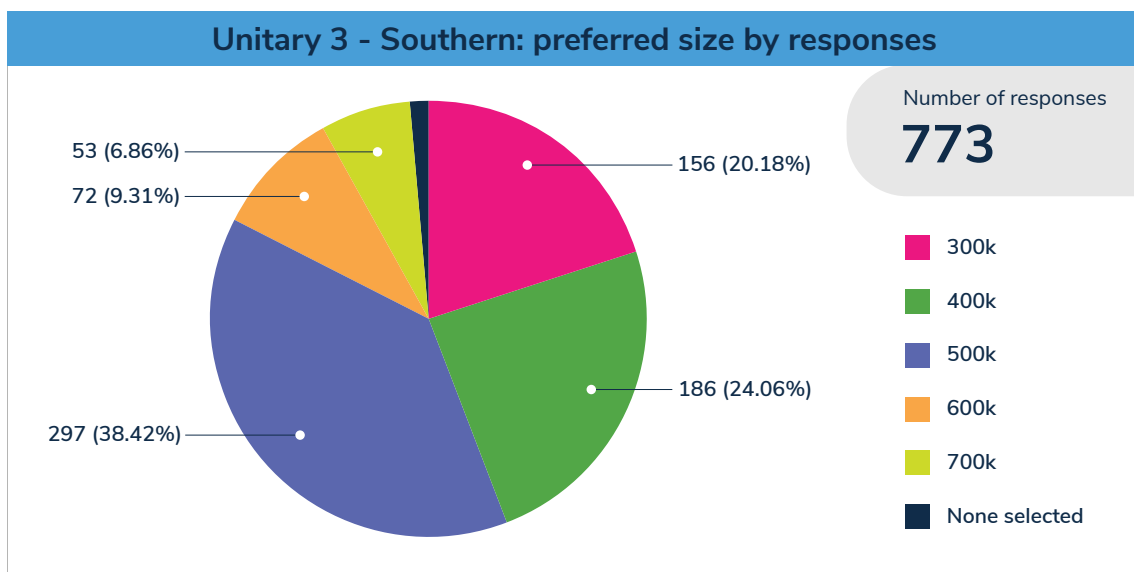


Figure ●: Travel patterns in survey responses for Unitary 3 – Southern.



This demonstrates the importance of having smaller, well-balanced unitaries that can be responsive to people’s needs – particularly to ensure rural representation is maintained. Option E delivers three unitaries with the following populations based upon 2023 figures;

- Unitary 1 – Northern, 400k.
- Unitary 2 – Huntingdonshire, 200k.
- Unitary 3 – Southern, 300k.

Although Unitary 2 falls below the preferred 300k level, the prospect of c. 30,000 homes in that area over the next 10 years will move it quickly towards that level.

The three charts below highlight the travel patterns identified by the survey respondents.

For Unitary 1 – Northern, much of the travel is within the unitary area although Cambridge does draw a reasonable amount of journeys, particularly for shopping purposes.

For Unitary 2 – Huntingdonshire, most respondents tend to remain within the area when travelling to work. However, the majority of respondents travelling out of the area tend to travel to urban areas for work, health and shopping. These are mainly comprised of Peterborough and Cambridge City. There is very little travel to Fenland or South and East Cambridgeshire from this area.

In Unitary 3 – Southern, travel is much more concentrated in Cambridge City and South Cambridge with little to no alignment to Peterborough and Fenland. This highlights the strong connection within the Cambridge areas and the natural flow Southwards of travel patterns.

Figure ●: Unitary 1 – Northern.

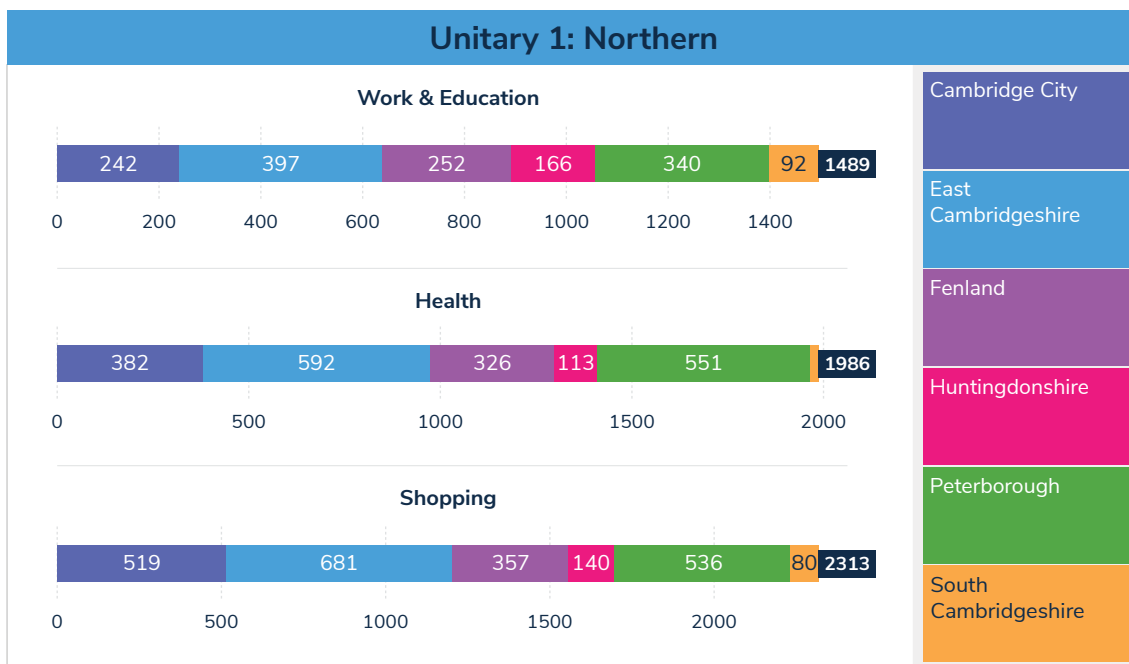


Figure ●: Unitary 2 – Huntingdonshire.

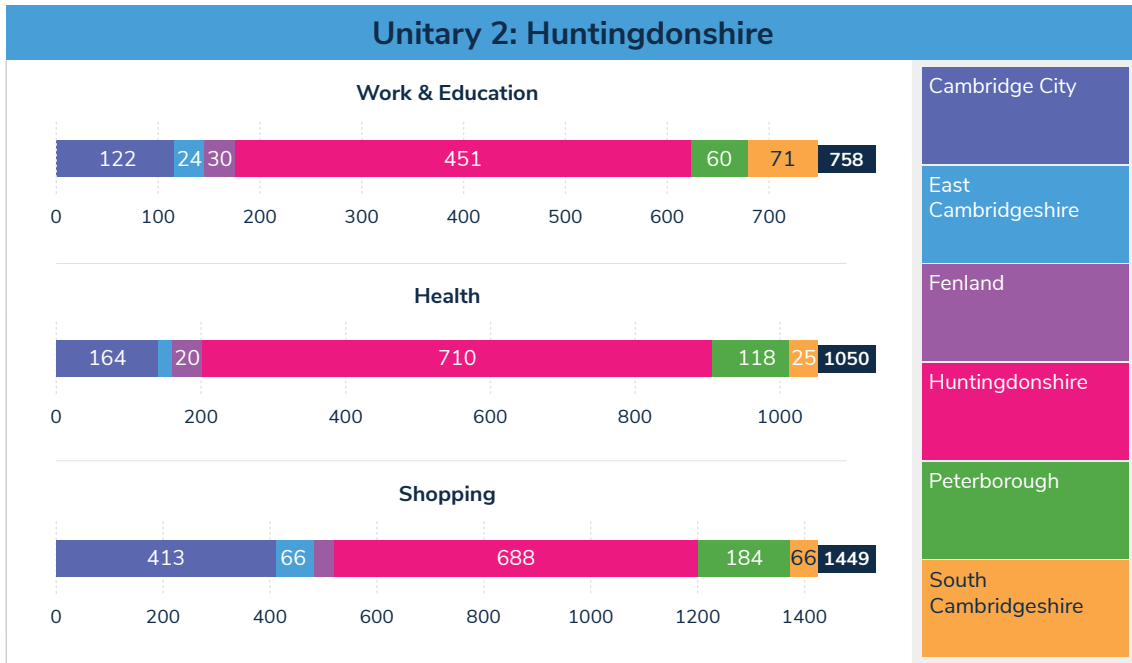
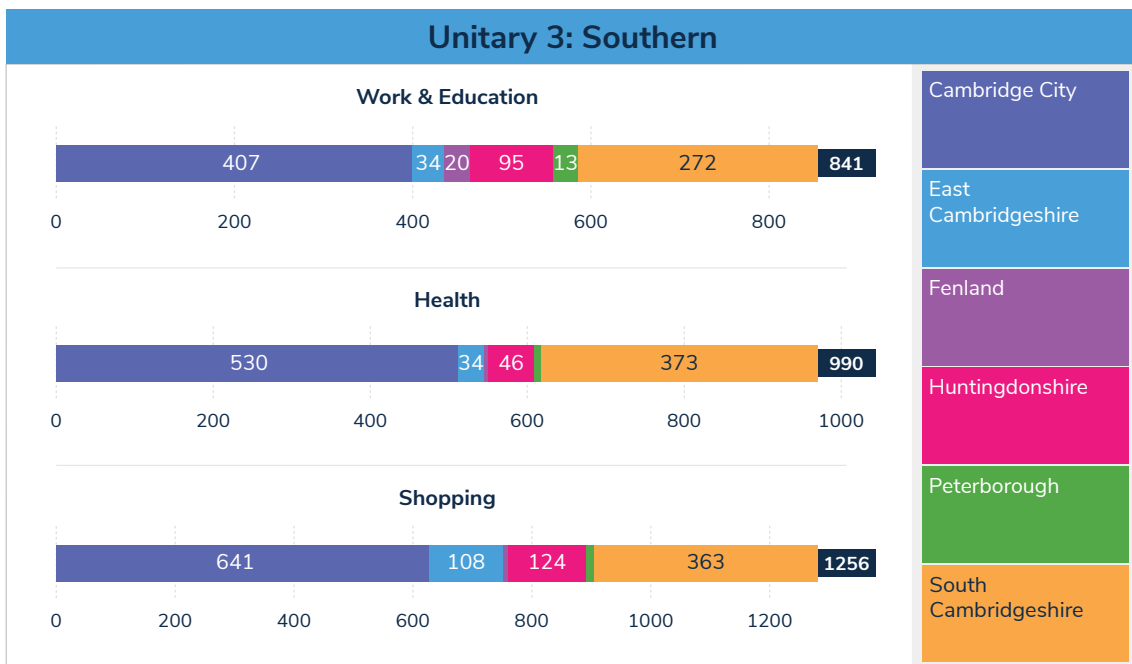


Figure ●: Unitary 3 – Southern.



5.4 Shared priorities

The survey demonstrated shared and distinct concerns within the three 'Option E' unitaries, reflected in both stakeholder and resident engagement. While all three unitaries share concerns about maintaining local identity and service quality, each has distinct characteristics: the Unitary 1 balances Peterborough's urban needs with Fenland and East Cambridgeshire's rural concerns; Unitary 3 maintains the Cambridge-South Cambridgeshire partnership; and the Huntingdonshire unitary preserves the market town identity as a standalone authority.

5.4.1 Common themes across all unitaries

Protecting local identity and keeping services local emerged as the strongest priorities across all three unitaries, with 39-49% of residents rating these as highly important. This reflects deep concerns about maintaining what works well, preserving cultural distinctiveness, and ensuring accessible local service delivery. All three unitaries will need place-based approaches that respect distinct community characters.

Fear of rural neglect was expressed across areas, with particular concern in Unitary 1 – Northern where 78% of residents worried about being overlooked (80% in Fenland, 79% in East Cambridgeshire). Rural areas emphasized the need for balanced funding distribution and protection of village character.

Accountability, transparency, and reducing complexity were identified as priorities across all unitaries. Residents emphasized the need for simplified structures, single points of contact, and responsive local decision-making.

5.4.2 Some key themes that arose for Unitary 1 – Northern, include:

Population: 429,000 | **Demographics:** 18% aged 65+, 22% under 18

Key priorities

- Keeping services local (45%) and protecting identity (39%) – highest of all unitaries.
- Infrastructure investment, particularly transport improvements for Fenland.
- Improving access to social care and health services while addressing overdevelopment concerns.

Peterborough's improvement needs are balanced by East Cambridgeshire and Fenland's desire to retain positive current performance and maintain rurality and corresponding scale. The expansion of Peterborough's geography could improve road and rail connections but requires place-based solutions for rural social care delivery.

5.4.3 Some key themes that arose for Unitary 2 – Huntingdonshire include:

Population: 189,000 | **Demographics:** 21% aged 65+, 20% under 18

Key priorities

- Maintaining service quality – highest satisfaction (56%) of all districts.
- Protecting local identity (44%) and keeping services local (49%).
- Direct accountability and responsive decision-making (29%).
- Preserving market town character (Huntingdon, St Ives, St Neots, Ramsey).

The standalone structure enables focused attention on rural market town needs and existing network connections while maintaining high satisfaction levels. However, as the smallest unitary, Huntingdonshire may benefit from shared services arrangements for specialist functions requiring greater scale.

5.4.4 Some key themes that arose for Unitary 3 – Southern include:

Population: 327,000 | **Demographics:** 16% aged 65+, 19% under 18 (highest working age at 65%)

Key priorities

- Infrastructure investment, particularly roads, schools, and healthcare capacity.
- Social equity – supporting vulnerable groups, SEND services, youth engagement.
- Environmental concerns – water supply, overdevelopment, farmland protection.
- Keeping services local (41%) and protecting identity (39%).

South Cambridgeshire residents emphasized concerns about rural neglect within a city-inclusive unitary. Strong existing transport connections (Guided Busway, Tiger on Demand, Active Travel opportunities) support service delivery and accessibility. The unitary balances Cambridge's urban centre with South Cambridgeshire's rural and suburban character.

5.4.5 Scale and service delivery

Option E's different-sized unitaries (189k-429k) enable varied approaches: Unitary 1 – Northern achieves economies of scale; Unitary 2 – Huntingdonshire provides direct local accountability but may require collaboration for specialist services, while Unitary 3 – Southern leverages Cambridge's resource concentration.

5.5 Focus group results

Focus groups confirmed the survey findings and identified critical design implications:

- **Local connection and natural boundaries** – Option E respects existing patterns: Unitary 1 – Northern links Peterborough with its rural hinterland; Unitary 2 – Huntingdonshire preserves Huntingdonshire’s distinct identity; Unitary 3 – Southern maintains the Cambridge-South Cambridgeshire relationship.
- **Service focus and transition management** – Each unitary can sharpen service delivery around specific priorities. Safe transition delivery and building trust are essential across all three authorities.
- **Capacity considerations** – Unitary 2 – Huntingdonshire may need to address resilience concerns through shared services or collaboration, where beneficial.

5.6 Wider engagement

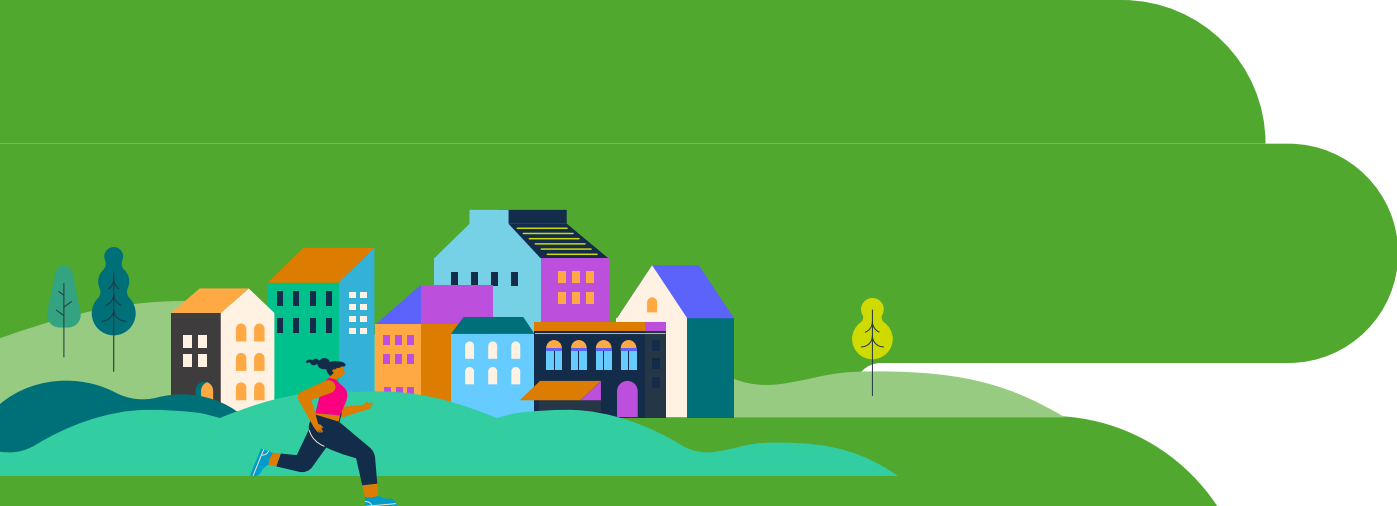
Whilst Huntingdonshire District Council did not carry out any further engagement beyond the initial regional survey, other councils in the region have gone on to do so. This includes Cambridgeshire County Council and Cambridge City/South Cambridgeshire District Council, who both put forward an additional survey as well as focus groups with local residents. In particular, Cambridge City and South Cambridgeshire’s survey asked residents within their district boundaries whether they support the southern unitary in Option B (South Cambridgeshire/Cambridge City). 69% of respondents said that they would support this unitary configuration (613 residents).

Option E satisfies the respondents by providing this configuration in the south of the region, thus also satisfying partner councils in the south and providing a solution that is more supported in the region.

5.7 Conclusion

The survey results demonstrate that Option E addresses resident and stakeholder concerns through a three-unitary structure aligned with community priorities and geographic patterns. All three unitaries will have Combined Authority representation, ensuring dedicated voices for each area's distinct perspective.

Huntingdonshire residents' strong emphasis on local identity (44%) and local services (49%), combined with highest satisfaction levels (56%), supports the standalone model. Option E allows each authority to develop targeted approaches appropriate to their populations and geographies while maintaining collaboration capability through the Combined Authority and partnership arrangements.



6. Implementation and transition plan

Section summary

This section explains how the move from seven existing councils to three new unitary authorities would be delivered smoothly and safely. It sets out a clear, phased plan for transition, covering governance, finance, people, digital systems and communications.

The plan is built around putting residents first, protecting essential services, and maintaining strong collaboration between councils.

Progress will be tracked against clear success measures to ensure services stay stable on Day 1, savings are achieved and the new councils are set up for long-term transformation.

6.1 Purpose of this section

This section details the approach that will be taken to ensure successful implementation and transition from the current two-tier model of service delivery into a unitary local government structure. It will set out the high-level roadmap of phases, workstreams and milestones that will form the structure and governance for a safe, legal and well-sequenced transition to new unitary arrangements in Cambridgeshire & Peterborough. It will then move on to explore the strategies that underpin this approach, including our communications and engagement strategy and the risk management framework across the transition period.

6.2 Our guiding principles for delivery

The principles for the implementation plan are as follows:

- **Residents first:** maintain essential statutory services without disruption.
- **Single, shared evidence base:** common assumptions for costs/benefits.
- **'Once for the area' design where appropriate:** comprehensive, unified design approach for the area where possible to ensure cohesion of service delivery and local variation where necessary.
- **Early engagement** with workforce, trade unions and partners.
- **Rigorous programme management:** governance, risks, benefits and finances.
- **Transformation:** identifying transformation opportunities throughout the implementation and transition phase to inform design of service delivery.
- **Collaboration:** setting a standard for the Transition Management Office to maintain a collaborative approach and establishing a 'One Team' culture.

There are a number of statutory duties that we are responsible for adhering to with regard to place-based services, including our waste collection and disposal duties, our duties to be able to process planning applications and provide environmental health and licensing services.

As such, our priority will be to provide all our statutory services on Day 1 through retaining separate service delivery with the ability to harmonise later. This allows us to remain focused on maintaining local delivery, giving us time to harmonise systems and organisational structures. Our priority will be to establish our statutory committees in shadow form and then within the new unitaries to ensure centralised oversight before eventually bringing the services together.

It is important that we recognise our safe and legal requirements for service delivery on Vesting Day. This includes our priority systems that need to be harmonised/delivered including HR/payroll, finance, revenues and benefits and ensuring effective contact methods for customers. This also includes the technology needed to continue working on Day 1, such as customer access cards, laptops, emails, and a phone line/website. Our initial focus will also be on cleansing our current data, allowing for a swift collation and harmonisation when appropriate.

A vital process before Vesting Day will be to carry out the cleansing of data. If our data is in good shape, then the disaggregation and aggregation of systems will be simplified and we can continue to utilise existing platforms.

We will therefore effectively prioritise the following within IT for 'Day 1':

- Staff access to systems and data needed to deliver services.
- Payroll system.
- Telephony systems.
- VPN and mobile access to applications.
- Access to data centres and relevant access control.
- Accommodation planning and a clear process for deploying equipment, including door access.
- Ensuring skills/resource/capacity in the ICT service.
- Data compliance is in place including information sharing policies and acceptable use policies.
- Comms and email routing – ensuring that staff are able to communicate with each other and residents.
- Ensuring efficient cyber-security.
- Who's who directories.
- Novation of ICT contracts.
- Websites in place for new authorities and a CRM front door.
- Implementing regional IT leadership joint working groups.
- DPIA's.
- ICT helpdesk in place.

The following will be prioritised for corporate services:

- Clear health and safety policies and protocols.
- Compliance with FOI requirements and data protection.
- Clear records management processes, including both online and physical
- Confirmation of location of working with sufficient office accommodation and file storage.
- PMO capacity and a clear transformation plan beyond Vesting Day.
- Administration processes in place including booking meeting rooms, ID badges, placing orders, etc.
- Finance systems in place, including Revs & Bens, bank account set-ups, HRA processes, etc.
- Single election and committee systems.

Our implementation plan is therefore focused on delivering the above Day 1 requirements, with transformation coming later. We will work to harmonise priority systems early whilst ensuring that staff have access to what they need to deliver services. We recognise the need to support and share services and systems over the first few years as the independence of the unitary authorities develops.

The scope of the above work cannot be under-estimated however Option E allows for a simplified process for implementation due to existing joint platforms and shared services. There is therefore less risk in pursuing Option E and a smoother transition can be met, particularly in the South-West unitary.

6.3 Timeline for implementation

We have set out a high-level timeline for implementation on the next page. It outlines the following phases:

Phase 1 – Pre-Decision Mobilisation (Jun 2025 – Jul 2026)

Phase 2 – Post-Decision and Joint Committees (Jul 2026-May 2027)

Phase 3 – Shadow Authorities (May 2027 – Vesting Day in Apr 2028)

Phase 4 – Transition post shadow authorities (Apr 2028 – Apr 2029)

Phase 5 – Delivering on longer-term ambitions (Apr 29 & beyond)

June 2025 – July 2026

Phase 1: Pre-Decision Mobilisation

Focus: collating evidence base, options refinement, preparing for standing up joint committees.

Deliverables: submission document produced for November, mobilisation of programme and setting of common standards, agree draft implementation order standards.



Business Case Submission – November 28

July 2026 – May 2027

PHASE 2: Post-decision and joint committees

Focus: establishing programme management and formalising the Transition Programme Office.

Deliverables: creation of service blueprints and joint committees are established. Confirm programme plan, critical path and budget envelope.



Secretary of State decision – July 26
Implementation committee established – July 26

May 2027 – April 2028

PHASE 3: Shadow Authorities (Shadow elections – Vesting Day)

Focus: delivery of safe and legal implementation, closure of legacy systems and establish new culture.

Deliverables: safe and legal requirements met (finance management, constitution, TUPE of contracted staff and appointments), legal readiness with procurement and contracts. CTax migration plan and ICT cut-over plan, Council operating model.

 **Local elections – May 27**


April 2028 – April 2029

PHASE 4: Transition post shadow authorities & burgeoning Transformation plans

Focus: stabilise, harmonise and begin transformation.

Deliverables (first 100 days): Back-office streamlined and systems rationalised. Harmonise urgent policies (e.g., financial regs, scheme of delegation, customer contact). Target Operating Models and phased service integrations.

Post-100 days: benefits realisation and post-implementation review.

 **Vesting Day – April 2028 – organisation assumes all legal powers**

April 2029 & beyond

PHASE 5: Delivering on longer term ambitions

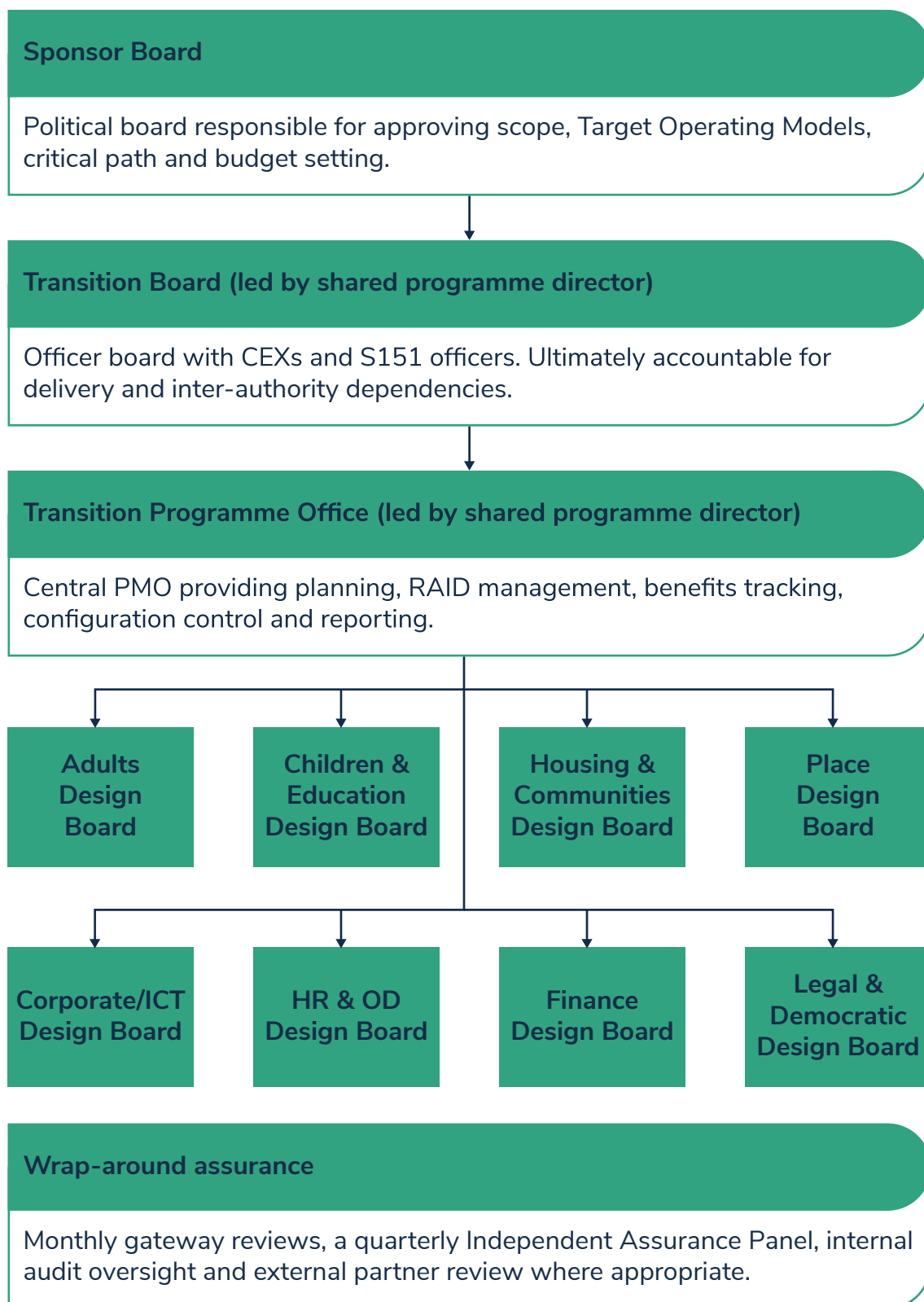
Focus: early stage public-service reform and innovation in delivery. Trialling new service delivery models.

Deliverables: clear transformation plan; vision for reform established and pilots started.

The focus and deliverables for each phase are outlined alongside the key milestones set by Government. These phases will be referred to throughout this section.

6.4 Transition governance arrangements

The Governance arrangements we are suggesting are outlined in the diagram below:



6.5 Programme workstreams

Underneath the above design boards, there will be seven programme workstreams responsible for reporting upwards. The seven workstreams are outlined below with their key focus and outputs/milestones.

Workstream	Deliverable during Joint Committees	Deliverable during Shadow Authority	Deliverable post Vesting
<p>Governance, Democracy and Legal</p> <p>Reports to Legal and Democratic Design Board</p>	<p>Shadow election logistics, establishing shadow structure plans, ensuring 'safe and legal' compliance, legal agreements on information-sharing, alignment of decision-making. Registration of legal seal for each unitary.</p>	<p>Constitutions through Constitution Working Group, standing orders, implementing shadow structures and regulatory committees, creating a Day 1 legal and policy framework, member development, local place arrangements, scheme of delegation. Data protection registration changes.</p>	<p>Ensuring legal compliance on Day 1 and post.</p>
<p>Finance, Commercial and Assets</p> <p>Reports to Finance Design Board</p>	<p>Identify current baselines and forecasting models, create LGR cost pressure model, mapping of commercial assets, contract novation strategy, transfer of debt and procurement pipeline.</p>	<p>Creation of MTFP, reserves strategy, council tax equalisation trajectory, fees and charges approach, ensure single balance sheet, ensure Day 1 readiness and compliance.</p>	<p>Carry out council tax harmonisation over time, assess income growth models.</p>

Workstream	Deliverable during Joint Committees	Deliverable during Shadow Authority	Deliverable post Vesting
<p>People and Culture</p> <p>Reports to HR and OD Design Board</p>	<p>Pay and grading road-map, TUPE and staffing models, continuous communications to staff and equality impacts.</p>	<p>Organisational development, culture plan, leadership development, TUPE of all staff, terms and conditions.</p>	<p>Ensure continuous culture and strong values. Ensure TUPE carried out safe and legally on Day 1.</p>
<p>Customer, Digital and Data</p> <p>Reports to Corporate/ICT Design Board</p>	<p>CRM and case management approach, develop digital design principles, data migration, integration and retention schedules. Establish phased or big bang approach for delivery.</p>	<p>Contact model, plan new websites and branding, cyber posture, identity and access management.</p>	<p>Ensure prioritised IT and customer contact is in place for vesting. Ensure alignment of systems continues for those that haven't already.</p>
<p>Service Alignment, Continuity and Delivery</p> <p>Reports to service-specific design board (Place, Childrens, Adults and Housing and Communities)</p>	<p>Target Operating Models for services.</p>	<p>Day 1 readiness plans, phased integration plans for services and prioritisation.</p>	<p>Ensure integration plans are carried out efficiently and effectively.</p>
<p>Partnerships, Locality and Communication</p> <p>Reports to Housing and Communities Design Board and/or Legal and Democratic</p>	<p>Double-devolution design, plan partner governance arrangements, manage external communications.</p>	<p>Parish/ town council agreements, community boards, manage external communications.</p>	<p>Ensure locality work is implemented and managed effectively. Strong branding is rolled out with continuous communications.</p>

Workstream	Deliverable during Joint Committees	Deliverable during Shadow Authority	Deliverable post Vesting
Programme Management Reports directly to Transition Programme Office	Set up PMO, planning for implementation, maintain RAID log.	Maintain continuous reporting and dependency management, ensure independent assurance and document control. Escalate risks/issues where needed.	Benefits management and post-implementation review. Begin to focus on transformation.

6.6 Communications and engagement strategy

6.6.1 Objectives

- Provide clear, timely information about what is changing and when.
- Protect staff morale and retention; support cultural integration.
- Secure stakeholder confidence (residents, businesses, VCS, parish/town councils, NHS/ICB, police, fire, education, universities).
- Evidence ‘good deal of local support’ through inclusive and proportionate engagement.

6.6.2 Audiences and channels

- Staff and Trade Unions: fortnightly bulletins, Q&A webinars, service level briefings, dedicated intranet hub; change champion network.
- Residents and Businesses: public microsite, FAQs, social media, e-news, local media, roadshows with a focus on rural and hard-to-reach communities; targeted materials in multiple languages/formats.
- Partners: monthly partner forum (ICB, Police and Fire, CPCA, universities, housing providers); joint statements at key milestones.
- Members: weekly Member Brief; Member/officer design workshops; all Member briefings at phase gates.

6.6.3 Standards and safeguards

Consultation designed to Gunning principles; accessible formats and representative reach; publish feedback and ‘you said, we did’ summaries.

- Coordinate a single engagement calendar across councils to avoid duplication; use a shared evidence base and common assumptions in all public materials.

6.7 Devolution and Combined Authority strategy

- Maintain alignment with Combined Authority strategic functions and any transition to a Strategic Mayoral Authority; agree protocols for strategy, funding and delivery interfaces (e.g. transport, skills, housing, net zero).
- Joint scenario planning for shared programmes (e.g. growth deals, transport improvements) to avoid disruption during the transition.
- Formal partner MoUs to set expectations on data-sharing, governance, and escalation.

6.8 Risk management during transition

6.8.1 Risk framework

- Central RAID register managed by the TPO; RAG thresholds and escalation routes agreed by the Transition Board.
- Rolling 30-day risk horizon scans; monthly ‘deep dives’ on top risks; independent assurance at each phase gate.

6.8.2 Initial top risks and mitigations

Risk area	Initial risk	Mitigation measures
Service Continuity	Disruption to critical services (Adults, Children/SEND, Safeguarding, Revenues and Benefits)	<ul style="list-style-type: none">• Day 1 Readiness Assessments for all critical services.• Dual-running where required.• Dedicated incident room during cutovers.

Risk area	Initial risk	Mitigation measures
Stakeholder Engagement	Lack of support or confusion among stakeholders	<ul style="list-style-type: none"> • Single narrative. • Consolidated FAQs. • Structured engagement plan. • Publish design standards and decisions. • Early engagement with MPs and key partners.
Workforce Capacity and Retention	Insufficient capacity or loss of key staff	<ul style="list-style-type: none"> • Early appointments to key roles. • Retention incentives for scarce skills. • Leadership visibility. • Change champion network. • Wellbeing support.
ICT and Data Migration	Technical failures or data issues during migration	<ul style="list-style-type: none"> • ‘Minimise change for Day 1’ principle. • Rigorous migration rehearsals. • Robust IAM and cyber controls. • Independent technical assurance. • Ensure consistency of data collection across councils. Work to harmonise data collection to similar formats, content and definitions.
Financial Risks	Transition costs, harmonisation impacts, legacy liabilities	<ul style="list-style-type: none"> • Ringfenced transition budget with benefits tracking. • Monthly review of prudential indicators. • Pre-vesting reserves strategy. • Transparent council tax harmonisation plan.
Complexity and Pace of Change	Overwhelming complexity or unrealistic timelines	<ul style="list-style-type: none"> • Realistic critical path. • Clear scope control. • Timeboxed discovery for unknowns. • Early legal drafting for Orders. • Structured decision escalations.

6.9 Success measures and benefits tracking

The following criteria set out the standards against which progress against timeline will be measured as well as transformation benefits and ongoing post-unitary success.

Day 1 success tests

All statutory services operational; no missed payments (payroll, suppliers, benefits); customer access channels live; legal frameworks in force.

12 month success tests

Harmonised core corporate policies; measurable improvements in customer contact performance; planned integrations completed; delivery of Year 1 efficiency targets; independently validated lessons learned review.

Benefits management

Baseline and track savings (recurring and nonrecurring) and quality outcomes through a central benefits register; align to MTFP and transformation roadmap; publish quarterly progress updates.



7. Risk management and legal compliance

To note – this section is applicable to all proposals.

Section summary

This section explains how risks will be carefully managed to ensure a smooth and legal transition to the new councils. It outlines clear plans to protect essential services and keep residents and staff informed throughout the process. Strong governance and clear accountability will make sure everything runs safely and on time.

7.1 Risk management strategy

We have outlined in section 4.3 our approach to service delivery which includes ensuring legal compliance with statutory legislation and duties whilst also making sure that services aren't disrupted on Vesting Day. This section outlines in more detail how we wish to address some of the key risks associated with LGR, including mitigations. It is vital that all proposals submitted address the below risks to protect residents and ensure services are operational on Day 1.

In the implementation plan section we outlined some of the key programme-level risks that will be addressed by a centralised risk register managed by the TPO during the implementation phase. The TPO will also implement wrap-around assurance with regular risk horizon scans to ensure that we are on top of any emerging risks.

The above outlines our approach going forward but our approach so far has also been collaborative. As part of the proposal phase, we set up a democracy, governance and risk workstream attended by the monitoring officers in the region to ensure shared understanding of key risks and statutory duties.

The below table highlights some of the top-level risks with mitigations that are or will be implemented to manage safe and legal implementation:

Risk	Mitigation
<p>Effective leadership – ensuring clarity of leadership and decision-making processes to keep implementation activities on track with effective oversight.</p>	<p>Move swiftly to implement a transition programme office and sponsor board. A single responsible officer for each unitary will be appointed, allowing for a central leader to guide decision-making.</p>
<p>Service continuity – balancing LGR with BAU service delivery to avoid disruptions to services for residents, potentially harming public confidence and trust.</p>	<p>The approach to service delivery in this proposal is one that recognises the statutory requirements of the new unitary authorities. There is a recognition that transformation is a later task with safe transition taking priority. Within the TPO, tasks will be effectively prioritised accordingly whilst ensuring that roles are back-filled to continue services in the existing authorities.</p>
<p>Stakeholder engagement – providing clarity to stakeholders on the LGR transition process and ensuring different priorities are accounted for. Lack of clear communication could result in reputational damage and lack of trust.</p>	<p>Within the TPO, there will be dedicated communications capacity to ensure that communication is timely and effective. A communications strategy will be pulled together to ensure that communication is targeted and consistent.</p>
<p>Complexity and pace of change – there is a shortened timetable between decisions on the proposal and the go-live date in April 2028. If programme management isn't effective, there may be additional increases in time and costs.</p>	<p>The implementation plan section of this proposal establishes a clear plan for accelerating into the transition phase of LGR. It places capacity to deliver as a priority with robust programme management arrangements to manage risk and embed oversight.</p>

Risk	Mitigation
<p>Workforce capacity and retention – LGR will lead to significant changes for staff potentially resulting in a drop in morale and capacity. It is important change is managed effectively and strong engagement is maintained to make sure the workforce is on board.</p>	<p>The communications strategy will work to embed staff feedback and co-design with existing processes, making sure that the workforce have an opportunity to build strong identities for the new organisations. A dedicated HR & OD workstream will also be responsible for managing that change, allowing dedicated time and capacity to ensure a smooth workforce transition.</p>

7.2 Assessment of legal compliance

The below table highlights a ‘safe and legal’ checklist for Vesting Day. This list is not exclusive and there will be other areas that need to be incorporated however it provides an initial assessment of how we will ensure compliance.

Compliance area	How will we ensure this is met?
<p>Data-sharing and UK General Data Protection Regulations</p>	<p>Data-sharing agreements have already been established between regional local authorities. We will always ensure that sensitive data is collected in compliance with GDPR and our information governance officers are in conversation to ensure this is met.</p>
<p>TUPE/HR considerations</p>	<p>Transfer of staff will be in line with TUPE regulations – all terms and conditions will be main-trained and continuity protected. We will ensure that payroll systems are high priority and will be aligned by Vesting Day to ensure consistency and continuity.</p>
<p>SCO</p>	<p>The Structural Change Order will outline the statutory requirements for implementation and electoral arrangements. We have continuously kept in conversation with MHCLG and will continue to do so to shape the SCO. The region has already begun forming implementation plans and are aware that our implementation team should be in line with the Government’s provisions.</p>

Compliance area	How will we ensure this is met?
Key decisions	Once the SCO comes into effect, the relevant authorities will be responsible for not binding the future unitary through key decisions. The SCO will put the process for managing this in place however we have begun to set up procurement working groups to ensure effective oversight of major contracts that directly feeds up to our monitoring officers.
Budget setting	Once the decision is made by Government, the shadow authority will be responsible for budget setting and ensuring financial reporting is in place for Vesting Day. This will be completed in line with the shadow authority's remit.
Democratic Arrangements	The SCO will also outline electoral arrangements for the new authorities. This proposal has outlined the recommendation for arrangements. However, the MO working group will ensure compliance with the arrangements outlined, including the remit of the shadow authorities decisions on schemes of delegation, constitutions and committees.
Customer services and website	It is key that residents have a way to access the council. On Day 1, new councils will have one phone number, website and front door to avoid confusion for residents.
Liabilities/ asset transfers/ intellectual property/ legal company agreements	We are undertaking the work now to en-sure that all asset registers are up to date. Our IT staff are also creating a centralised repository to manage IT contracts. A procurement sub-group has also been set up to manage our existing procurement regulations to ensure that contracts have clear exit strategies. Once the decision has been made by government, we will work with our partner Councils to ensure that transfers can be managed legally and as smooth as possible.
Bank accounts/ collection of council tax/payment of benefits	We will ensure that the new authority's bank account is set up for Day 1 to avoid any disruptions in the collection of Council Tax and the payment of benefits. We will work to harmonise Council Tax within the seven year limit, as legislated, using member working groups with the new administration.

Compliance area	How will we ensure this is met?
Statutory roles recruited	As soon as elections take place, statutory roles will be advertised, starting with the Chief Executive. Work will start on this pre-elections to ensure that the national recruitment happens swiftly with sufficient time for the new leader to play a key role in implementation.
Statutory policies	We will ensure that all statutory policies are a priority for the new shadow authority, such as the housing allocation scheme, licensing policies and a homelessness strategy. We will start work swiftly to ensure that a new Local Plan is implemented within the five year limit.

Conclusion

Option E presents a balanced and forward-looking approach to Local Government Reorganisation in Cambridgeshire and Peterborough. It proposes creating three new unitary councils: North-East Cambridgeshire, Huntingdonshire and Greater Cambridge. Each one reflects its area's distinct economy and identity while being large enough to plan services and growth effectively.

Across the five criteria set out by Government (growth, financial sustainability, public services, democratic representation and devolution) Option E performs strongly. It supports inclusive growth by creating councils that match real economic geographies and can plan development and housing in ways that make sense locally.

Financially, it offers stability, with savings achievable through joined-up systems and management while keeping transition costs proportionate. Public services would be delivered more locally and responsively, with smaller councils better able to focus on prevention and work closely with health and education partners.

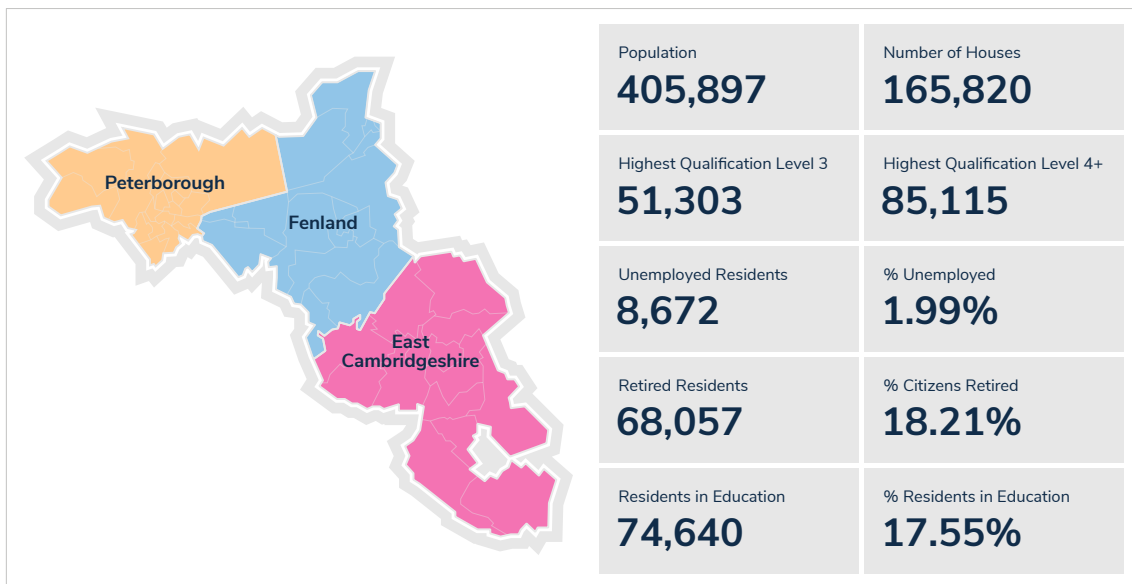
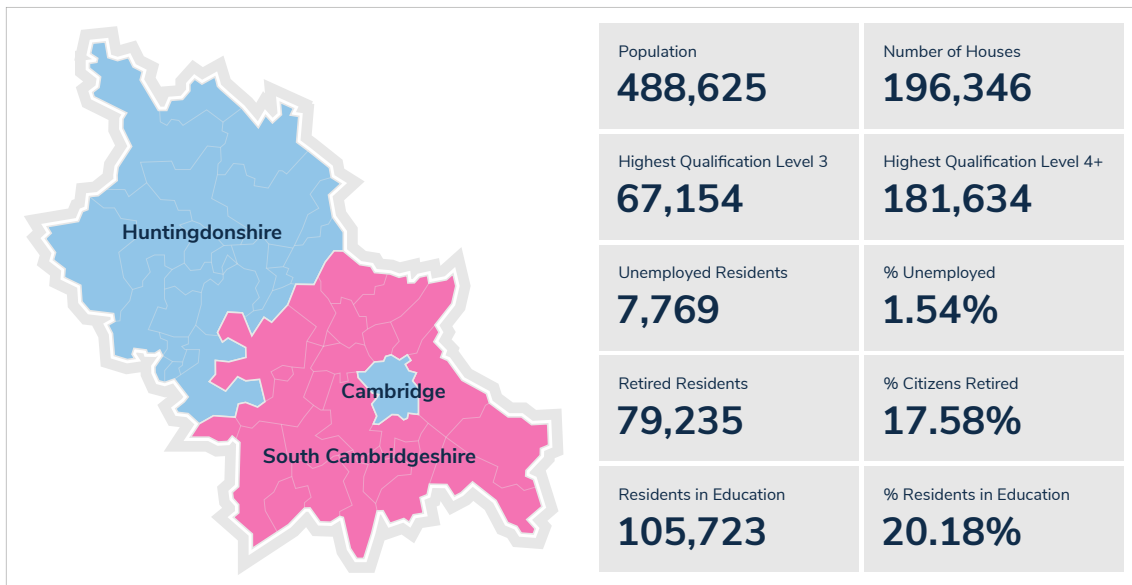
Democratic representation would become simpler and more meaningful, reducing layers of government while keeping councillors close to the people they serve. This model prepares the region for the next stage of devolution, ensuring powers and resources can be managed at the right level.

This proposal provides a clear and viable way forward. It combines the efficiency and simplicity of unitarisation with the diversity and balance of three well-defined councils rooted in the places they represent.

Option E aims to deliver better services, clearer accountability and a stronger foundation for sustainable growth. It is a modern local government model built around people and place.

Appendix A

Comparison Zone Builder



Appendix B

Although Cambridgeshire & Peterborough councils did not submit an interim plan, we have reviewed the feedback given to those areas that did and used this as a source of guidance for the type and extent of financial information you would like to see in our full proposal. We note the following generic feedback that was given to areas and have provided a response to each of the points below.

You suggested that the following should be considered:

High level breakdowns for where any efficiency savings will be made, with clarity of assumptions on how estimates have been reached and the data sources used, including differences in assumptions between proposals.

There are expected to be cash savings from reducing the number of local authorities in the area and our analysis has focussed on those that are more readily apparent and deliverable i.e. reduction in management posts, reduction in the number of ward councillors and cash efficiencies in third party spend. There will also be a need to increase spending on management resources as a result of splitting county level services across the new unitary councils and our assessments of savings are presented on a net basis.

The following elements make up the savings calculation:

Management costs

The published list of roles earning more than £50k in each council were relied upon. An on-cost assumption of 25% was applied to the salary rates. The roles were categorised into four seniority levels e.g. level 1 would be a chief executive, level 2 would be a senior leadership team member, level 3 would be a service director or head of service, level 4 would be assigned to the remaining roles. For each unitary combination, the role lists from the legacy councils were aggregated and where duplicated roles existed at level 1-2, one of the roles was removed, where similar or duplicated roles existed at level 3, a reduction in role numbers may have been applied dependent upon the size of the unitary. No changes were made at level 4. Adjustments were also made to account for the size of each unitary and the

disaggregation of legacy county level resource into both a unitary featuring legacy city council roles and an adjoining unitary (ies) featuring smaller tier 1 services.

Member allowances

The current cost of Members was taken from the '24/25 accounts of each of the councils. An average ward density, based on unitary councils across the country, was calculated from Local Government Boundary Commission data and used to determine an estimate of the number of councillors likely to be required in the new unitaries. The average cost of allowances per councillors taken from eleven of the most recent county unitary reorganisations was applied to this number to produce an estimate of the likely members budget required for the shortlisted unitary council combinations.

Third party spend

The third party spend of all councils for '24/25 was identified and analysed in terms of common areas of spend and common suppliers. This identified energy, ICT, external audit, FM, leisure, insurance, recruitment, postal and couriers as areas offering high potential for savings from consolidation. A 5% saving was assumed for spend where three or more councils shared a common supplier in these categories. The exception being for external audit where an average audit fee of £700k was assumed for each new unitary with the saving being the difference between that and the amalgamated fees for the current councils.

How efficiency savings have been considered alongside a sense of place and local identity.

We have not considered the potential savings that may be achievable from the opportunity that LGR presents to change the way services are delivered to places and respond better to local needs and identity. These are far less certain and more recent examples of LGR have struggled to realise these within 3 years post re-organisation. Such changes will come with costs associated with investments in, for example, new IT hardware and software. The costs of these have been similarly excluded from our analysis at this stage.

Information on the counterfactual against which efficiency savings are estimated, with values provided for current levels of spending.

We have used the figures in the latest published MTFPs of each council as the basis of our assessment of the financial sustainability of the different short-listed options. This has been achieved by consolidating the MTFP figures for each council based on the combinations in each of the options.

The county council's financial position has been disaggregated on the following basis:

Allocation basis	
Net revenue expenditure (NRE)	
Children, Education and Families	% of population aged Under 17
Adults, Health and Commissioning	% of population aged Plus 65
Place and sustainability	Area (km ²)
Finance and Resources	Households
Strategy and Partnerships	Households
Capital financing	Households
Income	
Business rates	% of district business rates
Council tax	% of Band D equivalent properties
RSG	% of NRE
Unringfenced grants	Households
Fair funding formula adjustment	% of NRE

This has enabled an MTFP for each of the unitary options to be produced which represents a baseline from which potential savings and costs from consolidation have been assessed against.

A clear statement of what assumptions have been made, and if the impacts of inflation are taken into account.

The following assumptions have been applied to standardise MTFP projections over a five year period

- Annual growth in council tax base of 1.0%.
- Application of the maximum council tax rise in each year.
- Growth in net revenue expenditure of 2% for the district councils and 4% for the county council and city council.

A summary covering sources of uncertainty or risks with modelling, as well as predicted magnitude and impact of any unquantifiable costs or benefits.

The main areas of uncertainty with respect to the modelling are as follows:

- Timings of savings release.
- Level of unquantified savings from transformation.
- Level and timing of transition costs – particularly in respect of cost of retirement and system alignment.
- Extent to which published MTFs are a reliable projection of future spending pressures.
- Impact of the Fair Funding Review.

We have not attempted to predict the magnitude of variability or uncertainty with any of these areas.

We have undertaken significant analysis of the implications of council tax harmonisation and noted the levels of income loss in the event council tax is not harmonised in the first year of unitarisation.

Quantified impacts, where possible, on service provision as well as wider impacts.

There has been no assessment of the financial impact on service provision of unitarisation at this stage – whether that be in terms of savings potential or transition cost. The limits on time and resourcing have meant that this has not been possible.

You noted a desire for:

Additional data and evidence to set out how our final proposals would enable financially viable councils, including identifying which option best delivers value for money for council taxpayers.

Value for money for council tax payers has been assessed in terms of both payback and the movement in the council tax requirement per resident that results from the different LGR options.

The payback has been calculated by profiling assumed savings (net of on-going disaggregation costs) against the estimated upfront transition costs. The movement in council tax requirement per resident has been based on the MTFs for the existing councils relative to the ones that result from the new unitary councils based on the consolidation and disaggregation modelling described above.

Further detail on potential finances of new unitaries, for example, funding, operational budgets, potential budget surpluses/shortfalls, total borrowing (General Fund), and debt servicing costs (interest and MRP); and what options may be available for rationalisation of potentially saleable assets.

The projected position of each of the new councils under the favoured options are shown in the Financial sustainability section of the main document. These are based on existing MTFs, put on a consistent basis for key variables such as council tax increases, council tax base increases and inflation, and then consolidated based upon the method described above. This takes into account the features above including debt servicing costs but does not account for any rationalisation of potentially saleable assets. The reserves position has been assessed and is sufficient to cover the projected transition costs. Over time, there will need to be work undertaken on service re-design as a result of merging common district level services that may generate further savings in staff, spend and property but we have not provided an estimate for these for any of the options due to timing and resourcing limits noted above. In terms of property specifically and potentially saleable assets, it may be that once new delivery models are defined that capital may be realisable from the administrative and operational property portfolio but experience from other authorities indicates that this can take a significant period of time and beyond five years post merger to achieve. The prevailing, post-pandemic, operating model for councils means that staff reductions arising from reorganisation are unlikely to generate any further property mothballing savings of significance beyond those achieved already.

Clarity on the underlying assumptions underpinning our modelling e.g. assumptions of future funding, demographic growth and pressures, interest costs, Council Tax, savings earmarked in existing councils' MTFs.

These are as explained above.

Financial sustainability both through the period to the creation of new unitary councils as well as afterwards.

The overall net spend of councils in the region is c. £1bn so the modelled savings and costs associated with re-organisation represent a very small %, irrespective of which option is adopted. The reserves are sufficient to meet projected transition costs, requiring between 3 and 4% in aggregate and up to 6% of individual unitary usable reserves. It is important to note, however, that whatever savings are generated from LGR, they are unlikely to be sufficient to mitigate against the structural funding issues in local government and the cost pressures that aspects of provision in children, adult and housing in particular, are presenting. This will mean a continual need for efficiencies and savings across the new councils, irrespective of the chosen option.

Your feedback also referenced the need to set out how we 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:

Within this it would be helpful to provide more detailed analysis on expected transition and/or disaggregation costs and potential efficiencies of proposals. This could include clarity on methodology, assumptions, data used, what year these may apply and why these are appropriate.

The following has been assumed for transition costs:

Redundancy, retirement and recruitment

An average age, length of tenure and statutory redundancy terms were applied to the reduction in staff cost assumed in the savings figures. The average age and tenure assumption was based on data in the people strategy documents produced by Cambridgeshire County Council and Cambridge City Council. An assumption was made about the proportion of redundancies who would be eligible for pension access (13%) based

upon age profiles and who would therefore produce a pension strain. A pension strain cost factor of 10 was applied with the salary costs reduced by 25% to adjust for average career earnings with time spent in the LGPS assumed at 25 years. A provision has been made for recruitment at 20% of salary cost where additional resource has been assumed as per Management costs savings narrative.

Other costs

A provision of c. £11m (£14.5m for 3 unitary option) has been made for the following elements based on more detailed work we have previously done elsewhere and the assessments made by other areas in their Initial Plan submissions to MHCLG in March: Job Evaluation, Transitional Programme Resources, ICT, Public Consultation, Shadow Council, Induction, Closedown. The provision excludes the cost of service reconfigurations which would be material but for which we have also excluded the savings potential. It would be expected that those changes are subject to a business case process that would determine payback metrics. A contingency of c. 10% has also been included.

The different elements of transition costs have different phasing assumptions but the result is that the overall quantum is spread c. 50:50 over the initial shadow council year and first year of unitarisation.

Detail on the potential service transformation opportunities and invest-to-save projects from unitarisation across a range of services – e.g. consolidation of waste collection and disposal services, and whether different options provide different opportunities for back-office efficiency savings.

There has been no assessment of transformation or invest to save opportunities from unitarisation at this stage.

Where it has not been possible to monetise or quantify impacts, you may wish to provide an estimated magnitude and likelihood of impact.

Not applicable given the response above.

Summarise any sources of risks, uncertainty and key dependencies related to the modelling and analysis.

The same response applies to the similar question posed above i.e: Timings of savings release.

- Level of unquantified savings from transformation.
- Level and timing of transition costs – particularly in respect of cost of retirement and system alignment.
- Extent to which published MTFs are a reliable projection of future spending pressures.
- Impact of the Fair Funding Review.

We have not attempted to predict the magnitude of variability or uncertainty with any of these areas.

We have undertaken significant analysis of the implications of council tax harmonisation and noted the levels of income loss in the event council tax is not harmonised in the first year of unitarisation.

Detail on the estimated financial sustainability of proposed reorganisation and how debt could be managed locally.

A detailed analysis of the debt position at both an individual council and Cambridgeshire & Peterborough level was commissioned by the authorities and has been provided in the Financial sustainability section of the main document.

END

Local Government Reorganisation: Impact on people services

Full report

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Local Government Reorganisation: Impact on people services

INTRODUCTION

This report contains the full output of both Phase 1 and 2 of analysis of the impact of LGR on people services in Cambridgeshire and Peterborough. The work has considered the impact on Adult Social Care, Children's Social Care, Education services, and Housing and Homelessness as local authorities are reorganised and responsibility of care changes across new geographical footprints within the Cambridgeshire and Peterborough.

For each proposed formation, the expected demand and/or caseload for key people services within Cambridgeshire and Peterborough has been calculated across the options proposed by the authority. This includes a review for how demand and cost of service delivery split in 2025 and how these may change over the period until 2040.

The analysis contained in this report is based on data shared with Newton from Cambridgeshire and Peterborough and from national data returns.

The core methodology used, and assumptions made to undertake this analysis are included in the appendix.

This report contains the results of Newton's analysis, based on the data that has been provided, or otherwise made available to us, and no information contained within it should be treated as a recommendation to any Council or other authority. Responsibility for all business decisions including decisions on improvement actions (and for the acts themselves) rests solely with the Council or other authority making such decision.








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Purpose of this report

THIS REPORT IS DESIGNED TO PROVIDE COMPARISONS BETWEEN SCENARIOS

This model has been developed to allow the analysis to be completed across multiple councils at pace as well as aggregate results to inform a national report. Therefore, whilst this report provides detailed analysis allowing comparisons between scenarios, it has limitations and should not be considered in isolation.

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What this report is...	What this report is not...
 A way to compare different scenarios and proposed unitary authorities based on expected demand and cost figures	 A detailed financial model designed to predict exact spend or demand numbers
 A way to highlight the impact of LGR on people-based services and the key themes that are important for your local area	 A detailed staffing model that accounts for all expected roles in new unitary authorities
 A general model that can applied to multiple councils that will show directionally correct forecasts	 A recommendation on the best scenario
 Designed to allow high level aggregated insight to be used in a national report with the CCN	

This report covers the agreed scope discussed in steering groups. This does not consider all possible factors for LGR and should therefore not be treated in isolation. For example, the impact of public health, social housing or additional staffing costs from other teams, such as IT or legal teams, has not been modelled.

Adult Social Care

Adult Social Care is the support provided to help adults of all ages most commonly with physical disabilities, learning disabilities, frailty, mental illnesses, or who suffer from substance misuse. Local authorities have a legal duty under the Care Act 2014 to assess and meet eligible needs, provide safeguarding, and shape the local care market. The aim is to promote independence, dignity, and wellbeing, enabling people to live as safely and independently as possible in their own communities, with the people and things that matter to them most.

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In this report Adult Social Care has been split by age group and refers to Working Age Adult (18-64) and Older Adult (65+).

This report focusses on adults who are receiving long term care. These can be supported through a variety of provisions. For this analysis the report has focussed on:

- **Nursing Care:** Specialised nursing support provided in a care home.
- **Residential Care:** Support provided in a care home.
- **Supported Living:** Supporting individuals either in their own homes or shared housing.
- **Domiciliary Care:** Supporting individuals in their own home with personal care and household tasks.
- **Other:** Care that does not fall into the above categories.

Children can be supported through a variety of measures. This report focuses on these key services:

- **Children in Care:** The council has parental responsibility of the child and must place the child in a safe setting.
- **Child Protection Plan:** Compulsory plan when a specific risk to a child is identified.
- **Child in Need Plan:** A non-statutory plan that recognises a need that a child has.
- **Early help:** Non-statutory support to families and children considered to be vulnerable and at risk.

There is a significant reform agenda underway that will impact the nature of services in Children's Social Care, with the Children's Wellbeing and Schools Bill progressing through Parliament at present.



Services For Children With SEND

Special Educational Needs and Disabilities refers to a child or young person who has a learning difficulty and/or disability that means they need special health and education support.

This report focuses on young people who are supported by an Educational Health and Care Plan (EHCP). This is a legal document outlining the educational, health, and social care needs of a child or young person with special educational needs or disabilities, aged 0 to 25. Children and young people with EHCPs can be supported in a variety of settings. For this analysis the report has focussed on:

- **Mainstream:** Children and young people supported in mainstream schools.
- **Maintained Special Schools (MSS):** Children and young people supported in local authority owned special schools.
- **Independent Non-Maintained Special Schools (INMSS):** Children and young people supported in independent non-local authority owned special schools.
- **Other:** EHCPs that do not fall into the above categories.

This report doesn't include statutory SEN support which should be provided by mainstream schools with less oversight from the LA.

Across all services for residents that need additional support there are increasing costs that are putting increased pressure on councils to deliver these services, against a backdrop of increasingly constrained finances. This report focuses on the impact LGR may have on these services.

Interpreting the report

THIS HIGHLIGHTS THE KEY TERMINOLOGY USED THROUGHOUT THIS REPORT

Scenarios

Scenarios have been provided by councils through the data returns.

- **Unitary authorities:** The new unitary authorities that have been proposed by councils for each scenario. These unitary authorities are made up of current Districts and/or Middle Super Output Areas (MSOAs).
- **Baseline:** The current boundaries of the council as well as any neighbouring unitary authorities that are included as part of any proposed scenarios.

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Projections

This analysis focusses on the impact of LGR now (2025) as well as future demand (2030 and 2040).

- **2025:** 2025 refers to what would happen to demand and cost on the day that LGR takes effect. This has been done taking the data provided and projecting to 2025. This refers to the initial demand and costs expected to be distributed to each unitary authorities at this point.
- **Future demand:** Demand and cost has been projected out to 2030 and 2040 to illustrate how this may change over time. This is to show the different growth rates and highlight the sustainability of proposed unitary authorities. For detailed methodology, please see the appendix.

People-based services terminology

Where appropriate acronyms and terminology on specific slides has been called out.

- **Supported person:** This refers to someone who is currently receiving support from the council. Adult Social Care: an individual receiving long term support. Children's Social Care: Children in Care (CiC) as well as young people on a Child Protection Plan, Child in Need plan or receiving an early help intervention, for SEND this is a young person with an EHCP.
- **Prevalence:** The amount of the population that is supported by the council, represented as number per 10,000 of the relevant population (e.g. working age adults).
- **Ordinary residence:** Where current residing address (e.g. a residential care home) is different to the originating address of future demand (i.e. the supported person's initial residence prior to social care support) and demand therefore re-balances over time due to ordinary residence rules.
- **Service spend:** Total spend produced by the model for each directorate. This includes "provision spend" which refers to the total spend of delivering social care and "staffing spend" which refers to the staffing spend that is solely attributable to delivering social care.

Key Assumptions

THIS OUTLINES THE KEY ASSUMPTIONS THAT HAVE GONE INTO THIS INITIAL ANALYSIS

Key assumptions have been made to enable this analysis to be performed at scale and pace. The key caveats and assumptions have been listed below and should be considered when drawing insight from the data. For detailed methodology, please see the appendix.

Neighbouring unitary authorities:

Where neighbouring unitary authorities have been included in scenarios, but no data provided, it has been assumed that the prevalence and unit cost in each provision will match the average for the rest of Cambridgeshire and Peterborough. Therefore, if you expect a neighbouring unitary authority to show very different trends this will not be captured.

Please note, if data has been provided for neighbouring unitary authorities this has been included.

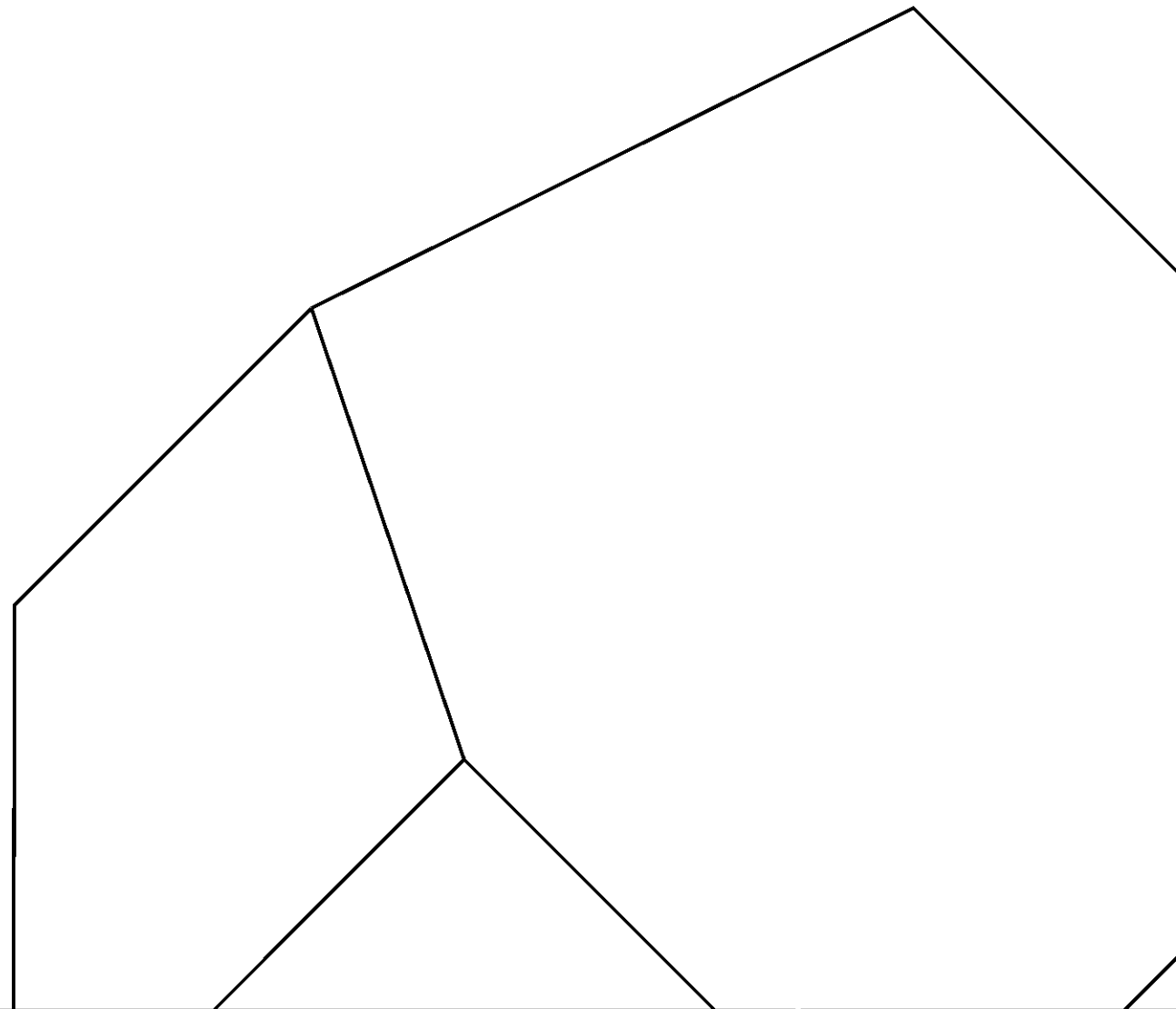
Data sources:

The analysis in this report has been compiled using each council's data returns along with nationally available data where appropriate.

Data caveats:

Where data has not been submitted to complete key analysis this has been highlighted in the relevant sections.

All analysis has been completed using data submissions returned by authorities and nationally available returns. If there are anomalies or inaccuracies, please contact Newton who will work with each authority to reconcile.



Changes from Version 1

THIS OUTLINES THE KEY CHANGES IN INPUT WHEN UPDATING THIS REPORT

Additional Data

The following additional or updated datasets have been provided and used in this report:

- **Population Data:** district level estimates and forecasts by year and age group
- **SEND** – forecasts to 2034 (including +/-5% forecasts)
- **CSC** – costs
- **CSC** – 2025 numbers
- **CSC** - number of early help interventions (PCC only)
- **CSC** – internal fostering capacity (PCC only)
- **CSC** – total number of CiC (PCC only)
- **ASC** - costs (CCC and PCC) and demand (CCC only)

Methodology Changes

This report uses council provided data to model populations, rather than ONS population data.

SEND prevalence has been modelled using council provided data and forecasts for U25 population and number of children and young people with SEND, the latter of which is only available until 2034. We have modelled a linear increase after 2034. Detail is included in the methodology section of the appendix.

- CSC prevalence now includes the 2025 value. Average prevalence is now over 21/22, 22/23, 23/24 and 24/25

Updated Formatting

Scenarios relabelled to match newest terminology.

Section 1: Executive summary and high-level overview

This section provides a high-level summary of the outputs produced as part of Newton analysis on the impact on people services as a result of LGR.

Further detail is available in the full report.

Overview: Geographies of New Unitary Authorities

THE BELOW TABLE LAYS OUT THE DISTRICTS INCLUDED IN EACH OF THE NEW UNITARY AUTHORITIES

Scenario	Proposed Unitary	Districts included
Baseline	CCC	Cambridgeshire current boundaries
	PCC	Peterborough current boundaries
Option A	UA 1 - FDC_HDC_PCC	Peterborough, Fenland, Huntingdonshire
	UA2 - CC_ECDC_SCDC	Cambridge, East Cambridgeshire, South Cambridgeshire
Option B	UA 1 - CC_SCDC	Cambridge, South Cambridgeshire
	UA2 - ECDC_FDC_HDC_PCC	East Cambridgeshire, Fenland, Huntingdonshire, Peterborough
Option C	UA 1 - ECDC_FDC_PCC	Peterborough, East Cambridgeshire, Fenland
	UA 2 - CC_HDC_SCDC	Cambridge, Huntingdonshire, South Cambridgeshire
Option D – 3 UA's	UA1 - FDC_PCC	Peterborough, Fenland
	UA2 - ECDC_HDC	East Cambridgeshire, Huntingdonshire
	UA3 - CC_SCDC	Cambridge, South Cambridgeshire

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Executive Summary: Terminology

WE HAVE OUTLINED THE KEY INSIGHT BY SCENARIO

The following slides outline how the demand and spend will split in each of the proposed unitary authorities by scenario, along with a comparison of the total cost of each scenario. We have also included the variation between each proposed unitary authority for the scenario in question and compared this to the baseline position.

The definitions of the key terminology used in these summaries is outlined below:

- **Total predicted spend per scenario:** This shows the combined spend per scenario predicted by the model for people-based services. This includes both placement costs (e.g. Residential Care beds or EHCP provision) and staffing costs for staff working directly on supporting service users, such as social workers, (where this has been provided). Staffing costs for other teams, such as IT or legal teams, are not included as part of this work. Please note that this is a general model designed to allow comparisons between proposed scenarios and is not a detailed financial forecast.
- **Spend per resident:** This the spend per resident per year where spend is total service and staffing spend (where this has been provided) and number of residents is the total population in each of the proposed unitary authorities.
- **Total demand:** This is the total demand for people-based services predicted by the model and refers to Adult Social Care (ASC): long term support, Children's Social Care (CSC): Children in Care (CiC), Child Protection Plans (CPP), Child in Need (CiN) plans or receiving an early help intervention, SEND: child or young person supported by an Education, Health and Care Plan (EHCP).
- **Demand variation:** This is the variation in the percentage of the population supported by people-based services in the unitary authorities in 2025. Where population supported by people-based services is the same as above.
- **Demand growth:** This is the growth in total number of people supported by people-based services from 2025-2040. Population supported by people-based services is defined as in spend per resident above.
- **Baseline:** The values associated with the baseline scenario, including current county council and any neighbouring unitary authorities.

Executive Summary: Scenario Comparison

The table below compares the key metrics across scenarios. Here a lighter colour indicates a lower total cost or variation. Option D – 3 UA's has the most variation across key metrics as well as the highest increase in spend. Between the three two unitary options option C see the most variation, the variation in Options A and B being similar with Option A slightly less.

Scenario	Proposed Authority	Total increase in cost to baseline 2025	Total increase in cost to baseline 2040	Variation in 2025 spend per resident (relative % difference)	Variation in 2040 spend per resident (relative % difference)	Variation in 2025 % of people supported by people services (relative % difference)	Variation in 2040 % of people supported by people services (relative % difference)
Baseline	CCC	-	-	32.0%	40.0%	76.9%	78.1%
	PCC						
Option A	UA 1 - FDC_HDC_PCC	-£1.2m	£0.5m	26.6%	30.1%	53.5%	54.6%
	UA2 - CC_ECDC_SCDC						
Option B	UA 1 - CC_SCDC	-£1.6m	-£0.8m	28.1%	31.8%	52.1%	55.2%
	UA2 - ECDC_FDC_HDC_PCC						
Option C	UA 1 - ECDC_FDC_PCC	-£1.8m	-£1.1m	38.6%	42.9%	60.6%	62.5%
	UA 2 - CC_HDC_SCDC						
Option D - 3 UA's	UA1 - FDC_PCC						
	UA2 - ECDC_HDC	£0.6m	£3.7m	46.5%	52.3%	84.3%	86.9%
	UA3 - CC_SCDC						

Executive Summary: Conclusions

KEY INSIGHTS ACROSS THE SCENARIOS

£ TOTAL COST PER SCENARIO

Total and unit cost differ across scenarios and are caused by two key factors:

1. **Increased leadership overheads** when disaggregating into more than two unitary authorities and hence additional senior leadership teams are required, this is only the case for Option D.
2. **Demographic differences in the districts.** The model applies a regression model based on size, medium income and IMD to scale unit costs.

This leads to Option D having the highest total spend due to the increased staffing overheads. The difference in total cost between the two unitary authorities is small and due to the different demographics of the proposed unitary authorities.



VARIATION IN 2025

Disaggregation creates more variation in metrics, so the three unitary options have the highest variation across the board.

In the three two unitary options, in all three scenarios we have Fenland and Peterborough in the same unitary authority. These districts tend to have the highest prevalence across services, meaning the **unitary authorities containing Peterborough and Fenland will have higher demand for people-based services, and higher spend per resident.**

Variation in demand between unitary authorities is high across the board, but will be less where the other districts grouped with Peterborough and Fenland have lower prevalence rates, hence why options A and B have relatively lower variation than option C.

Similar patterns occur for spend per resident, but **there is a lower variation in current unit costs paid for placements which translates through to the variation in unitary authorities.** Option A has the lowest variation, and option D the highest.



FUTURE GROWTH

The variation in 2040 is due to the difference in population growth rates as well as the increasing SEND prevalence.

Population growth:

- For Adult Social Care and Children's Social Care the future projections assume prevalence remains constant and this is applied to population projections.
- **South Cambridgeshire is seeing the most growth in population projections** so the unitary authority that contains it has a higher growth rate.
- **Peterborough is seeing a decreasing U18 population**, leading to some new unitary authorities seeing a flat demand in Children's Social Care.

SEND growth:

- SEND forecasts have used the local SEND projections and we have also looked at a range of +/- 5%.
- **Peterborough is seeing the most growth in SEND projections**, leading to the unitary authority that contains it having the higher growth rate.

Overview: Demographics of New Unitary Authorities

4 Scenarios have been modelled and compared to the current set up (baseline)

This analysis has considered the impact of LGR on people services by considering 4 proposed unitary formations and comparing this to the baseline position. These are summarised below.

Baseline – Cambridgeshire and Peterborough

Cambridgeshire: Current boundaries

- Total population: 716k
- % population 65+: 19.3%
- % population U18: 19.6%

Peterborough: Current boundaries

- Total population: 224k
- % population 65+: 14.7%
- % population U18: 25.1%

Option A

UA 1 - FDC_HDC_PCC:

- Total population: 520k
- % population 65+: 18.8%
- % population U18: 22.1%

UA2 - CC_ECDC_SCDC:

- Total population: 420k
- % population 65+: 17.4%
- % population U18: 19.4%

Option B

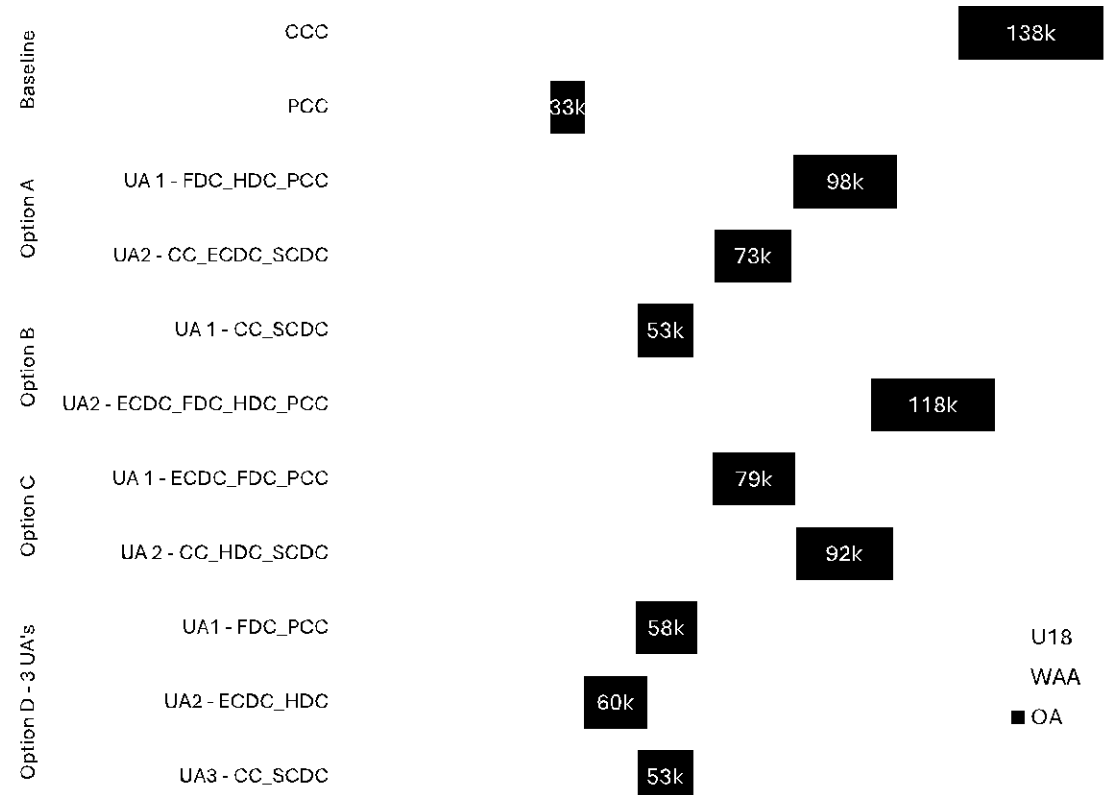
UA 1 - CC_SCDC:

- Total population: 327k
- % population 65+: 16.1%
- % population U18: 19.2%

UA2 - ECDC_FDC_HDC_PCC:

- Total population: 616k
- % population 65+: 19.3%
- % population U18: 21.8%

Population distribution across proposed authorities



WAA: Working Age Adult, 18 - 64
 OA: Older Adult, 65+

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Overview: Demographics of New Unitary Authorities

4 Scenarios have been modelled and compared to the current set up (baseline)

This analysis has considered the impact of LGR on people services by considering 4 proposed unitary formations and comparing this to the baseline position. These are summarised below.

Option C

UA 1 - ECDC_FDC_PCC:

- Total population: 424k
- % population 65+: 18.5%
- % population U18: 22.5%

UA 2 - CC_HDC_SDCD:

- Total population: 516k
- % population 65+: 17.9%
- % population U18: 19.6%

Option D – 3 UA's

UA1 - FDC_PCC:

- Total population: 330k
- % population 65+: 17.6%
- % population U18: 23.3%

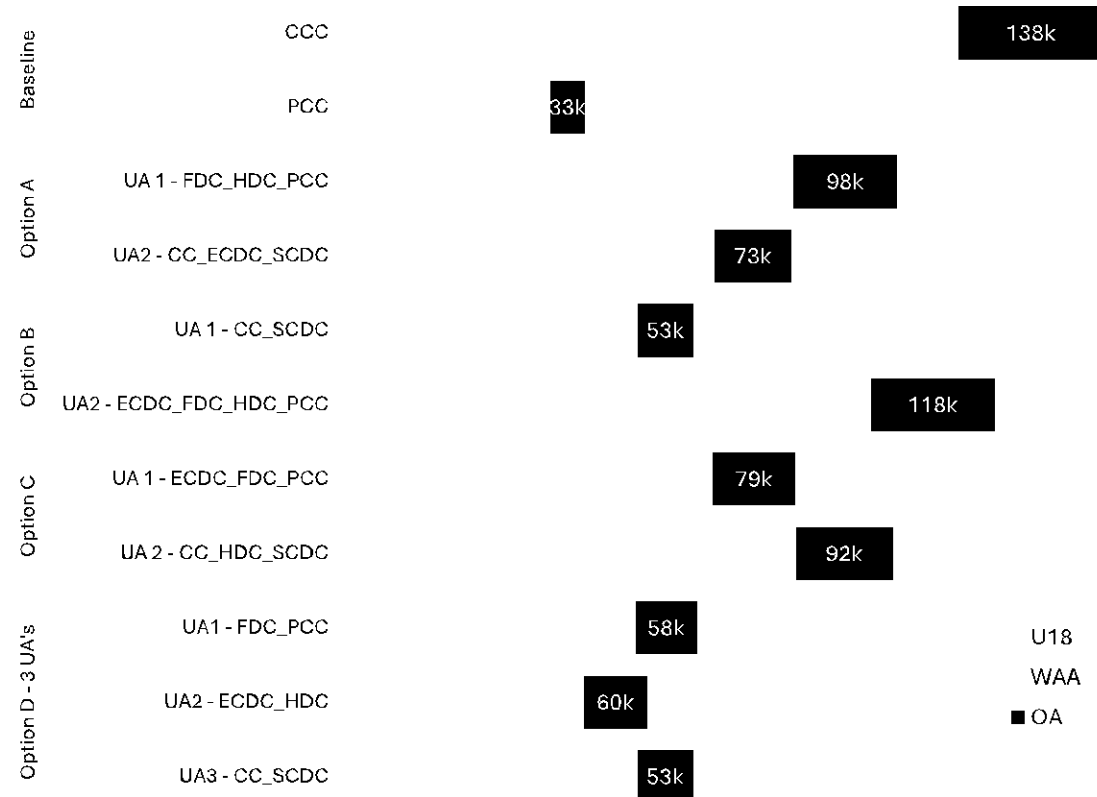
UA3 - CC_SDCD:

- Total population: 327k
- % population 65+: 16.1%
- % population U18: 19.2%

UA2 - ECDC_HDC:

- Total population: 283k
- % population 65+: 21.2%
- % population U18: 20.1%

Population distribution across proposed authorities



WAA: Working Age Adult, 18 - 64

OA: Older Adult, 65+

Overview: Demand

DEMAND FOR SOCIAL CARE AND EDUCATION SERVICES IS EXPECTED TO GROW

This analysis has modelled the demand for Adult Social Care, Children’s Social Care and Education services. A detailed breakdown by setting is included later in this report.

The % of the Total Population supported by people services refers to Adult Social Care: long term support, Children’s Social Care: Children in Care, Child Protection Plans, Child in Need plans or receiving an early help intervention, SEND: child or young person supported by an Education, Health and Care Plan. This analysis shows the variation in both 2025 demand and the future growth in demand. This will support understanding if certain scenarios would create unitary authorities that have high variation in demand in 2025. The projected view to 2040 also gives insight to any sustainability challenge for unitary authorities that are seeing a disproportionate growth in the future demand levels.

Scenario	Proposed Authority	% Total Population supported by people services 2025	% Total Population supported by people services 2040	% Change in number of residents supported by people services (2025-2040)	% change ASC (2025 – 2040)	% change CSC (2025 – 2040)	% change SEND (2025 – 2040)*	Number of residents supported by people services			
Baseline	CCC	2.90% (2.84%-2.96%)	3.78% (3.67%-3.88%)	53% (52%-54%)	26%	7%	104%	6.9k		8.5k	
	PCC	5.13% (5.06%-5.20%)	6.73% (6.56%-6.89%)	46% (44%-47%)	20%	-3%	152%	2.0k	3.3k		
Option A	UA 1 - FDC_HDC_PCC	4.06% (4.00%-4.13%)	5.33% (5.19%-5.46%)	46% (45%-48%)	21%	-1%	124%	5.2k			7.1k
	UA2 - CC_ECDC_SCDC	2.65% (2.59%-2.70%)	3.45% (3.35%-3.54%)	57% (56%-58%)	30%	10%	108%	3.7k	4.6k		
Option B	UA 1 - CC_SCDC	2.56% (2.51%-2.61%)	3.30% (3.21%-3.39%)	58% (57%-59%)	31%	13%	109%	2.7k	3.5k		
	UA2 - ECDC_FDC_HDC_PCC	3.90% (3.83%-3.96%)	5.12% (4.99%-5.25%)	47% (46%-49%)	21%	-1%	121%	6.2k			8.3k
Option C	UA 1 - ECDC_FDC_PCC	4.33% (4.26%-4.40%)	5.68% (5.54%-5.83%)	47% (46%-48%)	22%	-2%	129%	4.4k			6.0k
	UA 2 - CC_HDC_SCDC	2.70% (2.64%-2.75%)	3.50% (3.40%-3.59%)	54% (53%-55%)	27%	9%	105%	4.5k	5.7k		
Option D - 3 UA's	UA1 - FDC_PCC	4.72% (4.64%-4.79%)	6.17% (6.01%-6.32%)	46% (45%-47%)	21%	-2%	136%	3.4k			4.9k
	UA2 - ECDC_HDC	2.94% (2.87%-3.00%)	3.91% (3.80%-4.02%)	50% (49%-51%)	22%	3%	100%	2.8k	3.5k		
	UA3 - CC_SCDC	2.56% (2.51%-2.61%)	3.30% (3.21%-3.39%)	58% (57%-59%)	31%	13%	109%	2.7k	3.5k		

Where relevant, SEND range (local authority provided forecast +/- 5%) indicated in brackets. Graphs use the mid-range of the SEND forecast.

Overview: Spend

SPEND ON PEOPLES SERVICES BY PROPOSED UNITARY FORMATION

This analysis has considered the impact of LGR on the cost of delivering Adult & Children's Social Care services alongside the cost of SEND support. Note this is a general model to allow comparison between authorities and is not a financial forecast.

Cost values presented herein include both placement costs (e.g. Residential Care beds or EHCP provision) and staffing costs for staff working directly on supporting service users, such as social workers, (where this has been provided). Staffing costs for other teams, such as IT or legal teams, are not included.

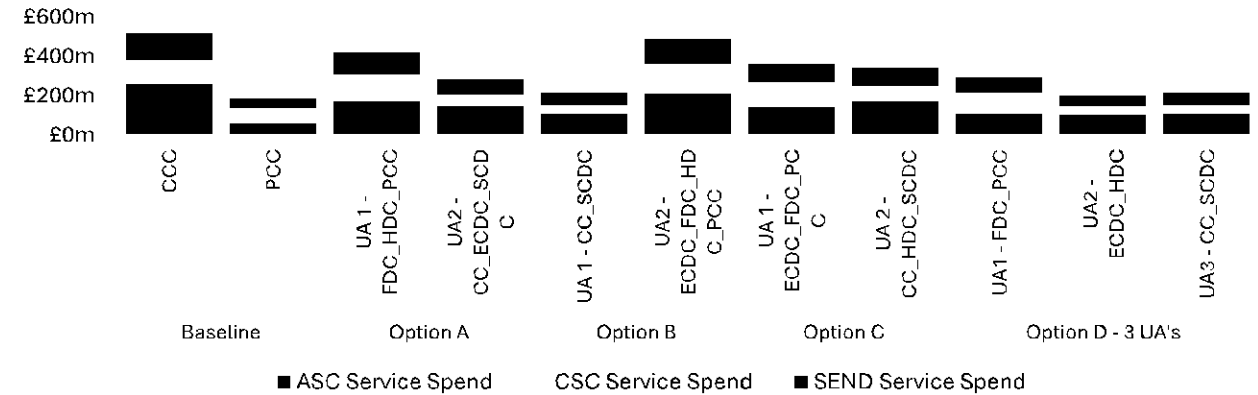
This analysis is a combination of local authority data returns supplied for the purposes of this research and national reporting.

In general, spend aligns with spread of demand across Cambridgeshire and Peterborough. This is because there is greater variation in demand than unit cost.

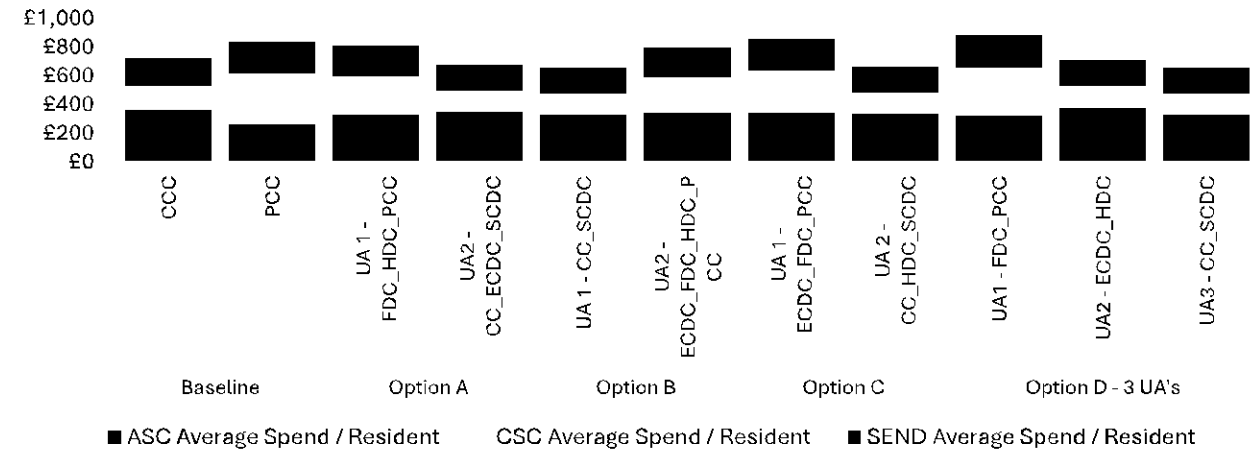
The average spend per resident shows the total spend per resident of the total population within the authority split by each directorate. Areas which have a higher total spend per resident than baseline may cause increased cost pressures when total spend is compared to expected funding.

Both the total spend per scenario and spend per resident has been broken down further and provided in the following pages. This page does not include spend on Home to School Transport or Housing.

Service spend on people services by proposed unitary formation (2025)



Average spend per resident in proposed authority (2025)



The graphs above use the mid-range of the SEND forecast provided by the local authorities.

Overview: Spend

SPEND PER PROPOSED SCENARIO

The table below shows the total cost per scenario predicted by the model for people-based services. Note this is a general model designed to allow comparisons between proposed scenarios and is not a financial forecast for budgeting purposes. This page does not include spend on Home to School Transport or Housing.

In general, we see an increase in combined service cost for scenarios with more authorities, driven by additional fixed management costs within the proposed scenario, as each proposed authority requires its own management team. Additionally, the model applies a step-up factor to unit cost that takes into account median income, deprivation and total population; this means that if other factors remain constant, an increase in unit costs for smaller authorities is forecasted*.

Note, the model only accounts for the additional uplift in staffing costs for delivery teams and we would expect an additional increase from other teams, such as IT or legal teams, that have not been modelled in this analysis.

Scenario	Proposed Authority	Total cost of service for scenario 2025	ASC cost of service for scenario 2025	CSC cost of service for scenario 2025	SEND cost of service for scenario 2025	Total cost of service for scenario 2040	ASC cost of service for scenario 2040	CSC cost of service for scenario 2040	SEND cost of service for scenario 2040
Baseline	CCC	£731.1m	£341.8m	£202.6m	£186.7m	£1690.0m	£689.0m	£339.4m	£661.6m
	PCC	(£721.8m-£740.5m)			(£177.3m-£196.0m)	(£1656.9m-£1723.1m)			(£628.5m-£694.7m)
Option A	UA 1 - FDC_HDC_PCC	£730.0m	£341.7m	£201.6m	£186.7m	£1690.6m	£691.0m	£337.9m	£661.6m
	UA2 - CC_ECDC_SCDC	(£720.6m-£739.3m)			(£177.3m-£196.0m)	(£1657.5m-£1723.6m)			(£628.5m-£694.7m)
Option B	UA 1 - CC_SCDC	£729.5m	£341.1m	£201.7m	£186.7m	£1689.2m	£689.5m	£338.1m	£661.6m
	UA2 - ECDC_FDC_HDC_PCC	(£720.1m-£738.8m)			(£177.3m-£196.0m)	(£1656.2m-£1722.3m)			(£628.5m-£694.7m)
Option C	UA 1 - ECDC_FDC_PCC	£729.3m	£341.2m	£201.5m	£186.7m	£1689.9m	£689.6m	£337.7m	£661.6m
	UA 2 - CC_HDC_SCDC	(£720.0m-£738.7m)			(£177.3m-£196.0m)	(£1655.8m-£1722.0m)			(£628.5m-£694.7m)
Option D - 3 UA's	UA1 - FDC_PCC								
	UA2 - ECDC_HDC	£731.7m	£343.4m	£201.6m	£186.7m	£1693.7m	£694.0m	£338.0m	£661.6m
	UA3 - CC_SCDC	(£722.4m-£741.1m)			(£177.3m-£196.0m)	(£1660.6m-£1726.7m)			(£628.5m-£694.7m)

Where relevant, SEND range (local authority provided forecast +/-5%) indicated in brackets.

* See Appendix I for additional detail.

Overview: Spend

SPEND PER RESIDENT

The table below shows the spend per resident per year for each of the proposed unitary authorities as well as breaking this down into each directorate. Note this is a general model designed to allow comparisons between proposed scenarios and is not a financial forecast for budgeting purposes. Here spend is total service and staffing spend (where this has been provided) and number of residents is the total population in each of the proposed unitary authorities. This page does not include spend on Home to School Transport or Housing.

This analysis demonstrates where there are scenarios that have an increased spend per resident both in the 2025 scenario and in 2040, providing the detail behind the high-level insights into variation between proposed unitary authorities provided in the preceding summaries of each scenario.

Scenario	Proposed Authority	Total spend per resident 2025	ASC spend per resident 2025	CSC spend per resident 2025	SEND spend per resident 2025	Total spend per resident 2040	ASC spend per resident 2040	CSC spend per resident 2040	SEND spend per resident 2040
Baseline	CCC	£722 (£713-£732)	£360	£171	£191 (£182-£201)	£1422 (£1395-£1450)	£626	£252	£544 (£517-£571)
	PCC	£954 (£943-£965)	£374	£358	£222 (£211-£233)	£1990 (£1949-£2032)	£655	£513	£823 (£782-£864)
Option A	UA 1 - FDC_HDC_PCC	£857 (£846-£867)	£377	£269	£211 (£200-£222)	£1741 (£1706-£1775)	£658	£394	£689 (£655-£724)
	UA2 - CC_ECDC_SCDC	£677 (£668-£686)	£347	£147	£183 (£174-£192)	£1337 (£1312-£1363)	£608	£215	£514 (£489-£540)
Option B	UA 1 - CC_SCDC	£656 (£647-£665)	£326	£147	£183 (£173-£192)	£1292 (£1267-£1318)	£570	£215	£507 (£482-£533)
	UA2 - ECDC_FDC_HDC_PCC	£840 (£829-£850)	£382	£250	£207 (£197-£217)	£1703 (£1669-£1736)	£670	£366	£666 (£633-£700)
Option C	UA 1 - ECDC_FDC_PCC	£916 (£905-£927)	£401	£295	£220 (£209-£231)	£1867 (£1831-£1904)	£706	£427	£734 (£697-£771)
	UA 2 - CC_HDC_SCDC	£661 (£652-£670)	£332	£148	£181 (£172-£190)	£1307 (£1281-£1332)	£577	£220	£510 (£485-£536)
Option D - 3 UA's	UA1 - FDC_PCC	£961 (£949-£972)	£396	£335	£230 (£218-£241)	£1968 (£1929-£2008)	£693	£486	£789 (£750-£829)
	UA2 - ECDC_HDC	£707 (£698-£716)	£375	£151	£181 (£172-£190)	£1409 (£1383-£1435)	£658	£227	£524 (£498-£551)
	UA3 - CC_SCDC	£656 (£647-£665)	£326	£147	£183 (£173-£192)	£1292 (£1267-£1318)	£570	£215	£507 (£482-£533)

Where relevant, SEND range (local authority provided forecast +/-5%) indicated in brackets.

Section 2a: Adult Social Care

The scope of this section is to provide insight into the likely impacts of each proposed scenario on Adult Social Care, covering demand, cost and quality over the next 15 years.

Adult Social Care

SERVICE COST VARIATION AND FORECASTS

This analysis has considered the variation in the cost of delivering care between each of the proposed unitary formations. This cost includes both the cost of the provision of care, in addition to the authority staffing cost associated with delivering ASC support (where this data has been provided). Staffing costs resulting from other teams, such as IT or legal teams, that have not been modelled in this analysis. Cost growth includes both the expected impact of increased demand, increased unit cost and wage increases. Spend per resident per year compares the cost for this service to total number of residents in the new authority. Note this is a general model designed to allow comparisons between proposed scenarios and is not a financial forecast for budgeting purposes.

This will support understanding if certain scenarios create variation in spend per resident both in 2025 and the future, showing where there are unitary authorities with a higher spend per resident to the baseline scenario as well as unitary authorities that have high cost growth in the future. Growth in cost is driven by inflation, the different growth rates in demand across constituent areas within proposed authorities, and effect of ordinary residence.

Scenario	Proposed Authority	Spend per resident 2025	Spend per resident 2040	% growth in spend (2025-2040)	ASC service cost 2025 (gross placements cost + staffing)	
Baseline	CCC	£360	£626	104%	£219m	£39m
	PCC	£374	£655	94%	£71m	£13m
Option A	UA 1 - FDC_HDC_PCC	£377	£658	95%	£166m	£30m
	UA2 - CC_ECDC_SCDC	£347	£608	112%	£124m	£22m
Option B	UA 1 - CC_SCDC	£326	£570	115%	£90m	£16m
	UA2 - ECDC_FDC_HDC_PCC	£382	£670	96%	£199m	£35m
Option C	UA 1 - ECDC_FDC_PCC	£401	£706	97%	£144m	£25m
	UA 2 - CC_HDC_SCDC	£332	£577	107%	£145m	£26m
Option D – 3UA’s	UA1 - FDC_PCC	£396	£693	95%	£111m	£20m
	UA2 - ECDC_HDC	£375	£658	97%	£89m	£17m
	UA3 - CC_SCDC	£326	£570	115%	£90m	£16m

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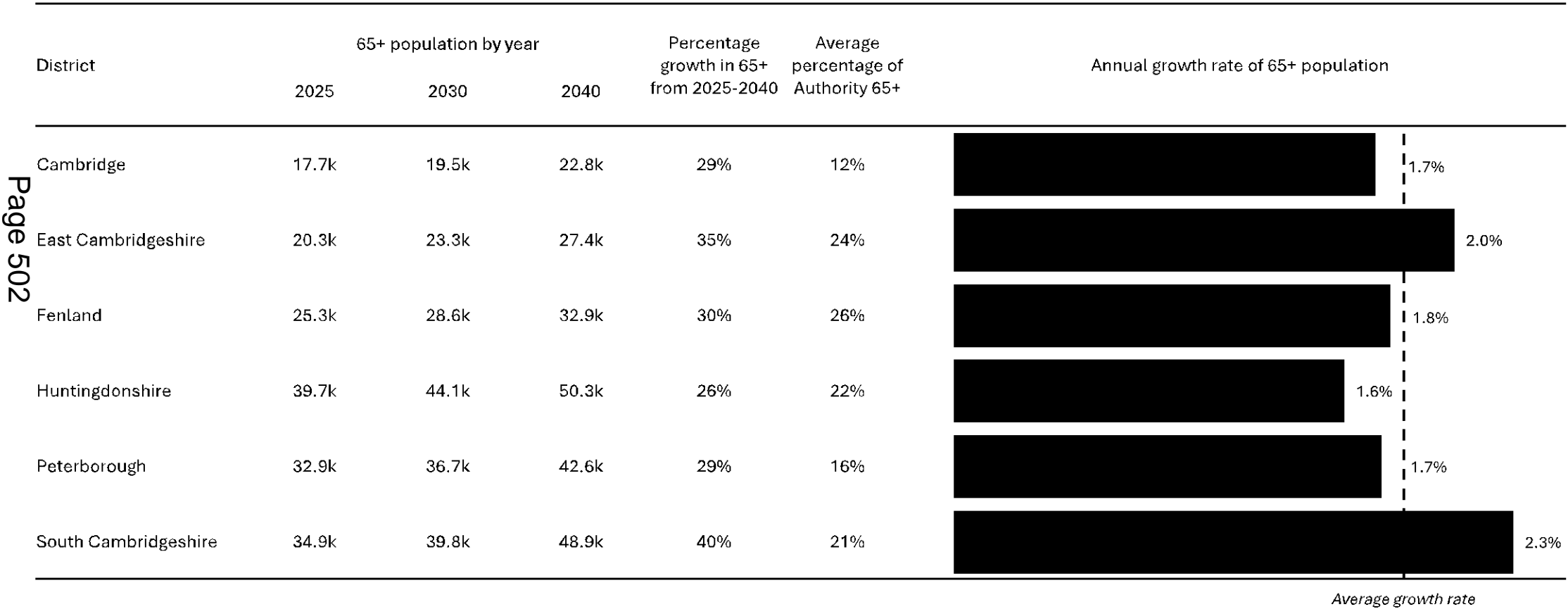
■ ASC provision spend 2025 ■ ASC staffing spend 2025

Adult Social Care: Older Adult population

POPULATION VARIATION AND FORECASTING

The existing Older Adult (over 65) population is shown across the districts in the geography. The below table shows the expected growth rate for Older Adult in each of the districts.

This analysis shows the underlying population trends that drive the change in demand for each of the new unitary authorities in the future.



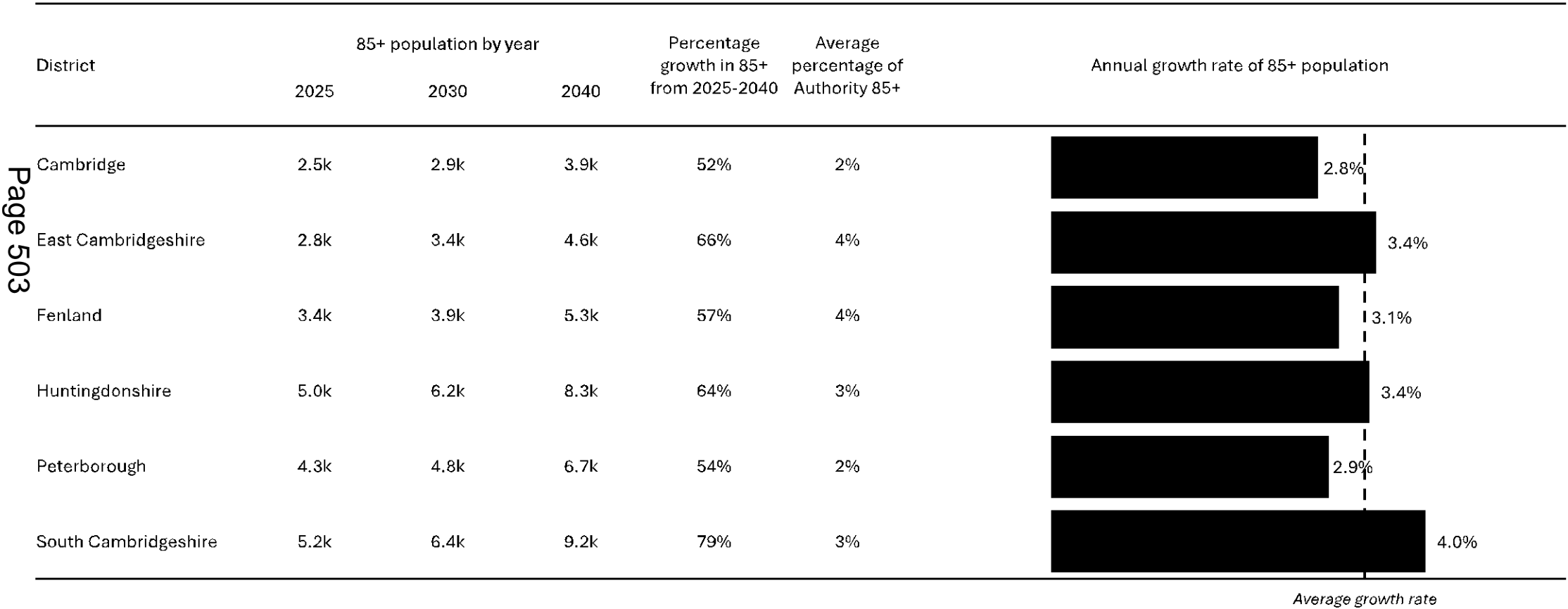
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Adult Social Care: 85+ population

POPULATION VARIATION AND FORECASTING

The existing over 85 population is shown across the districts in the geography. The below table shows the expected growth rate for the 85+ population in each of the districts.

This analysis shows the underlying population trends that drive the change in demand for each of the new unitary authorities in the future.



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Adult Social Care: Older Adult demand

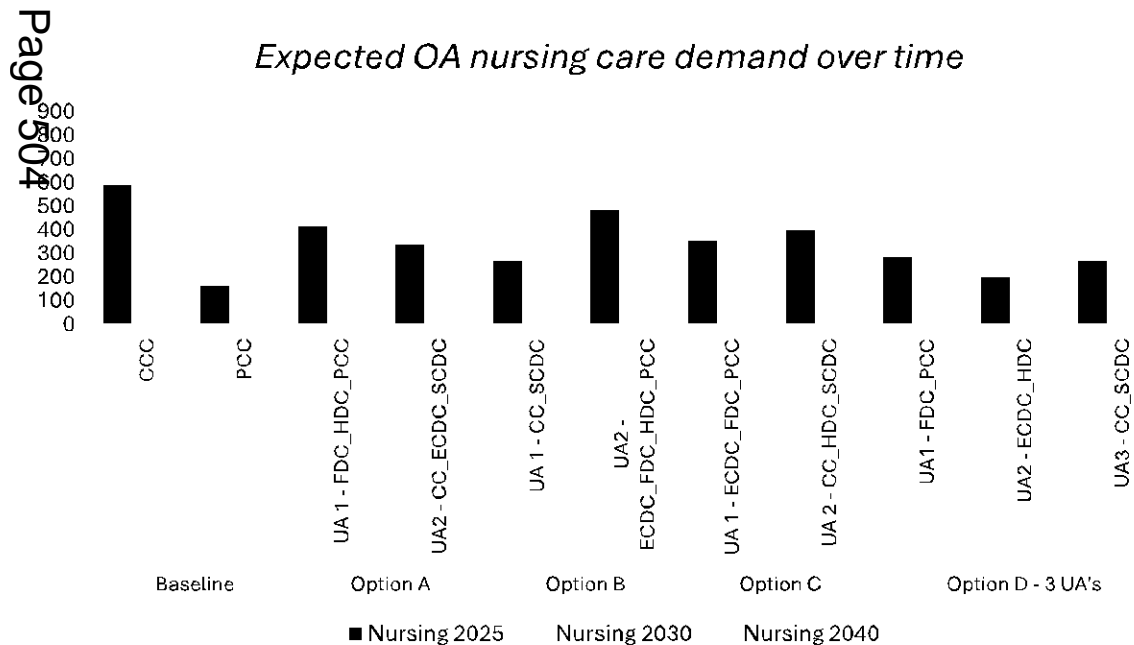
NURSING CARE DEMAND VARIATION AND FORECASTING

The following slides show the expected demand for Older Adult in 2025, 2030 and 2040. The expected demand is driven by population forecasts in each new unitary as well as the effect of ordinary residence on the prevalence in each new unitary.

The graph on the left shows total demand in 2025, 2030 and 2040. In general, this is proportional to population in the new unitary authorities. This analysis will show the expected growth in each unitary and identify areas that are expected to see high growth.

The table to the right of each graph shows the prevalence per 10,000 Older Adults. Changes to prevalence over time will reflect where current residing address is different to the originating address of future demand and demand therefore re-balances over time due to ordinary residence rules. Therefore, some areas will have a high prevalence in 2025 which then decreases by 2040. Other areas have a low prevalence in 2025 with prevalence increasing by 2040 or no change to prevalence.

For Domiciliary Care and Other demand there is no impact of ordinary residence, therefore prevalence remains consistent.

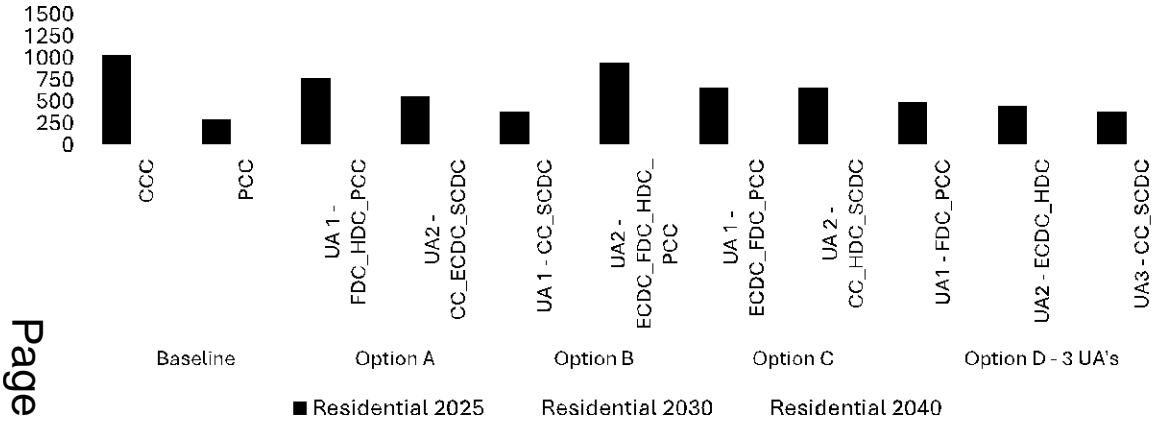


Scenario	Proposed Authority	Nursing care Prevalence 2025	Nursing care Prevalence 2030	Nursing care Prevalence 2040
Baseline	CCC	43	43	43
	PCC			
Option A	UA 1 - FDC_HDC_PCC	42	42	42
	UA2 - CC_ECDC_SDCDC			
Option B	UA 1 - CC_SDCDC			
	UA2 - ECDC_FDC_HDC_PCC	41	41	41
Option C	UA 1 - ECDC_FDC_PCC	45	45	45
	UA 2 - CC_HDC_SDCDC	43	43	44
Option D - 3 UA's	UA1 - FDC_PCC			
	UA2 - ECDC_HDC	33	35	36
	UA3 - CC_SDCDC			

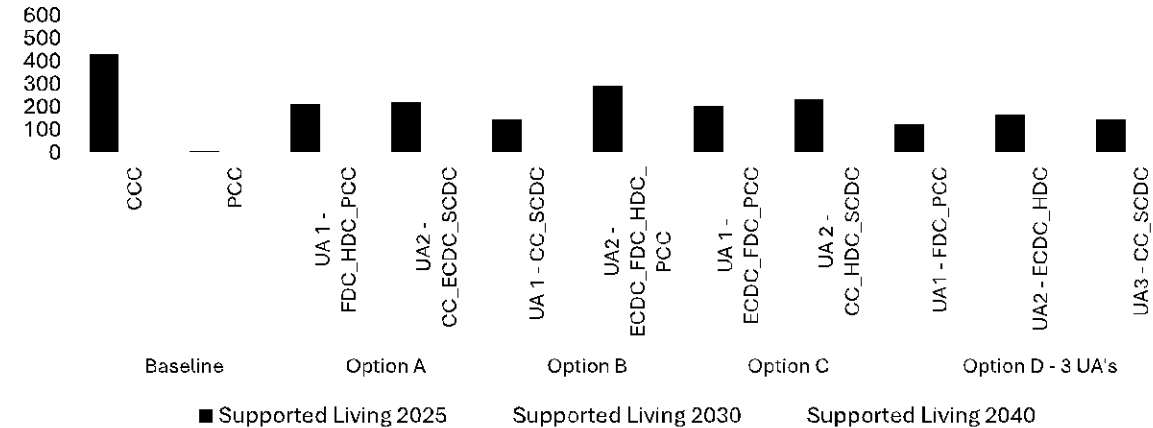
Adult Social Care: Older Adult demand

RESIDENTIAL CARE AND SUPPORTED LIVING DEMAND VARIATION AND FORECASTING

Expected OA residential care demand over time



Expected OA supported living demand over time



Scenario	Proposed Authority	Residential care Prevalence 2025	Residential care Prevalence 2030	Residential care Prevalence 2040
Baseline	CCC	75	76	76
	PCC			
Option A	UA 1 - FDC_HDC_PCC	79	79	80
	UA2 - CC_ECDC_SDCDC	77	76	76
Option B	UA 1 - CC_SDCDC	73	72	71
	UA2 - ECDC_FDC_HDC_PCC	80	81	81
Option C	UA 1 - ECDC_FDC_PCC			
	UA 2 - CC_HDC_SDCDC	72	71	71
Option D - 3 UA's	UA1 - FDC_PCC			
	UA2 - ECDC_HDC	76	76	76
	UA3 - CC_SDCDC	73	72	71

Scenario	Proposed Authority	Supported Living Prevalence 2025	Supported Living Prevalence 2030	Supported Living Prevalence 2040
Baseline	CCC			
	PCC	2	2	2
Option A	UA 1 - FDC_HDC_PCC	22	21	21
	UA2 - CC_ECDC_SDCDC			
Option B	UA 1 - CC_SDCDC			
	UA2 - ECDC_FDC_HDC_PCC			
Option C	UA 1 - ECDC_FDC_PCC			
	UA 2 - CC_HDC_SDCDC			
Option D - 3 UA's	UA1 - FDC_PCC	21	20	20
	UA2 - ECDC_HDC			
	UA3 - CC_SDCDC			

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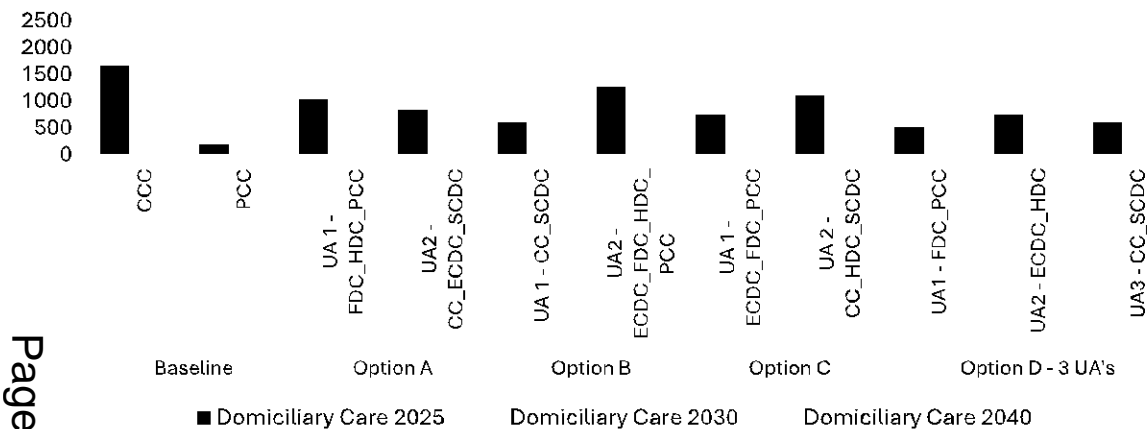
Data: council-provided data and forecasts, ONS data where required
 Assumptions: Population growth matched to local population estimates. Detail included in methodology section of the appendix.

Prevalence is shown per 10k older adults (65+).

Adult Social Care: Older Adult demand

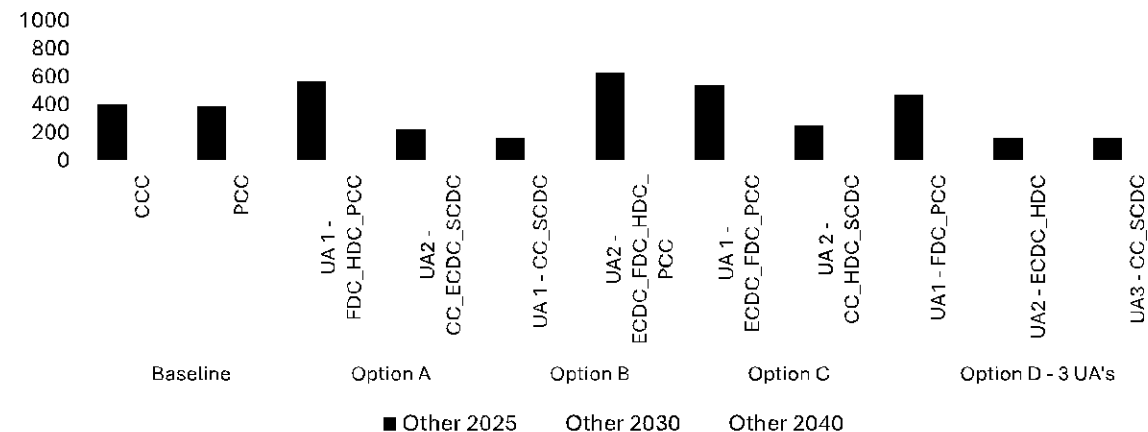
DOMICILIARY CARE AND OTHER DEMAND VARIATION AND FORECASTING

Expected OA domiciliary care demand over time



Scenario	Proposed Authority	Domiciliary Care Prevalence
Baseline	CCC PCC	60
Option A	UA 1 - FDC_HDC_PCC UA2 - CC_ECDC_SCDC	105
Option B	UA 1 - CC_SCDC UA2 - ECDC_FDC_HDC_PCC	
Option C	UA 1 - ECDC_FDC_PCC UA 2 - CC_HDC_SCDC	96
Option D - 3 UA's	UA1 - FDC_PCC UA2 - ECDC_HDC UA3 - CC_SCDC	88

Expected OA other demand over time



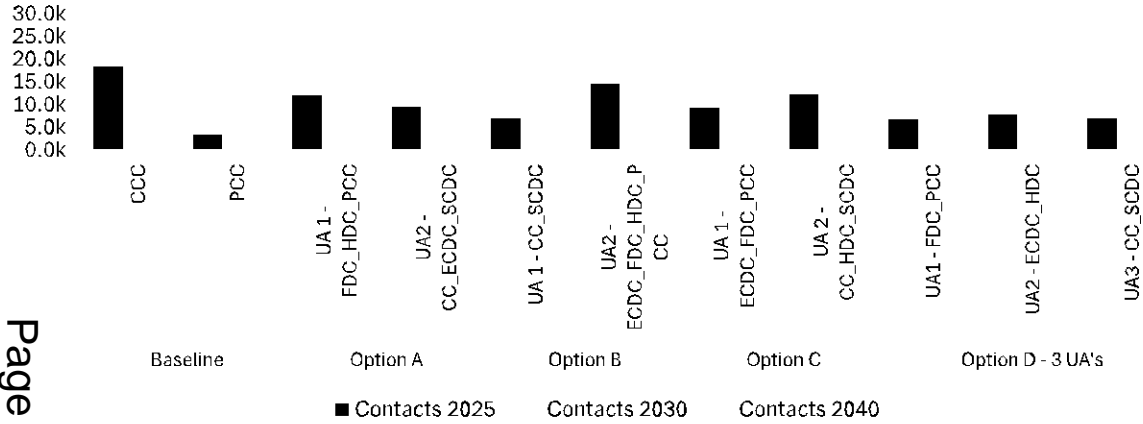
Scenario	Proposed Authority	Other Prevalence
Baseline	CCC PCC	29
Option A	UA 1 - FDC_HDC_PCC UA2 - CC_ECDC_SCDC	58
Option B	UA 1 - CC_SCDC UA2 - ECDC_FDC_HDC_PCC	30
Option C	UA 1 - ECDC_FDC_PCC UA 2 - CC_HDC_SCDC	68
Option D - 3 UA's	UA1 - FDC_PCC UA2 - ECDC_HDC UA3 - CC_SCDC	81
		26
		30

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Adult Social Care: Older Adult demand

CONTACTS DEMAND VARIATION AND FORECASTING

Expected OA contacts demand over time



Scenario	Proposed Authority	Contacts Prevalence
Baseline	CCC	
	PCC	1028
Option A	UA 1 - FDC_HDC_PCC	1239
	UA 2 - CC_ECDC_SCDC	
Option B	UA 1 - CC_SCDC	
	UA 2 - ECDC_FDC_HDC_PCC	1243
Option C	UA 1 - ECDC_FDC_PCC	1202
	UA 2 - CC_HDC_SCDC	
Option D - 3 UA's	UA1 - FDC_PCC	1181
	UA2 - ECDC_HDC	
	UA3 - CC_SCDC	

Adult Social Care: Working Age Adult population

POPULATION VARIATION AND FORECASTING

The existing Working Age Adult (18-65) population is shown across the districts in the geography. The below table shows the expected growth rate for Working Age Adult in each of the districts.

This analysis shows the underlying population trends that drive the change in demand for each of the new unitary authorities in the future.

District	WAA population by year			Percentage growth in WAA from 2025-2040	Average percentage of Authority WAA	Annual growth rate of WAA population
	2025	2030	2040			
Cambridge	110.5k	116.7k	123.9k	12%	73%	0.8%
East Cambridgeshire	54.5k	58.3k	59.8k	10%	58%	0.6%
Fenland	60.4k	63.5k	65.7k	9%	56%	0.6%
Huntingdonshire	111.7k	115.3k	122.2k	9%	58%	0.6%
Peterborough	134.9k	142.8k	151.5k	12%	61%	0.8%
South Cambridgeshire	100.9k	112.3k	135.3k	34%	58%	2.0%

Average growth rate

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Adult Social Care: Working Age Adult demand

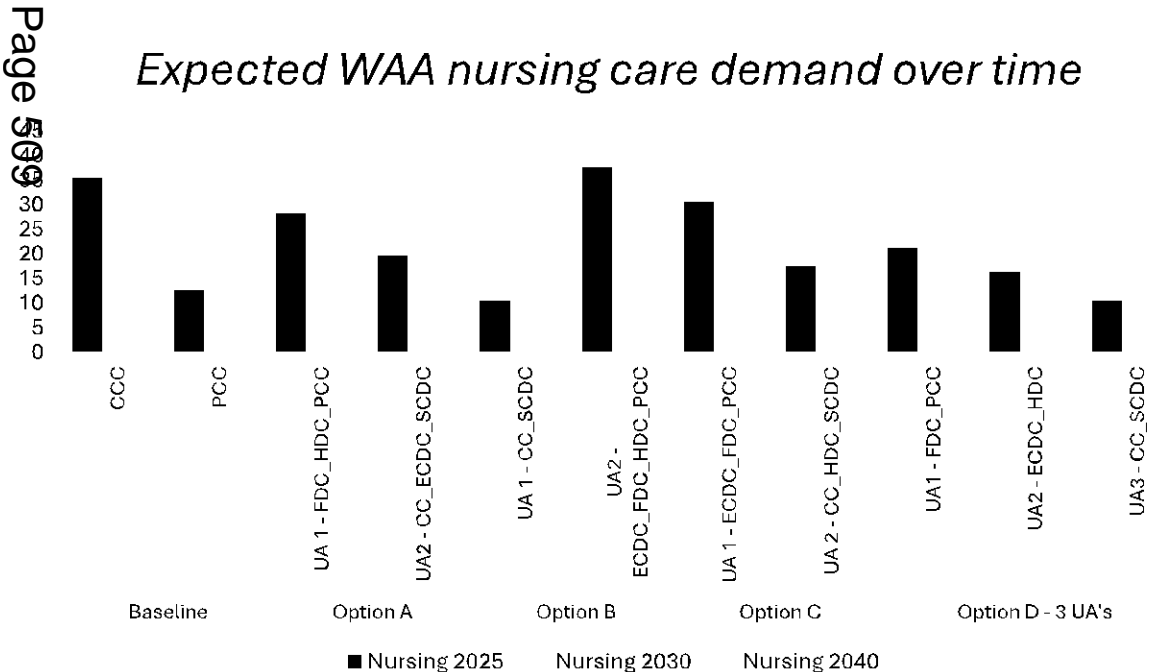
NURSING CARE DEMAND VARIATION AND FORECASTING

The following slides show the expected demand for Working Age Adults in 2025, 2030 and 2040. The expected demand is driven by population forecasts in each new unitary as well as the effect of ordinary residence on the prevalence in each new unitary.

The graph on the left shows total demand in 2025, 2030 and 2040, in general this is proportional to population in the new unitary authorities. This analysis will show the expected growth in each unitary and identify areas that are expected to see high growth.

The table to the right of each graph shows the prevalence per 10,000 Older Adults. Changes to prevalence over time will reflect where current residing address is different to the originating address of future demand and demand therefore re-balances over time due to ordinary residence rules. Therefore, some areas will have a high prevalence in 2025 which then drops by 2040. Other areas have a low prevalence in 2025 with prevalence increasing by 2040 or no change to prevalence.

For Domiciliary Care and Other demand there is no impact of ordinary residence, therefore prevalence remains consistent.

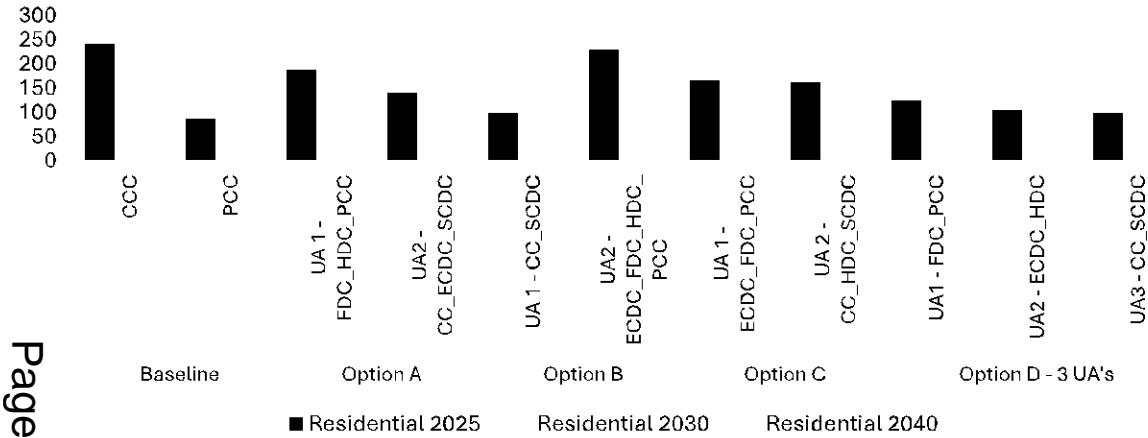


Scenario	Proposed Authority	Nursing care Prevalence 2025	Nursing care Prevalence 2030	Nursing care Prevalence 2040
Baseline	CCC	0.81	0.81	0.80
	PCC	0.93	0.93	0.92
Option A	UA 1 - FDC_HDC_PCC	0.92	0.93	0.93
	UA2 - CC_ECDC_SDCDC	0.74	0.74	0.71
Option B	UA 1 - CC_SDCDC	0.49	0.52	0.56
	UA2 - ECDC_FDC_HDC_PCC			1.00
Option C	UA 1 - ECDC_FDC_PCC			
	UA 2 - CC_HDC_SDCDC	0.54	0.56	0.60
Option D - 3 UA's	UA1 - FDC_PCC			
	UA2 - ECDC_HDC	0.99	0.96	0.90
	UA3 - CC_SDCDC	0.49	0.52	0.56

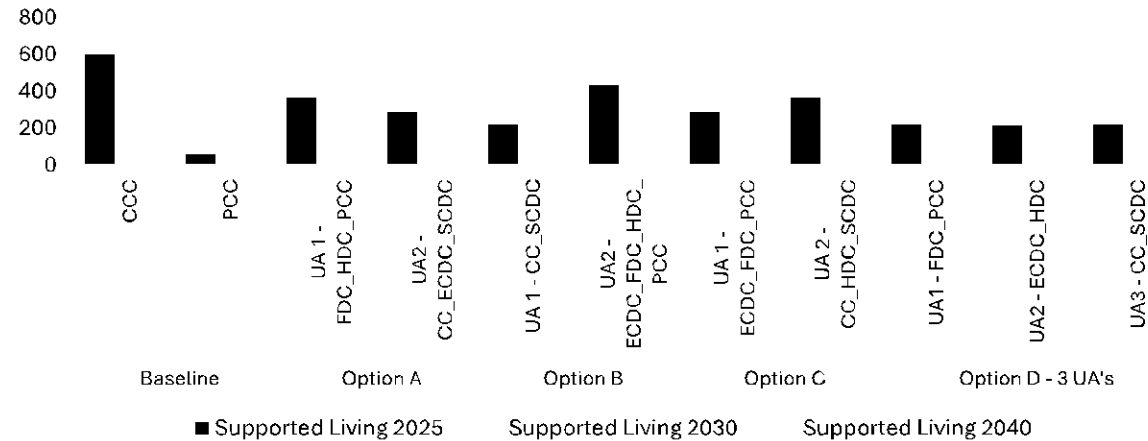
Adult Social Care: Working Age Adult demand

RESIDENTIAL CARE AND SUPPORTED LIVING DEMAND VARIATION AND FORECASTING

Expected WAA residential care demand over time



Expected WAA supported living demand over time



Scenario	Proposed Authority	Residential care Prevalence 2025	Residential care Prevalence 2030	Residential care Prevalence 2040
Baseline	CCC	5.53	5.55	5.57
	PCC			
Option A	UA 1 - FDC_HDC_PCC			6.06
	UA 2 - CC_ECDC_SCDC	5.28	5.35	5.44
Option B	UA 1 - CC_SCDC	4.68	4.83	5.07
	UA 2 - ECDC_FDC_HDC_PCC			
Option C	UA 1 - ECDC_FDC_PCC			
	UA 2 - CC_HDC_SCDC	5.04	5.08	5.16
Option D - 3 UA's	UA1 - FDC_PCC			
	UA2 - ECDC_HDC			5.89
	UA3 - CC_SCDC	4.68	4.83	5.07

Scenario	Proposed Authority	Supported Living Prevalence 2025	Supported Living Prevalence 2030	Supported Living Prevalence 2040
Baseline	CCC			
	PCC	4	4	4
Option A	UA 1 - FDC_HDC_PCC			
	UA 2 - CC_ECDC_SCDC	11		
Option B	UA 1 - CC_SCDC	10	11	11
	UA 2 - ECDC_FDC_HDC_PCC			
Option C	UA 1 - ECDC_FDC_PCC			
	UA 2 - CC_HDC_SCDC			
Option D - 3 UA's	UA1 - FDC_PCC			11
	UA2 - ECDC_HDC			
	UA3 - CC_SCDC	10	11	11

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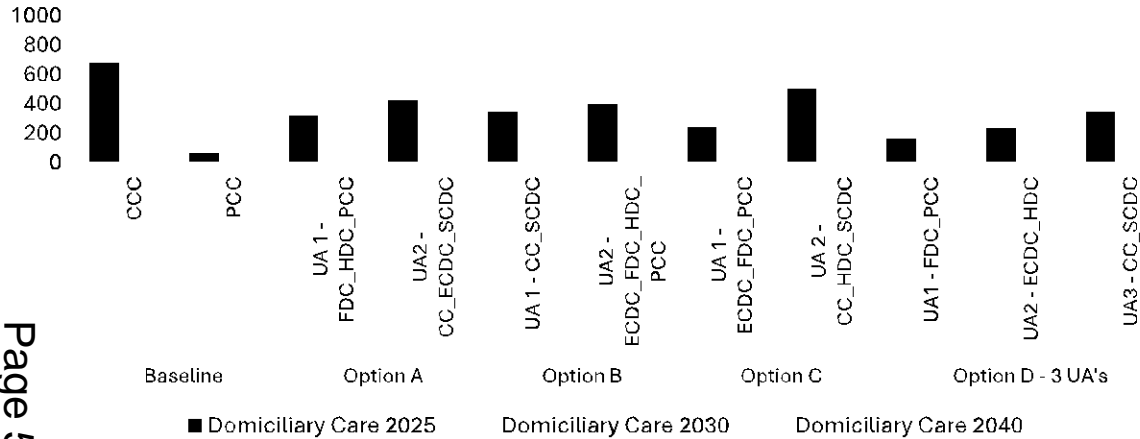
Data: council-provided data and forecasts, ONS data where required
 Assumptions: Population growth matched to local population estimates. Detail included in methodology section of the appendix.

Prevalence is shown per 10k working age adults (18-64).

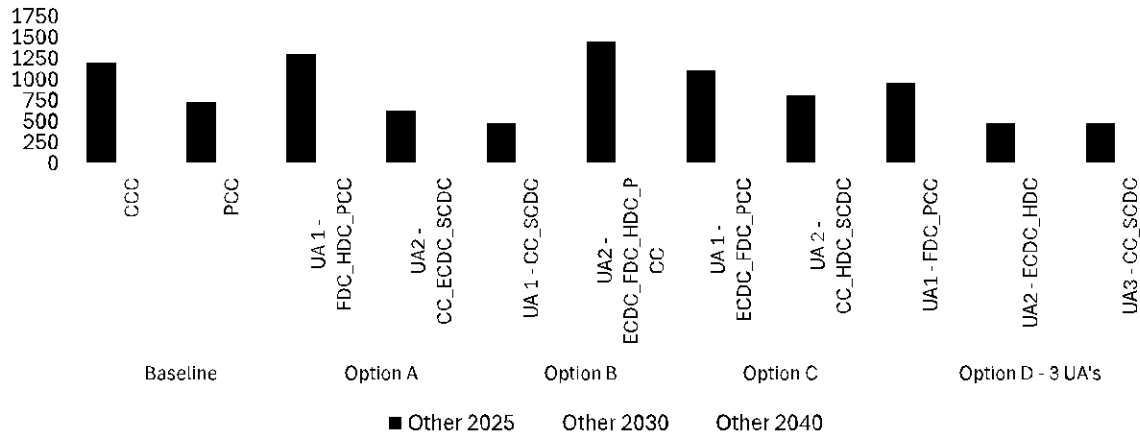
Adult Social Care: Working Age Adult demand

DOMICILIARY CARE AND OTHER DEMAND VARIATION AND FORECASTING

Expected WAA domiciliary care demand over time



Expected WAA other demand over time



Scenario	Proposed Authority	Domiciliary Care Prevalence
Baseline	CCC	
	PCC	5
Option A	UA 1 - FDC_HDC_PCC	10
	UA 2 - CC_ECDC_SDCD	
Option B	UA 1 - CC_SDCD	
	UA 2 - ECDC_FDC_HDC_PCC	11
Option C	UA 1 - ECDC_FDC_PCC	10
	UA 2 - CC_HDC_SDCD	
Option D - 3 UA's	UA1 - FDC_PCC	8
	UA2 - ECDC_HDC	
	UA3 - CC_SDCD	

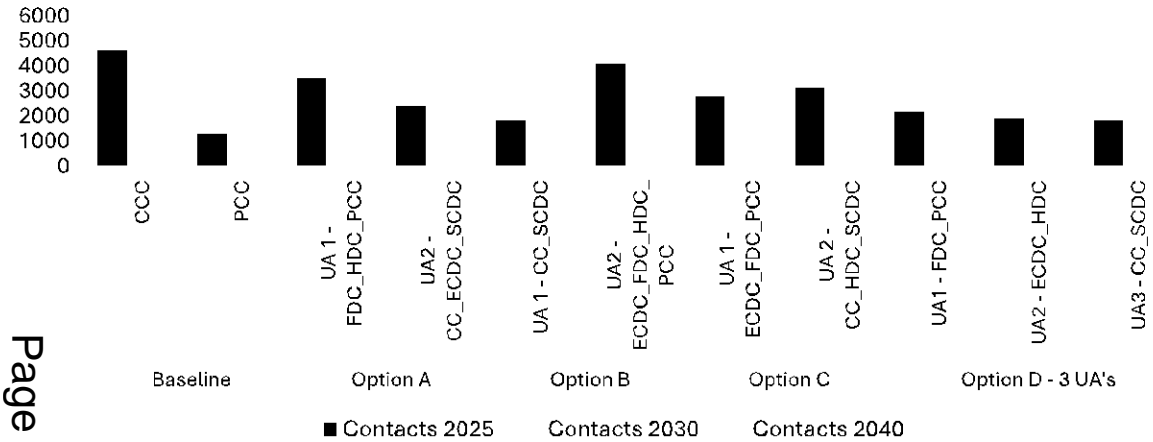
Scenario	Proposed Authority	Other Prevalence
Baseline	CCC	27
	PCC	
Option A	UA 1 - FDC_HDC_PCC	42
	UA 2 - CC_ECDC_SDCD	24
Option B	UA 1 - CC_SDCD	23
	UA 2 - ECDC_FDC_HDC_PCC	40
Option C	UA 1 - ECDC_FDC_PCC	45
	UA 2 - CC_HDC_SDCD	25
Option D - 3 UA's	UA1 - FDC_PCC	
	UA2 - ECDC_HDC	29
	UA3 - CC_SDCD	23

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Adult Social Care: Working Age Adult demand

CONTACTS DEMAND VARIATION AND FORECASTING

Expected WAA contacts demand over time



Scenario	Proposed Authority	Contacts Prevalence
Baseline	CCC	106
	PCC	97
Option A	UA 1 - FDC_HDC_PCC	[REDACTED]
	UA 2 - CC_ECDC_SDC	91
Option B	UA 1 - CC_SDC	86
	UA 2 - ECDC_FDC_HDC_PCC	[REDACTED]
Option C	UA 1 - ECDC_FDC_PCC	[REDACTED]
	UA 2 - CC_HDC_SDC	98
Option D - 3 UA's	UA1 - FDC_PCC	[REDACTED]
	UA2 - ECDC_HDC	[REDACTED]
	UA3 - CC_SDC	86

Adult Social Care: Older Adult unit costs

UNIT COST VARIATION AND FORECASTING

The table shows a breakdown of the placement unit cost over time by setting in the proposed unitary formations. This has been calculated from the council data provided and refers to gross costs.

For each proposed unitary formation unit price forecasts are based on a real-terms average of the previous cost data provided. The impact of inflation, changing demographics, and local cost variation has then been forecast.

Our analysis more widely had found there to be a correlation between unit cost and scale of existing upper tier local authorities. Controlling for deprivation, demographics and median income this applies an expected uplift in unit price for smaller unitary authorities. Detailed information is included in the methodology section of the appendix.

Scenario	Proposed Authority	Nursing Care				Residential Care				Domiciliary Care				Supported Living				Other			
		2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change
Baseline	CCC	£1,004	£1,177	£1,632	63%	£856	£1,008	£1,400	64%	£321	£378	£525	63%	£435	£514	£714	64%	£457	£538	£749	64%
	PCC	£1,037	£1,221	£1,694	63%	£908	£1,070	£1,484	63%	£365	£430	£597	63%	£1,881	£2,216	£3,074	63%	£433	£509	£707	63%
Option A	UA 1 - FDC_HDC_PCC	£934	£1,099	£1,525	63%	£826	£972	£1,348	63%	£320	£377	£523	63%	£419	£491	£681	62%	£415	£489	£678	63%
	UA2 - CC_ECDC_SCDC	£1,115	£1,304	£1,801	62%	£927	£1,093	£1,518	64%	£335	£395	£548	63%	£493	£584	£811	65%	£507	£597	£830	64%
Option B	UA 1 - CC_SCDC	£1,123	£1,309	£1,806	61%	£966	£1,140	£1,584	64%	£337	£397	£550	63%	£395	£482	£677	71%	£540	£636	£884	64%
	UA2 - ECDC_FDC_HDC_PCC	£956	£1,127	£1,566	64%	£826	£971	£1,348	63%	£320	£377	£524	63%	£478	£560	£778	63%	£416	£491	£681	63%
Option C	UA 1 - ECDC_FDC_PCC	£977	£1,153	£1,602	64%	£827	£972	£1,348	63%	£327	£385	£534	63%	£570	£673	£936	64%	£418	£492	£683	63%
	UA 2 - CC_HDC_SCDC	£1,043	£1,218	£1,685	62%	£907	£1,070	£1,488	64%	£328	£386	£536	63%	£344	£416	£586	71%	£484	£571	£795	64%
Option D - 3 UA's	UA1 - FDC_PCC	£946	£1,114	£1,546	63%	£825	£969	£1,344	63%	£328	£386	£536	63%	£526	£622	£865	64%	£413	£487	£675	63%
	UA2 - ECDC_HDC	£973	£1,152	£1,603	65%	£837	£985	£1,367	63%	£322	£379	£526	63%	£450	£525	£730	62%	£412	£486	£674	64%
	UA3 - CC_SCDC	£1,123	£1,309	£1,806	61%	£966	£1,140	£1,584	64%	£337	£397	£550	63%	£395	£482	£677	71%	£540	£636	£884	64%

Adult Social Care: Working Age Adult unit costs

UNIT COST VARIATION AND FORECASTING

The table shows a breakdown of the placement unit cost over time by setting in the proposed unitary formations. This has been calculated from the council data provided and refers to gross costs.

For each proposed unitary formation unit price forecasts are based on a real-terms average of the previous cost data provided. The impact of inflation, changing demographics, and local cost variation has then been forecast.

Our analysis more widely had found there to be a correlation between unit cost and scale of existing upper tier local authorities. Controlling for deprivation, demographics and median income this applies an expected uplift in unit price for smaller unitary authorities. Detailed information is included in the methodology section of the appendix.

Scenario	Proposed Authority	Nursing Care				Residential Care				Domiciliary Care				Supported Living				Other			
		2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change
Baseline	CCC	£1,514	£1,786	£2,494	65%	£1,653	£1,938	£2,675	62%	£324	£382	£531	64%	£1,141	£1,343	£1,858	63%	£391	£461	£643	65%
	PCC	£1,457	£1,716	£2,380	63%	£1,931	£2,274	£3,155	63%	£365	£430	£597	63%	£1,988	£2,342	£3,248	63%	£488	£574	£797	63%
Option A	UA 1 - FDC_HDC_PCC	£1,556	£1,833	£2,551	64%	£1,827	£2,150	£2,981	63%	£336	£396	£549	63%	£1,307	£1,540	£2,137	64%	£414	£489	£678	64%
	UA2 - CC_ECDC_SCDC	£1,404	£1,663	£2,330	66%	£1,578	£1,857	£2,574	63%	£328	£387	£539	65%	£1,090	£1,288	£1,790	64%	£446	£526	£732	64%
Option B	UA 1 - CC_SCDC	£1,511	£1,780	£2,470	63%	£1,567	£1,846	£2,566	64%	£333	£393	£548	65%	£951	£1,129	£1,600	68%	£460	£542	£753	64%
	UA2 - ECDC_FDC_HDC_PCC	£1,476	£1,745	£2,444	66%	£1,782	£2,097	£2,913	63%	£330	£388	£539	63%	£1,336	£1,576	£2,185	64%	£414	£488	£678	64%
Option C	UA 1 - ECDC_FDC_PCC	£1,340	£1,582	£2,206	65%	£1,725	£2,032	£2,825	64%	£329	£387	£537	63%	£1,414	£1,667	£2,320	64%	£429	£506	£703	64%
	UA 2 - CC_HDC_SCDC	£1,746	£2,040	£2,803	61%	£1,719	£2,011	£2,766	61%	£332	£392	£545	64%	£1,050	£1,238	£1,729	65%	£417	£493	£687	65%
Option D - 3 UA's	UA1 - FDC_PCC	£1,381	£1,627	£2,257	63%	£1,767	£2,081	£2,885	63%	£340	£400	£555	63%	£1,384	£1,632	£2,273	64%	£429	£506	£703	64%
	UA2 - ECDC_HDC	£1,617	£1,922	£2,738	69%	£1,816	£2,136	£2,970	63%	£329	£388	£538	63%	£1,303	£1,536	£2,125	63%	£376	£443	£615	63%
	UA3 - CC_SCDC	£1,511	£1,780	£2,470	63%	£1,567	£1,846	£2,566	64%	£333	£393	£548	65%	£951	£1,129	£1,600	68%	£460	£542	£753	64%

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Adult Social Care: Capacity

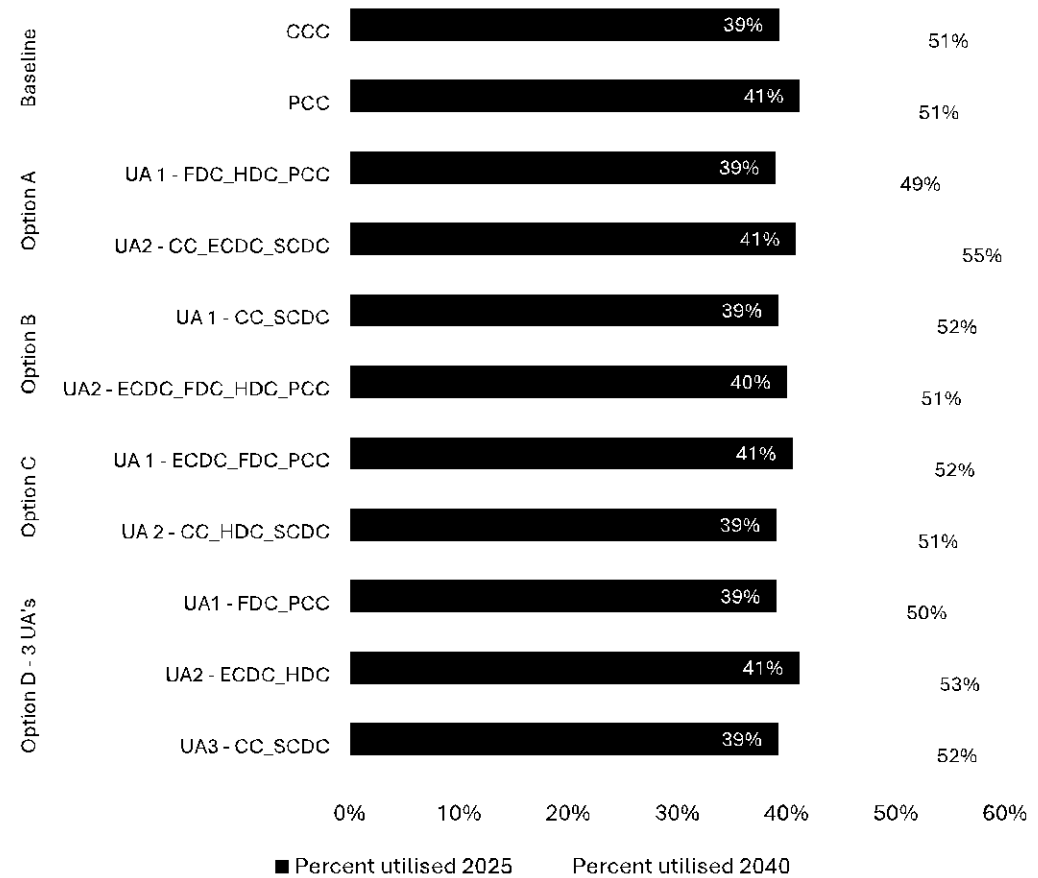
PLACEMENT DEMAND AND CAPACITY UTILISATION

This analysis shows the expected % of available capacity required to support forecast demand for 2025 and 2040. This capacity also includes beds occupied in the private market and so exceeds council only demand in most cases.

Where there is a higher % this means that a higher proportion of the available capacity is required to support the forecasted demand.

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Adult's Social Care Capacity over time



Adult Social Care: Quality

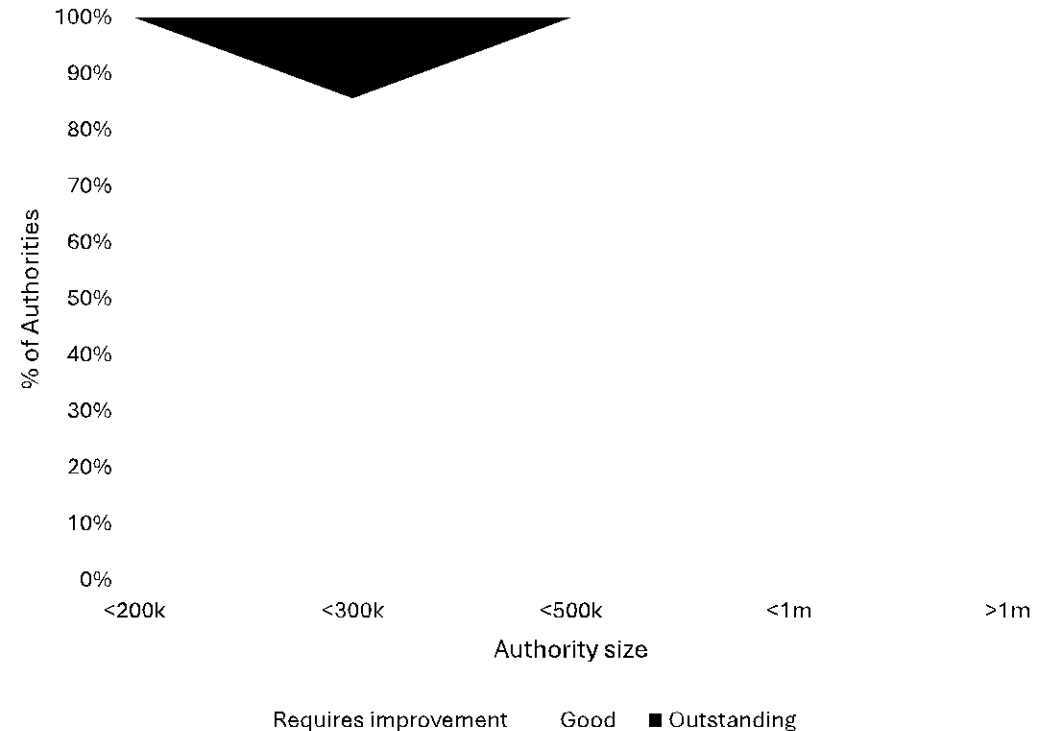
THERE IS LIMITED NATIONALLY AVAILABLE DATA TO DRAW CONCLUSIONS OF QUALITY BASED ON POPULATION SIZE

The CQC is currently in the process of implementing a new assessment framework for local authorities and integrated care networks. This means that limited CQC ratings have been published at time of completing this analysis.

There was not sufficient data for us to provide a meaningful model based on these published outcomes. Therefore, no conclusions have been drawn, even at a high level, from the published reports.

As with OFSTED, income, deprivation and geographic location could be more influential than population alone, however further data and information is required to draw meaningful conclusions.

CQC Quality of Authority Distribution



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Adult Social Care

SERVICE COST SUMMARY

The predicted spend for each scenario is included in the table below alongside the expected service cost in 2025 and 2040. Note this is a general model designed to allow comparisons between proposed scenarios and is not a financial forecast for budgeting purposes.

In general, there is an increase in combined service cost for scenarios with more authorities. This is driven by the expected uplift on placement unit costs applied to smaller authorities and higher combined staffing overheads due to having more authorities and therefore leadership teams. Note, the model only accounts for the additional uplift in staffing costs for delivery teams and there is an expected additional increase from other teams, such as IT or legal teams, that have not been modelled in this analysis.

Scenario	Proposed Authority	Predicted spend for scenario 2025	ASC service cost 2025 (gross placements cost + staffing)	Predicted spend for scenario 2040	ASC service cost 2040 (gross placements cost + staffing)
Baseline	CCC	£341.8m	£258m	£689.0m	£526m
	PCC		£84m		£163m
Option A	UA 1 - FDC_HDC_PCC	£341.7m	£196m	£691.0m	£382m
	UA2 - CC_ECDC_SCDC		£146m		£309m
Option B	UA 1 - CC_SCDC	£341.1m	£107m	£689.5m	£229m
	UA2 - ECDC_FDC_HDC_PCC		£235m		£461m
Option C	UA 1 - ECDC_FDC_PCC	£341.2m	£170m	£689.6m	£335m
	UA 2 - CC_HDC_SCDC		£171m		£354m
Option D – 3 UA's	UA1 - FDC_PCC		£131m		£255m
	UA2 - ECDC_HDC	£343.4m	£106m	£694.0m	£210m
	UA3 - CC_SCDC		£107m		£229m

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Children's Social Care

SERVICE COST VARIATION AND FORECASTING

This analysis has considered the variation in the cost of delivering care between each of the proposed unitary formations. This cost includes both the cost of the provision of care, in addition to the authority staffing cost associated with delivering CSC support (where this data has been provided). Staffing costs resulting from other teams, such as IT or legal teams, that have not been modelled in this analysis. Cost growth includes both the expected impact of increased demand, increased unit cost and wage increases. As this work has been performed without any personal identifiable data and caseload sizes for Children in Care settings are small, changes in the blend of settings with time have not been modelled. Should this blend change, this may cause a variation in unit cost over time i.e. due to a decline in internal fostering capacity or increase in Residential Care placements, but this has not been included in the model. Spend per resident per year compares the cost for this service to total number of residents in the new authority. Note this is a general model designed to allow comparisons between proposed scenarios and is not a financial forecast for budgeting purposes.

This will support understanding if certain scenarios create variation in spend per resident both in 2025 and the future, showing where there are unitary authorities with a higher spend per resident to the baseline scenario as well as unitary authorities that have high cost growth in the future. Growth in cost is driven by inflation and the different growth rates in demand across constituent areas within proposed authorities.

Scenario	Proposed Authority	Spend per resident 2025	Spend per resident 2040	% growth in spend (2025-2040)	CSC service cost 2025 (gross placements cost + staffing)	
Baseline	CCC	£171	£252	73%		£31m
	PCC	£358	£513	59%	£35m	
Option A	UA 1 - FDC_HDC_PCC	£269	£394	64%		£50m
	UA2 - CC_ECDC_SCDC	£147	£215	77%	£16m	
Option B	UA 1 - CC_SCDC	£147	£215	80%	£13m	
	UA2 - ECDC_FDC_HDC_PCC	£250	£366	64%		£54m
Option C	UA 1 - ECDC_FDC_PCC	£295	£427	62%		£45m
	UA 2 - CC_HDC_SCDC	£148	£220	76%	£21m	
Option D – 3 UA's	UA1 - FDC_PCC	£335	£486	62%		£42m
	UA2 - ECDC_HDC	£151	£227	69%	£12m	CSC provision spend 2025
	UA3 - CC_SCDC	£147	£215	80%	£13m	CSC staffing cost 2025

Children's Social Care: Population

U18 POPULATION VARIATION AND FORECASTING

The existing U18 population is shown across the districts in the geography. The below table shows the expected growth rate for U18s in each of the districts.

This analysis shows the underlying population trends that drive the change in demand for each of the new unitary authorities in the future.

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District	U18 population by year			Percentage growth in U18 from 2025-2040	Average percentage of Authority U18	Annual growth rate of U18 population	
	2025	2030	2040				
Cambridge	24.3k	24.0k	24.4k	0%	15%	0.0%	<p>Average growth rate</p>
East Cambridgeshire	18.7k	18.8k	18.9k	1%	19%	0.1%	
Fenland	20.6k	21.2k	21.4k	3%	19%	0.2%	
Huntingdonshire	38.3k	38.8k	40.0k	4%	20%	0.3%	
Peterborough	56.2k	55.7k	54.7k	-3%	24%	-0.2%	
South Cambridgeshire	38.3k	40.6k	46.3k	21%	21%	1.3%	

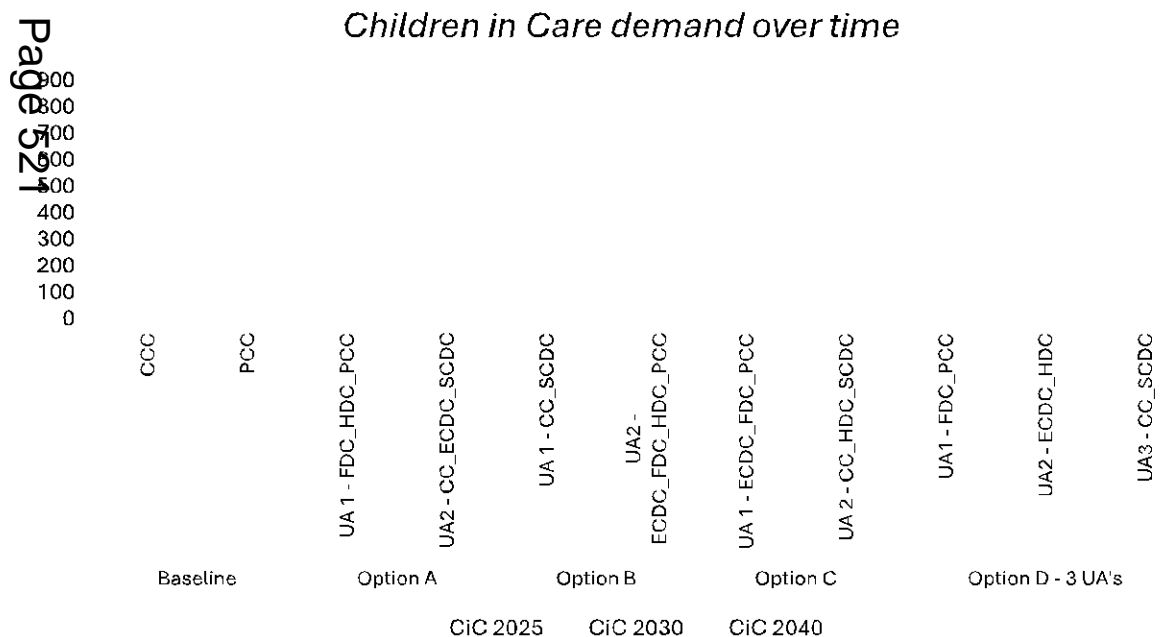
Children's Social Care: Demand

CHILDREN IN CARE DEMAND VARIATION AND FORECASTING

The following slides show the expected demand for Children's Social Care in 2025, 2030 and 2040. The expected demand is driven by population forecasts in each new unitary.

The graph on the left shows total demand in 2025, 2030 and 2040, in general this is proportional to population in the new unitary authorities. This analysis will show the expected change in demand in each unitary.

The table to the right of each graph shows the prevalence per 10,000 U18 population. This remains consistent over time as agreed in the methodology sessions. As this work has been performed without any personal identifiable data and caseload sizes for Children in Care settings are small, changes in the blend of settings with time have not been modelled.

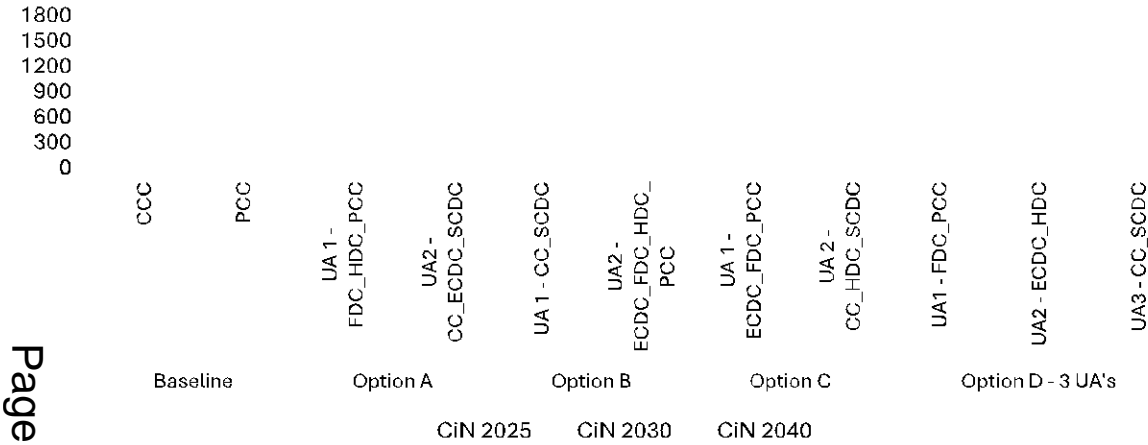


Scenario	Proposed Authority	CiC Prevalence
Baseline	CCC	47
	PCC	72
Option A	UA 1 - FDC_HDC_PCC	63
	UA 2 - CC_ECDC_SCDC	42
Option B	UA 1 - CC_SCDC	42
	UA 2 - ECDC_FDC_HDC_PCC	60
Option C	UA 1 - ECDC_FDC_PCC	68
	UA 2 - CC_HDC_SCDC	41
Option D - 3 UA's	UA 1 - FDC_PCC	75
	UA 2 - ECDC_HDC	40
	UA 3 - CC_SCDC	42

Children's Social Care: Demand

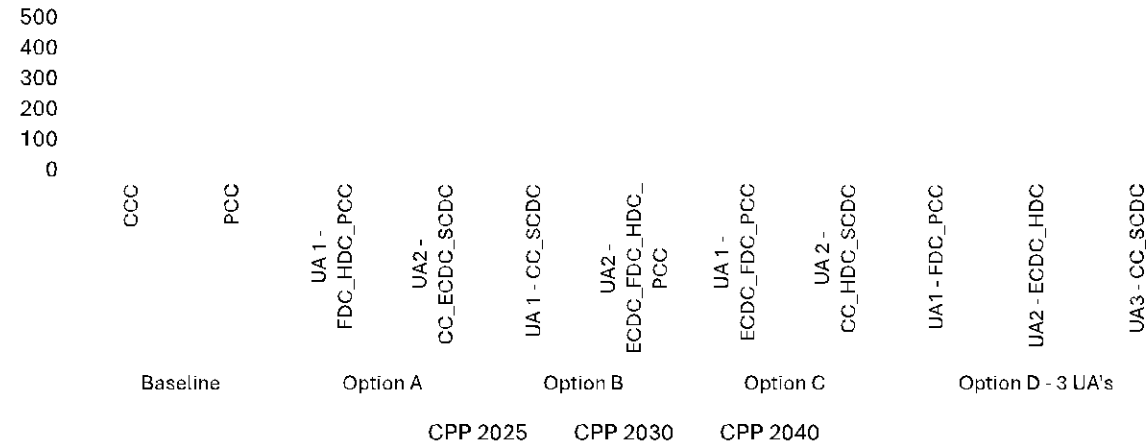
DEMAND VARIATION AND FORECASTING

Child in Need demand over time



Scenario	Proposed Authority	CiN Prevalence
Baseline	CCC	41
	PCC	195
Option A	UA 1 - FDC_HDC_PCC	120
	UA2 - CC_ECDC_SCDC	36
Option B	UA 1 - CC_SCDC	36
	UA2 - ECDC_FDC_HDC_PCC	108
Option C	UA 1 - ECDC_FDC_PCC	132
	UA 2 - CC_HDC_SCDC	41
Option D - 3 UA's	UA1 - FDC_PCC	156
	UA2 - ECDC_HDC	44
	UA3 - CC_SCDC	36

Child Protection Plan demand over time

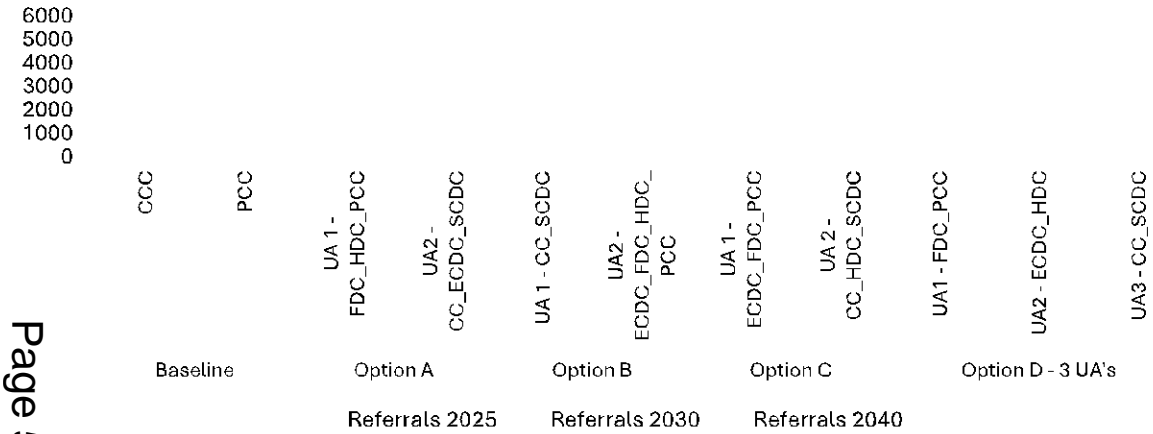


Scenario	Proposed Authority	CPP Prevalence
Baseline	CCC	26
	PCC	33
Option A	UA 1 - FDC_HDC_PCC	29
	UA2 - CC_ECDC_SCDC	27
Option B	UA 1 - CC_SCDC	27
	UA2 - ECDC_FDC_HDC_PCC	28
Option C	UA 1 - ECDC_FDC_PCC	31
	UA 2 - CC_HDC_SCDC	25
Option D - 3 UA's	UA1 - FDC_PCC	33
	UA2 - ECDC_HDC	23
	UA3 - CC_SCDC	27

Children's Social Care: Demand

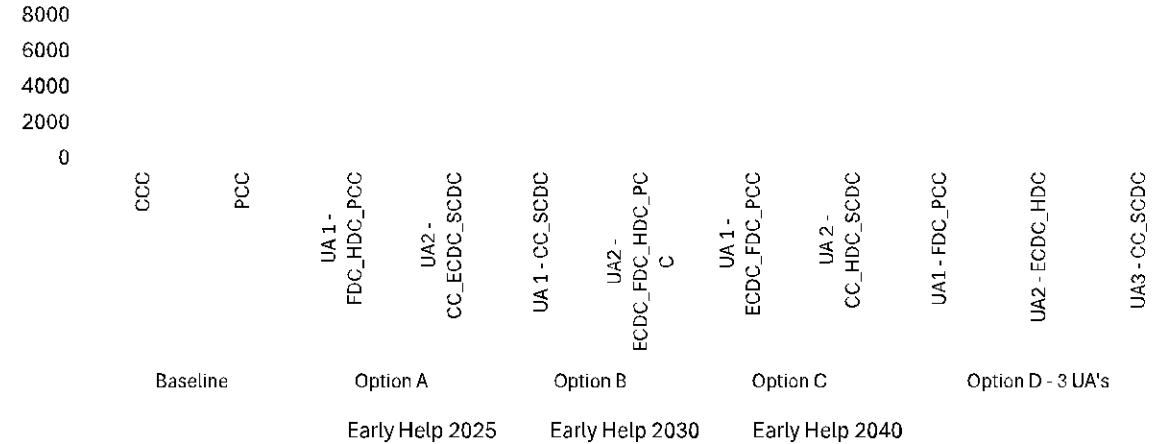
DEMAND VARIATION AND FORECASTING

Referrals over time



Scenario	Proposed Authority	Referrals Prevalence
Baseline	CCC	327
	PCC	524
Option A	UA 1 - FDC_HDC_PCC	444
	UA2 - CC_ECDC_SCDC	298
Option B	UA 1 - CC_SCDC	303
	UA2 - ECDC_FDC_HDC_PCC	421
Option C	UA 1 - ECDC_FDC_PCC	458
	UA 2 - CC_HDC_SCDC	312
Option D - 3 UA's	UA1 - FDC_PCC	502
	UA2 - ECDC_HDC	311
	UA3 - CC_SCDC	303

Early Help demand over time

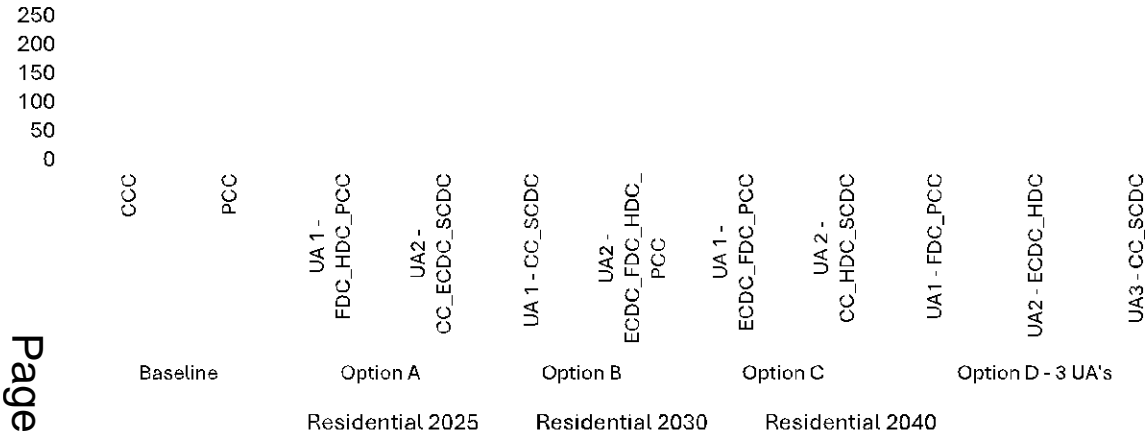


Scenario	Proposed Authority	Early Help Prevalence
Baseline	CCC	272
	PCC	804
Option A	UA 1 - FDC_HDC_PCC	553
	UA2 - CC_ECDC_SCDC	241
Option B	UA 1 - CC_SCDC	246
	UA2 - ECDC_FDC_HDC_PCC	507
Option C	UA 1 - ECDC_FDC_PCC	602
	UA 2 - CC_HDC_SCDC	256
Option D - 3 UA's	UA1 - FDC_PCC	694
	UA2 - ECDC_HDC	256
	UA3 - CC_SCDC	246

Children's Social Care: Demand

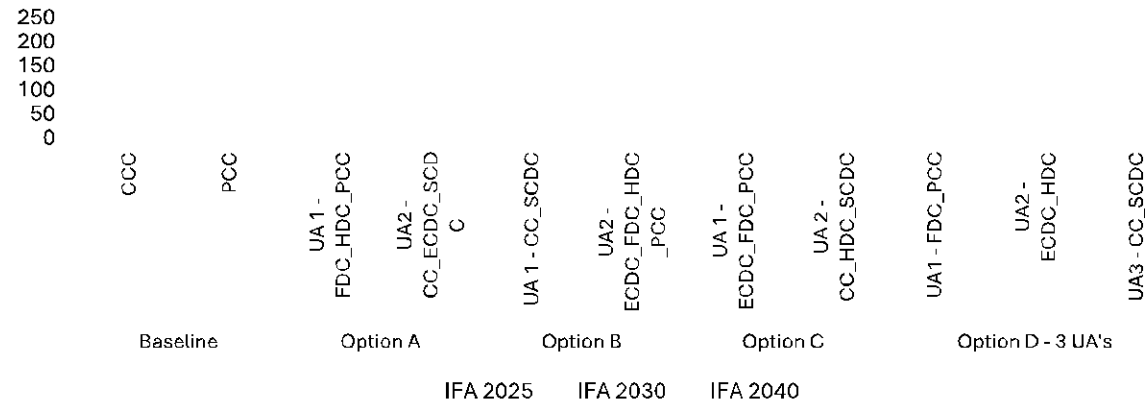
DEMAND VARIATION AND FORECASTING

Children's Residential demand over time



Scenario	Proposed Authority	Residential Care Prevalence
Baseline	CCC	13.5
	PCC	8.7
Option A	UA 1 - FDC_HDC_PCC	12.4
	UA2 - CC_ECDC_SCDC	11.8
Option B	UA 1 - CC_SCDC	12.6
	UA2 - ECDC_FDC_HDC_PCC	11.9
Option C	UA 1 - ECDC_FDC_PCC	11.3
	UA 2 - CC_HDC_SCDC	12.9
Option D - 3 UA's	UA1 - FDC_PCC	11.8
	UA2 - ECDC_HDC	12.1
	UA3 - CC_SCDC	12.6

Children's Independent Fostering Agency demand over time

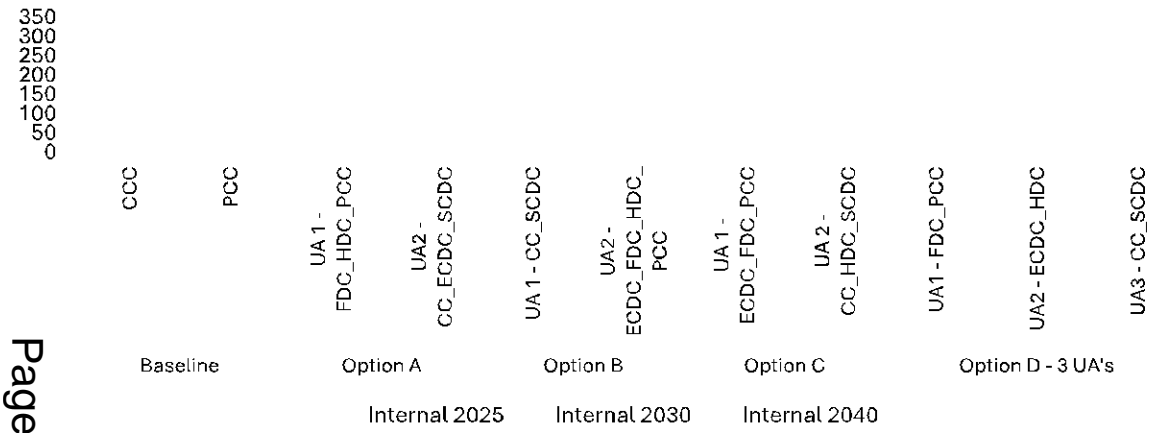


Scenario	Proposed Authority	Independent Fostering Agency Prevalence
Baseline	CCC	9.4
	PCC	22.6
Option A	UA 1 - FDC_HDC_PCC	16.3
	UA2 - CC_ECDC_SCDC	8.7
Option B	UA 1 - CC_SCDC	8.6
	UA2 - ECDC_FDC_HDC_PCC	15.3
Option C	UA 1 - ECDC_FDC_PCC	18.1
	UA 2 - CC_HDC_SCDC	8.5
Option D - 3 UA's	UA1 - FDC_PCC	20.4
	UA2 - ECDC_HDC	8.5
	UA3 - CC_SCDC	8.6

Children's Social Care: Demand

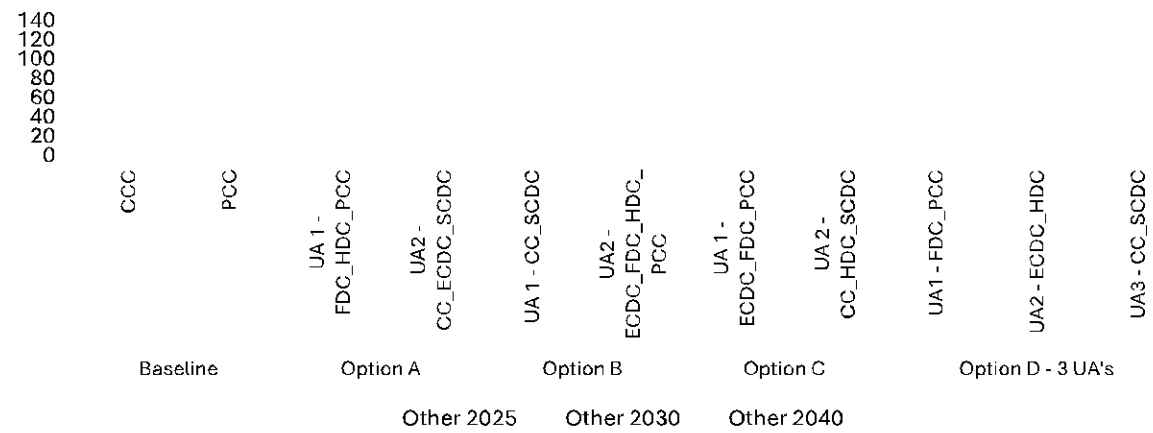
DEMAND VARIATION AND FORECASTING

Children's Internal Fostering demand over time



Scenario	Proposed Authority	Internal Fostering Prevalence
Baseline	CCC	18
	PCC	28
Option A	UA 1 - FDC_HDC_PCC	25
	UA2 - CC_ECDC_SCDC	16
Option B	UA 1 - CC_SCDC	16
	UA2 - ECDC_FDC_HDC_PCC	24
Option C	UA 1 - ECDC_FDC_PCC	27
	UA 2 - CC_HDC_SCDC	15
Option D - 3 UA's	UA1 - FDC_PCC	30
	UA2 - ECDC_HDC	15
	UA3 - CC_SCDC	16

Children's Other demand over time



Scenario	Proposed Authority	Other Prevalence
Baseline	CCC	6
	PCC	12
Option A	UA 1 - FDC_HDC_PCC	9
	UA2 - CC_ECDC_SCDC	5
Option B	UA 1 - CC_SCDC	5
	UA2 - ECDC_FDC_HDC_PCC	9
Option C	UA 1 - ECDC_FDC_PCC	11
	UA 2 - CC_HDC_SCDC	5
Option D - 3 UA's	UA1 - FDC_PCC	12
	UA2 - ECDC_HDC	4
	UA3 - CC_SCDC	5

Children's Social Care: Unit costs

UNIT COST DEMAND VARIATION AND FORECASTING

The table shows a breakdown of the placement unit cost over time by setting in the proposed unitary formations. This has been calculated from the council data provided and refers to gross costs.

For each proposed unitary formation unit price forecasts are based on a real-terms average of the previous cost data provided. The impact of inflation, changing demographics, and local cost variation has then been forecast.

Our analysis more widely had found there to be a correlation between unit cost and scale of existing upper tier local authorities. Controlling for deprivation, demographics and median income this applies an expected uplift in unit price for smaller unitary authorities. Detailed information is included in the methodology section of the appendix.

£ / Week		Children in Care				Residential Care				Independent Fostering Agency				Internal Fostering				Other			
Scenario	Proposed Authority	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change
Baseline	CCC	£2,659	£3,132	£4,329	63%	£6,171	£7,272	£10,058	63%	£987	£1,162	£1,612	63%	£419	£494	£686	64%	£4,190	£4,949	£6,838	63%
	PCC	£2,137	£2,517	£3,492	63%	£7,687	£9,055	£12,562	63%	£1,169	£1,377	£1,911	63%	£368	£433	£601	63%	£4,043	£4,762	£6,606	63%
Option A	UA 1 - FDC_HDC_PCC	£2,377	£2,807	£3,901	64%	£6,732	£7,927	£10,970	63%	£1,080	£1,271	£1,762	63%	£377	£444	£617	64%	£4,194	£4,951	£6,869	64%
	UA2 - CC_ECDC_SCDC	£2,586	£3,041	£4,206	63%	£6,041	£7,113	£9,848	63%	£1,014	£1,194	£1,657	63%	£443	£521	£724	64%	£3,762	£4,439	£6,163	64%
Option B	UA 1 - CC_SCDC	£2,564	£3,015	£4,172	63%	£5,850	£6,891	£9,562	63%	£1,029	£1,212	£1,681	63%	£450	£530	£736	64%	£3,484	£4,118	£5,747	65%
	UA2 - ECDC_FDC_HDC_PCC	£2,406	£2,841	£3,948	64%	£6,760	£7,959	£11,018	63%	£1,073	£1,263	£1,750	63%	£381	£449	£624	64%	£4,238	£5,001	£6,940	64%
Option C	UA 1 - ECDC_FDC_PCC	£2,366	£2,794	£3,885	64%	£7,256	£8,546	£11,853	63%	£1,084	£1,276	£1,769	63%	£373	£440	£611	64%	£4,368	£5,159	£7,170	64%
	UA 2 - CC_HDC_SCDC	£2,557	£3,008	£4,164	63%	£5,802	£6,834	£9,479	63%	£1,011	£1,191	£1,652	63%	£435	£513	£712	64%	£3,313	£3,912	£5,455	65%
Option D - 3 UA's	UA1 - FDC_PCC	£2,308	£2,727	£3,791	64%	£7,267	£8,559	£11,874	63%	£1,086	£1,278	£1,772	63%	£365	£430	£597	64%	£4,298	£5,077	£7,057	64%
	UA2 - ECDC_HDC	£2,613	£3,078	£4,269	63%	£6,088	£7,169	£9,937	63%	£987	£1,163	£1,613	63%	£418	£492	£683	63%	£3,717	£4,375	£6,054	63%
	UA3 - CC_SCDC	£2,564	£3,015	£4,172	63%	£5,850	£6,891	£9,562	63%	£1,029	£1,212	£1,681	63%	£450	£530	£736	64%	£3,484	£4,118	£5,747	65%

Children's Social Care: Capacity

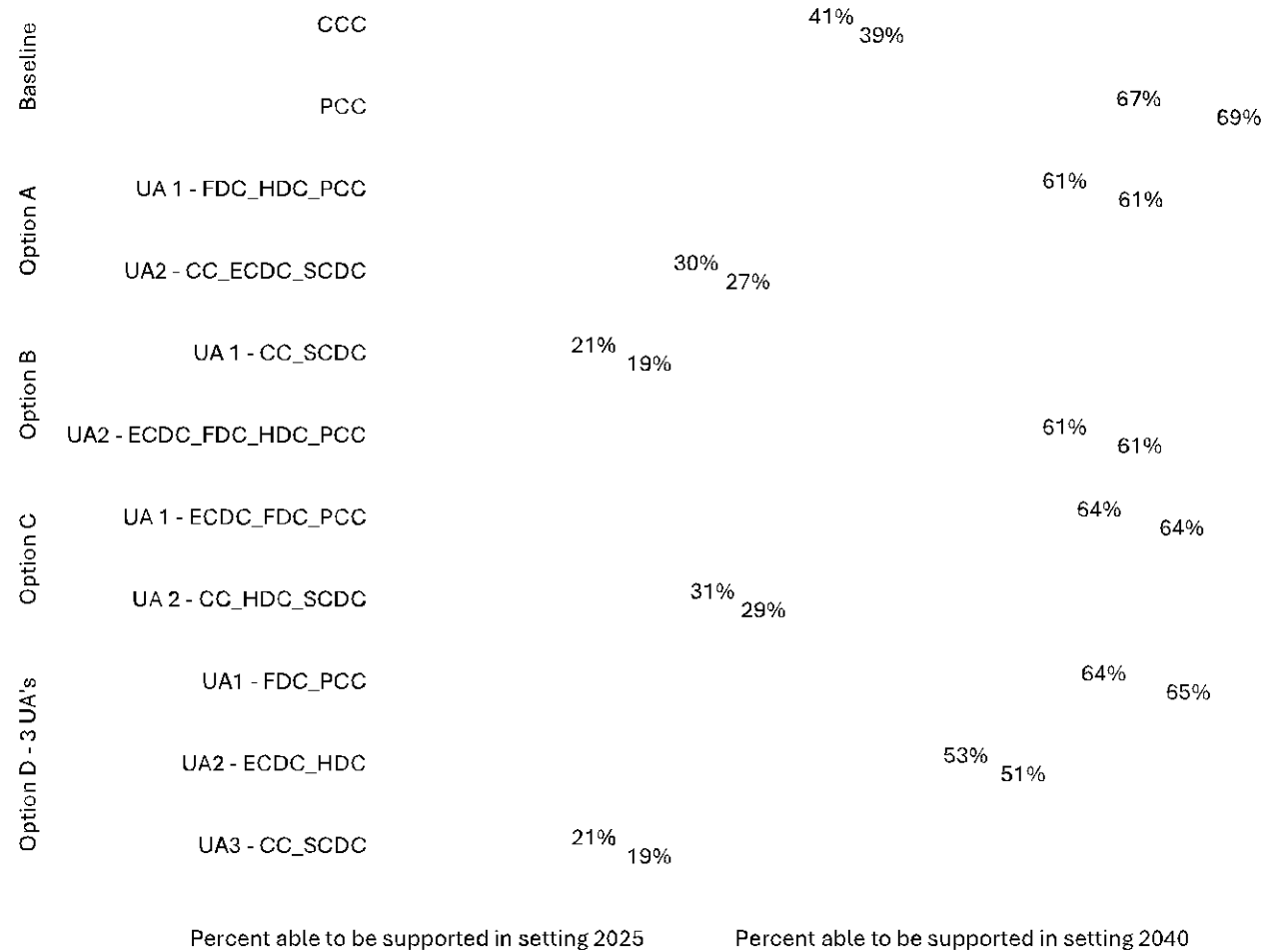
PLACEMENT DEMAND AND CAPACITY

The placement capacity for internal fostering has been compared to the expected Children in Care caseload size as determined by the model.

Where there is a lower percentage, this indicates that a lower proportion of Children in Care can be supported in internal fostering. This likely means that there will be a greater use of IFA and residential, reducing the number of children who can be supported in a family-based setting.

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Proportion of Children in Care that could be supported by our internal fostering capacity over time



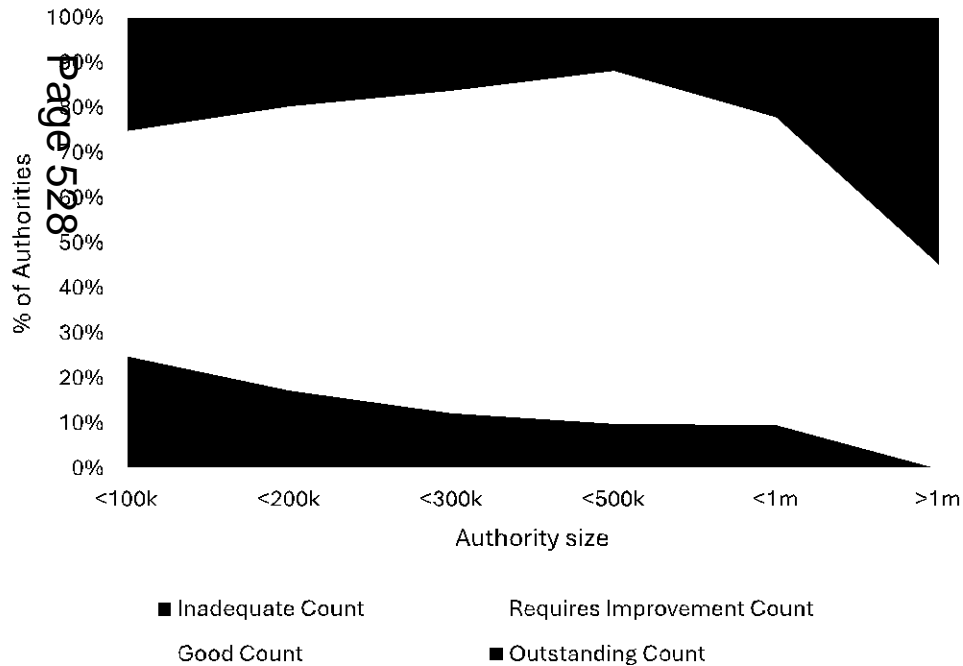
Children's Social Care: Quality

REGRESSION MODEL OUTPUTS

Based on a regression model, controlling for authority, location deprivation and median income the probability of an authority achieving good or outstanding reduces as the authority shrinks.

An indication of the likelihood of an authority achieving a good or outstanding rating based on its likely characteristics has been calculated. This gives a score of 1 – 4 which relates to the probability of achieving inadequate (1) to outstanding (4). This analysis does not account for current OFSTED scores, or the effect of splitting or merging current unitary authorities and practises. This analysis should therefore only be treated as an indication of outcome, rather than a forecast or prediction.

OFSTED Distribution of Authorities



Scenario	Proposed Authority	Total population	Median income	IMD Score	OFSTED prediction score
Baseline	CCC	716.2k	£35.1k	14.00	3.16
	PCC	224.0k	£29.7k	27.61	2.52
Option A	UA 1 - FDC_HDC_PCC	520.1k	£31.5k	21.69	2.81
	UA2 - CC_ECDC_SCDC	420.1k	£36.7k	11.74	3.12
Option B	UA 1 - CC_SCDC	326.7k	£37.7k	11.80	3.13
	UA2 - ECDC_FDC_HDC_PCC	613.6k	£31.7k	20.14	2.88
Option C	UA 1 - ECDC_FDC_PCC	423.8k	£31.0k	23.58	2.72
	UA 2 - CC_HDC_SCDC	516.4k	£36.1k	12.04	3.13
Option D - 3 UA's	UA1 - FDC_PCC	330.4k	£30.4k	26.99	2.61
	UA2 - ECDC_HDC	283.2k	£33.3k	12.16	2.86
	UA3 - CC_SCDC	326.7k	£37.7k	11.80	3.13

Children's Social Care

SERVICE COST SUMMARY

The predicted spend for each scenario is included in the table below alongside the expected service cost in 2025 and 2040. Note this is a general model designed to allow comparisons between proposed scenarios and is not a financial forecast for budgeting purposes.

In general, there is an increase in combined service cost for scenarios with more authorities. This is driven by the expected uplift on placement unit costs applied to smaller authorities and higher combined staffing overheads due to having more authorities and therefore leadership teams. Note, the model only accounts for the additional uplift in staffing costs for delivery teams and there is an expected additional increase from other teams, such as IT or legal teams, that have not been modelled in this analysis.

Scenario	Proposed Authority	Predicted spend for scenario 2025	CSC service cost 2025 (gross placements cost + staffing)	Predicted spend for scenario 2040	CSC service cost 2040 (gross placements cost + staffing)
Baseline	CCC	£202.6m		£339.4m	
	PCC				
Option A	UA 1 - FDC_HDC_PCC	£201.6m		£337.9m	
	UA2 - CC_ECDC_SCDC				
Option B	UA 1 - CC_SCDC	£201.7m		£338.1m	
	UA2 - ECDC_FDC_HDC_PCC				
Option C	UA 1 - ECDC_FDC_PCC	£201.5m		£337.7m	
	UA 2 - CC_HDC_SCDC				
Option D – 3 UA's	UA1 - FDC_PCC	£201.6m		£338.0m	
	UA2 - ECDC_HDC				
	UA3 - CC_SCDC				

Section 2c: SEND and Education

The scope of this section is to provide insight into the likely impacts of each proposed scenario on SEND, covering demand, cost and quality over the next 15 years.

Education: SEND

SERVICE COST VARIATION AND FORECAST

This analysis has considered the variation in the cost of delivering care between each of the proposed unitary formations. This cost includes both the cost of the provision of care, in addition to the authority staffing cost associated with delivering SEND support (where this data has been provided). Staffing costs resulting from other teams, such as IT or legal teams, that have not been modelled in this analysis. Cost growth includes both the expected impact of increased demand, increased unit cost and wage increases. Spend per resident per year compares the cost for this service to total number of residents in the new authority. Note this is a general model designed to allow comparisons between proposed scenarios and is not a financial forecast for budgeting purposes.

This will support understanding if certain scenarios create variation in spend per resident both in 2025 and the future, showing where there are unitary authorities with a higher spend per resident to the baseline scenario as well as unitary authorities that have high cost growth in the future. Growth in cost is driven by inflation and the different growth rates in demand across constituent areas within proposed authorities.

Scenario	Proposed Authority	Spend per resident 2025	Spend per resident 2040	% growth in spend (2025-2040)	SEND service cost 2025 (placements cost + staffing)
Baseline	CCC	£191	£544	233%	£127m
	PCC	£222	£823	312%	£46m
Option A	UA 1 - FDC_HDC_PCC	£211	£689	265%	£101m
	UA2 - CC_ECDC_SCDC	£183	£514	239%	£71m
Option B	UA 1 - CC_SCDC	£183	£507	241%	£55m
	UA2 - ECDC_FDC_HDC_PCC	£207	£666	260%	£117m
Option C	UA 1 - ECDC_FDC_PCC	£220	£734	274%	£86m
	UA 2 - CC_HDC_SCDC	£181	£510	235%	£87m
Option D – 3 UA's	UA1 - FDC_PCC	£230	£789	283%	£70m
	UA2 - ECDC_HDC	£181	£524	226%	£47m
	UA3 - CC_SCDC	£183	£507	241%	£55m

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■ SEND provision spend 2025
 ■ SEND staffing cost 2025

Education: School age population

POPULATION VARIATION AND FORECASTING

The existing school aged population is shown across the districts in the geography. The below table shows the expected growth rate for school aged population in each of the districts.

This analysis shows the underlying population trends that drive the change in demand for each of the new unitary authorities in the future.

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District	School aged population by year			Percentage growth in school aged population from 2025-2040	Average percentage of Authority school aged	Annual growth rate of school aged population
	2025	2030	2040			
Cambridge	16.6k	15.8k	15.8k	-5%	10%	-0.3%
East Cambridgeshire	13.1k	12.6k	12.7k	-3%	13%	-0.2%
Fenland	14.2k	14.3k	14.2k	0%	13%	0.0%
Huntingdonshire	26.5k	26.1k	26.8k	1%	13%	0.1%
Peterborough	39.3k	38.1k	36.6k	-7%	16%	-0.5%
South Cambridgeshire	27.2k	27.9k	31.5k	16%	15%	1.0%

Average growth rate

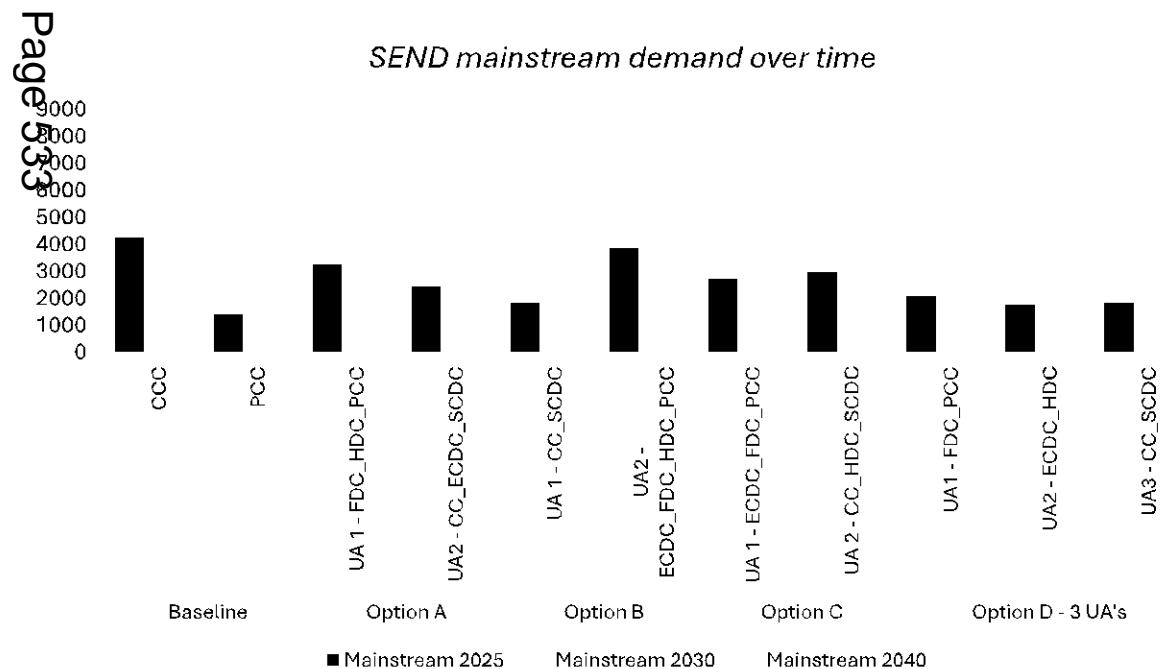
Education: SEND

MAINSTREAM DEMAND

The following slides show the expected demand for EHCPs in 2025, 2030 and 2040. The expected demand is driven by population forecasts in each new unitary as well as the increasing prevalence of EHCPs.

The graph on the left shows total demand in 2025, 2030 and 2040, in general this is proportional to population in the new unitary authorities. This analysis will show the expected growth in each unitary and identify areas that are expected to see high growth.

The table to the right of each graph shows the prevalence per 10,000 under 25 population. This is expected to grow at the rate seen in the data provided.



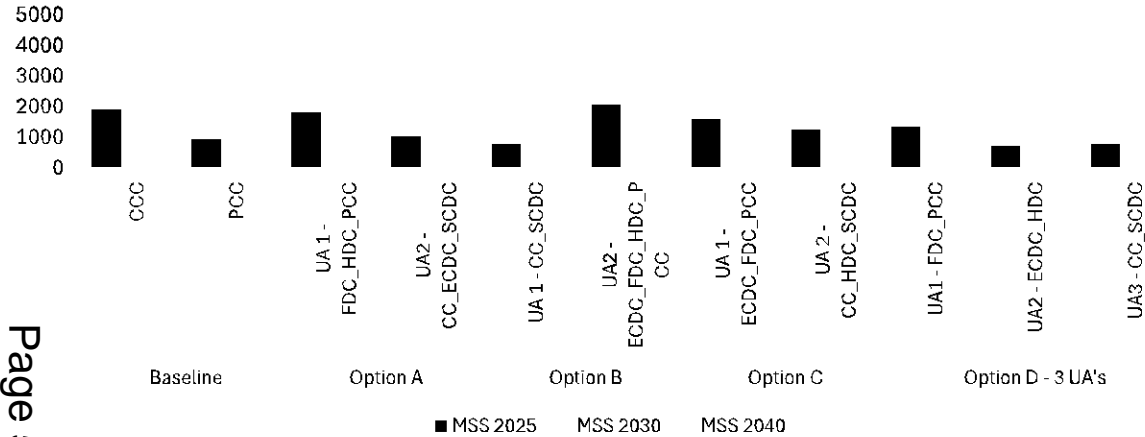
Scenario	Proposed Authority	Mainstream Prevalence 2025	Mainstream Prevalence 2030	Mainstream Prevalence 2040
Baseline	CCC	209	268	392
	PCC	194	286	
Option A	UA 1 - FDC_HDC_PCC	217	297	
	UA2 - CC_ECDC_SCDC	191	244	357
Option B	UA 1 - CC_SCDC	177	225	325
	UA2 - ECDC_FDC_HDC_PCC	222	302	
Option C	UA 1 - ECDC_FDC_PCC	218	302	
	UA 2 - CC_HDC_SCDC	195	250	361
Option D - 3 UA's	UA1 - FDC_PCC	209	295	
	UA2 - ECDC_HDC	240	312	
	UA3 - CC_SCDC	177	225	325

Education: SEND

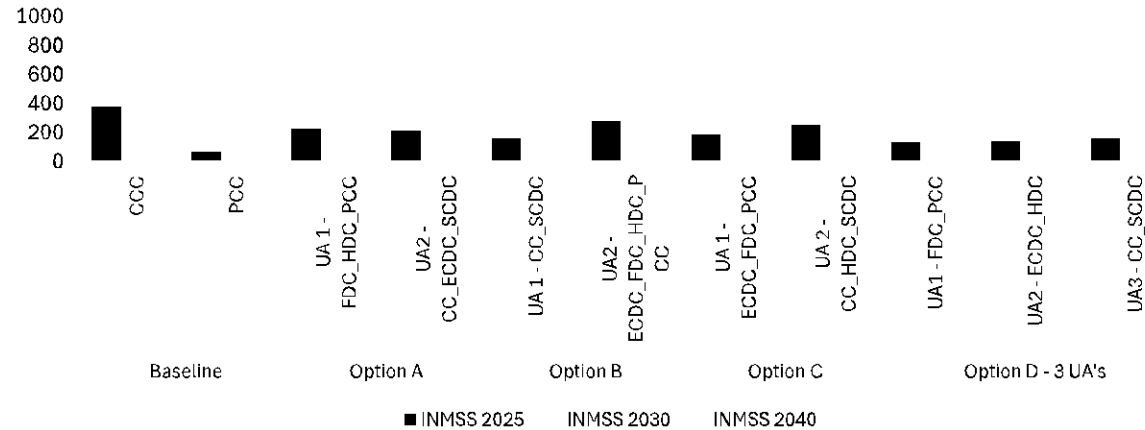
MAINTAINED SPECIAL SCHOOLS (MSS) AND INDEPENDENT NON-MAINTAINED SPECIAL SCHOOLS (INMSS) DEMAND

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SEND MSS demand over time



SEND INMSS demand over time



Scenario Proposed Authority		MSS Prevalence 2025	MSS Prevalence 2030	MSS Prevalence 2040
Baseline	CCC	94	120	176
	PCC	128	189	
Option A	UA 1 - FDC_HDC_PCC	122	169	267
	UA 2 - CC_ECDC_SCDC	81	104	151
Option B	UA 1 - CC_SCDC	75	96	138
	UA 2 - ECDC_FDC_HDC_PCC	120	165	260
Option C	UA 1 - ECDC_FDC_PCC	130	181	
	UA 2 - CC_HDC_SCDC	82	104	151
Option D - 3 UA's	UA 1 - FDC_PCC	135	191	
	UA 2 - ECDC_HDC	99	129	191
	UA 3 - CC_SCDC	75	96	138

Scenario Proposed Authority		INMSS Prevalence 2025	INMSS Prevalence 2030	INMSS Prevalence 2040
Baseline	CCC	18	24	
	PCC	9	13	22
Option A	UA 1 - FDC_HDC_PCC	15	20	32
	UA 2 - CC_ECDC_SCDC	17	22	32
Option B	UA 1 - CC_SCDC	16	20	29
	UA 2 - ECDC_FDC_HDC_PCC	16	21	
Option C	UA 1 - ECDC_FDC_PCC	15	20	32
	UA 2 - CC_HDC_SCDC	17	21	31
Option D - 3 UA's	UA 1 - FDC_PCC	14	19	30
	UA 2 - ECDC_HDC	20	25	
	UA 3 - CC_SCDC	16	20	29

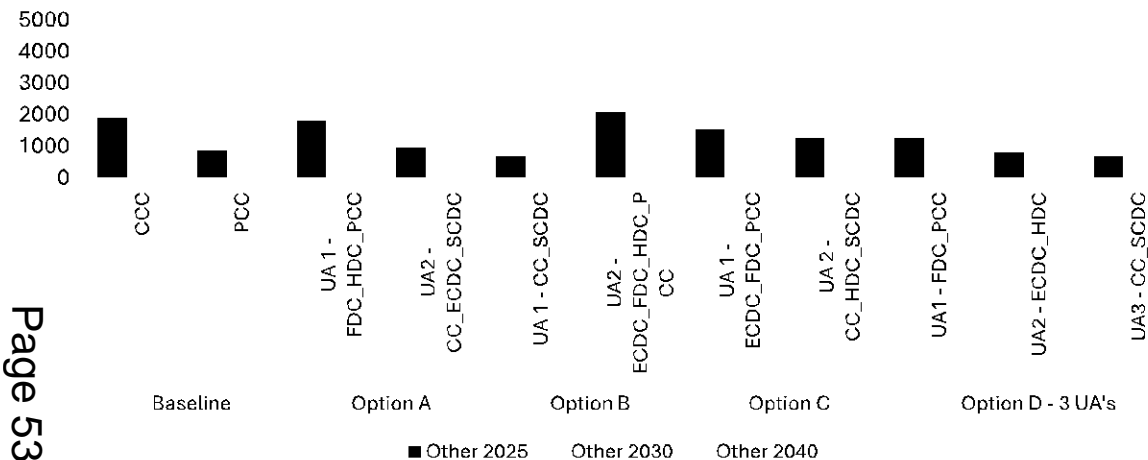
Data: council-provided data and forecasts, ONS data where required
 Assumptions: Population growth matched to local population estimates. Detail included in methodology section of the appendix.

Prevalence increases with time based off current SEND growth. Prevalence is shown per 10k under 25 population. MSS: Maintained Special Schools. INMSS: Independent Non-Maintained Special Schools.

Education: SEND

OTHER DEMAND

SEND other demand over time



Scenario	Proposed Authority	Other Prevalence 2025	Other Prevalence 2030	Other Prevalence 2040
Baseline	CCC	94	120	175
	PCC	118	174	
Option A	UA 1 - FDC_HDC_PCC	121	167	
	UA 2 - CC_ECDC_SCDC	75	96	140
Option B	UA 1 - CC_SCDC	67	86	124
	UA 2 - ECDC_FDC_HDC_PCC	120	164	
Option C	UA 1 - ECDC_FDC_PCC	123	171	
	UA 2 - CC_HDC_SCDC	82	105	151
Option D - 3 UA's	UA 1 - FDC_PCC	126	177	
	UA 2 - ECDC_HDC	111	145	216
	UA 3 - CC_SCDC	67	86	124

Education: SEND

UNIT COSTS VARIATION AND FORECASTING

The table shows a breakdown of the placement unit cost over time by setting in the proposed unitary formations. This has been calculated from the council data provided, Peterborough SEND costs were not broken down by type therefore Cambridgeshire averages have been used.

For each proposed unitary formation unit price forecasts are based on a real-terms average of the previous cost data provided. The impact of inflation, changing demographics, and local cost variation has then been forecast.

£/week		Mainstream				Maintained Special Schools				Independent Non-Maintained Special Schools				Other			
Scenario	Proposed Authority	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change
Baseline	CCC	£201	£237	£329	64%	£250	£295	£409	64%	£1,327	£1,562	£2,167	63%	£313	£370	£514	64%
	PCC	£201	£237	£329	63%	£251	£296	£411	63%	£1,319	£1,554	£2,156	63%	£314	£370	£513	63%
Option A	UA 1 - FDC_HDC_PCC	£198	£233	£324	64%	£245	£289	£402	64%	£1,367	£1,609	£2,230	63%	£298	£352	£490	64%
	UA2 - CC_ECDC_SCDC	£206	£242	£336	64%	£260	£306	£425	63%	£1,282	£1,509	£2,095	63%	£343	£405	£562	64%
Option B	UA 1 - CC_SCDC	£211	£248	£344	63%	£266	£313	£435	63%	£1,376	£1,619	£2,245	63%	£364	£429	£595	64%
	UA2 - ECDC_FDC_HDC_PCC	£197	£232	£322	64%	£245	£289	£401	64%	£1,296	£1,528	£2,120	64%	£297	£351	£488	64%
Option C	UA 1 - ECDC_FDC_PCC	£202	£238	£330	63%	£248	£292	£406	64%	£1,329	£1,565	£2,169	63%	£299	£353	£491	64%
	UA 2 - CC_HDC_SCDC	£201	£237	£329	64%	£254	£299	£415	64%	£1,323	£1,558	£2,163	63%	£331	£391	£544	64%
Option D – 3 UA's	UA1 - FDC_PCC	£205	£241	£334	63%	£249	£294	£408	64%	£1,461	£1,711	£2,362	62%	£301	£356	£495	64%
	UA2 - ECDC_HDC	£187	£220	£306	63%	£236	£278	£385	63%	£1,141	£1,343	£1,862	63%	£291	£343	£475	63%
	UA3 - CC_SCDC	£211	£248	£344	63%	£266	£313	£435	63%	£1,376	£1,619	£2,245	63%	£364	£429	£595	64%

Education: SEND deficit

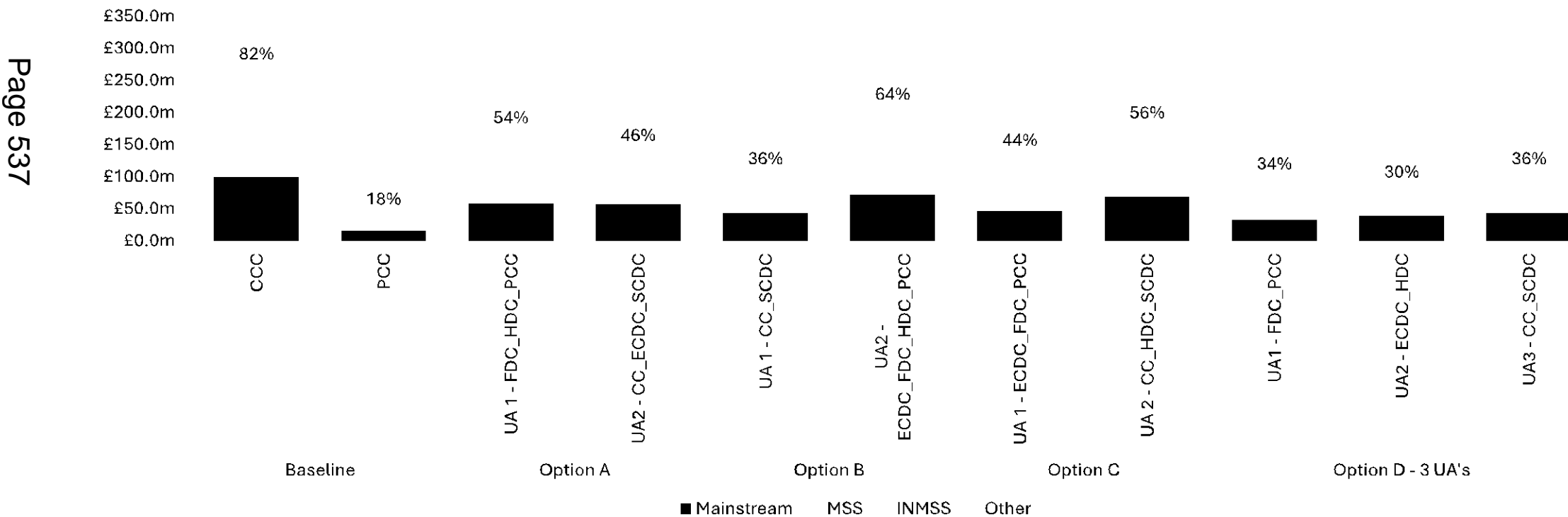
SEND DEFICIT DISTRIBUTION

As of 31st March 2025 Cambridgeshire has a deficit of £62.62m. The SEND deficit position is projected to increase by vesting day where this position may fall to the proposed new unitary authorities. It is undecided how this deficit may be split and is likely to involve a financial settlement based on the assets and future income of the new unitary authorities.

The contribution from each of the new unitary authorities has been estimated by calculating the cumulative spend on EHCPs over the past 3 years. This shows the proportion of spend that would have come from each of the proposed unitary authorities and therefore their estimated contribution to the deficit.

Note this analysis has not considered the different deficit positions of neighbouring unitary authorities along with how the DSG budget has been managed.

Cumulative spend on EHCPs over past 3 years

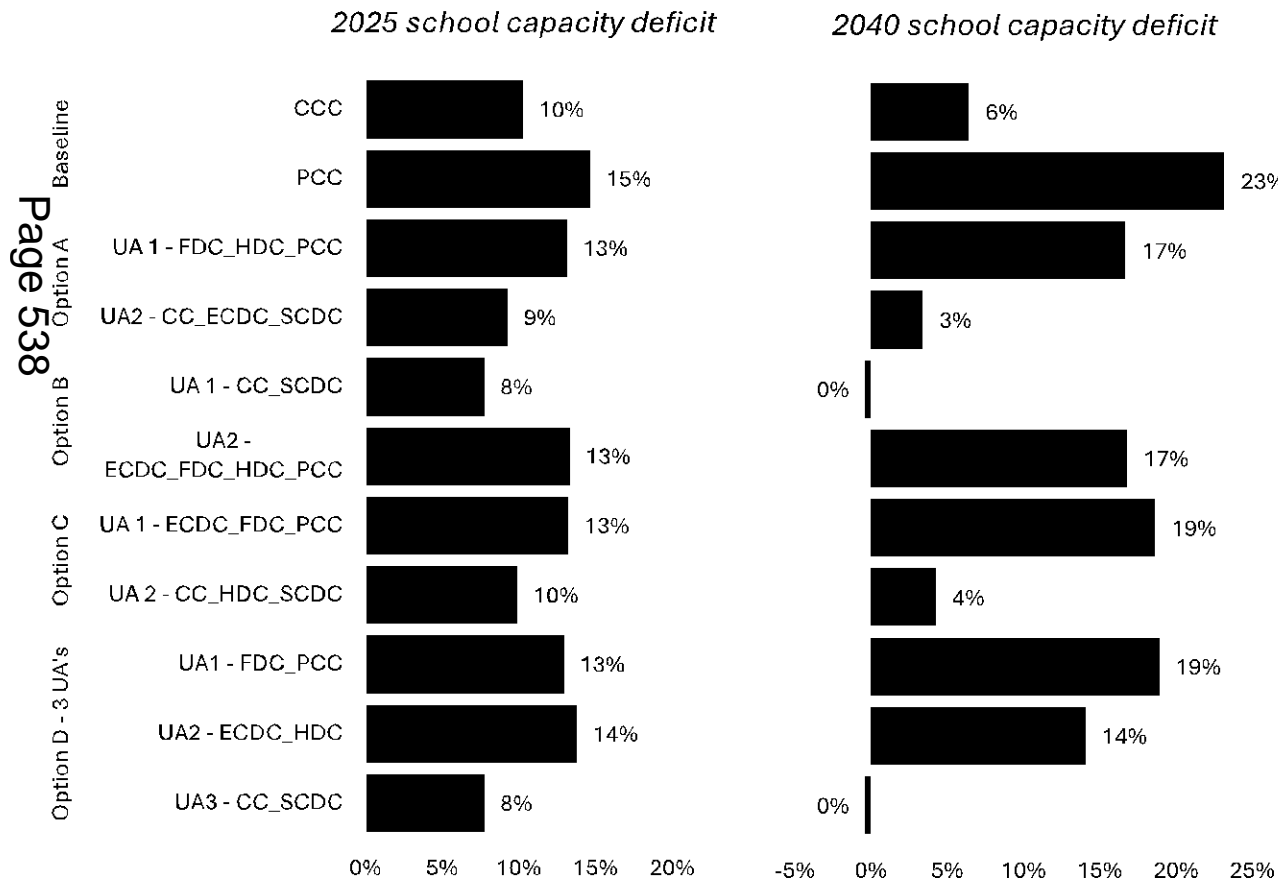


Education: Demand forecasting

PLACEMENT DEMAND AND CAPACITY

The below graphs show the school capacity compared to the projected school age population. This shows the demand vs capacity for schools in each of the proposed unitary authorities.

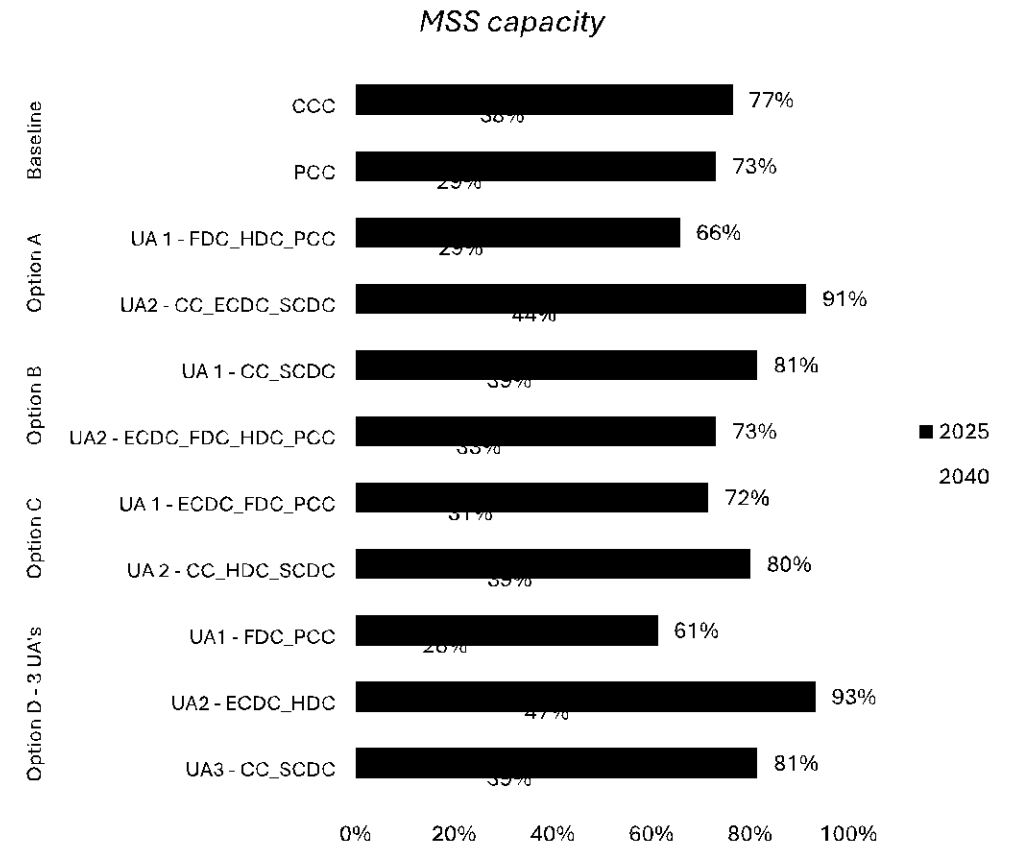
Note if neighbouring unitary data has not been provided the capacity from schools within these has not been included.



MSS capacity

This graph shows the percentage of children in maintained special schools (MSS) and independent non maintained special schools (INMSS) that can be supported in local authority owned special schools.

Where there is a lower percentage, this indicates that a lower proportion of young people can be supported in maintained special schools. This likely means that there will be a greater use of INMSS placements.



Education: SEND costs

SERVICE COST SUMMARY

The predicted spend for each scenario is included in the table below alongside the expected service cost in 2025 and 2040. Note this is a general model designed to allow comparisons between proposed scenarios and is not a financial forecast for budgeting purposes.

In general, there is an increase in combined service cost for scenarios with more authorities. This is driven by higher combined staffing overheads due to having more authorities and therefore leadership teams. Note, the model only accounts for the additional uplift in staffing costs for delivery teams and there is an expected additional increase from other teams, such as IT or legal teams, that have not been modelled in this analysis. SEND staffing costs were not provided so the total cost is consistent across scenarios.

Scenario	Proposed Authority	Predicted spend for scenario 2025	SEND service cost 2025 (gross placements cost + staffing)	Predicted spend for scenario 2040	SEND service cost 2040 (gross placements cost + staffing)
Baseline	CCC	£186.7m	£137m	£661.6m	£457m
	PCC		£50m		£205m
Option A	UA 1 - FDC_HDC_PCC	£186.7m	£110m	£661.6m	£400m
	UA2 - CC_ECDC_SCDC		£77m		£261m
Option B	UA 1 - CC_SCDC	£186.7m	£60m	£661.6m	£204m
	UA2 - ECDC_FDC_HDC_PCC		£127m		£458m
Option C	UA 1 - ECDC_FDC_PCC	£186.7m	£93m	£661.6m	£348m
	UA 2 - CC_HDC_SCDC		£93m		£313m
Option D – 3 UA's	UA1 - FDC_PCC	£186.7m	£76m	£661.6m	£291m
	UA2 - ECDC_HDC		£51m		£167m
	UA3 - CC_SCDC		£60m		£204m

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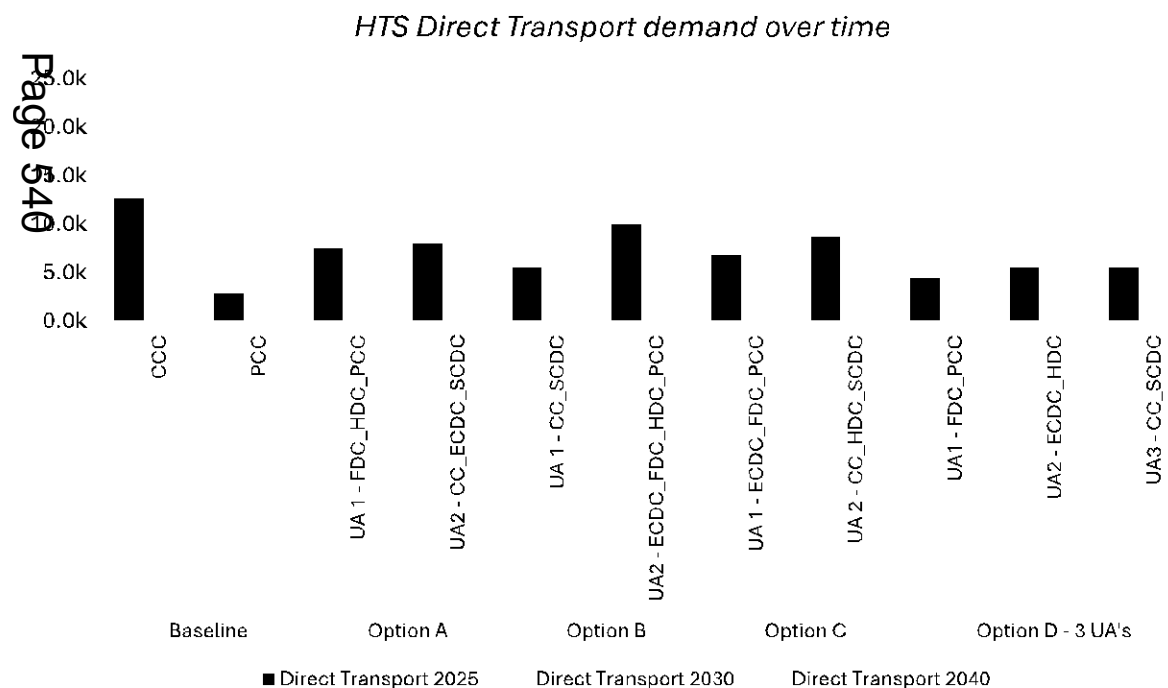
Education: HTS transport

DIRECT TRANSPORT DEMAND VARIATION AND FORECASTING

The following slides show the expected demand for home to school transport in 2025, 2030 and 2040. The expected demand is driven by population forecasts in each new unitary as well as the increasing SEND demand.

The graph on the left shows total demand in 2025, 2030 and 2040, in general this is proportional to population in the new unitary authorities. This analysis will show the expected change in demand in each unitary.

The table to the right of each graph shows the prevalence per 10,000 school aged population. This grows over time as home to school transport is expected to grow with the increase in SEND prevalence.

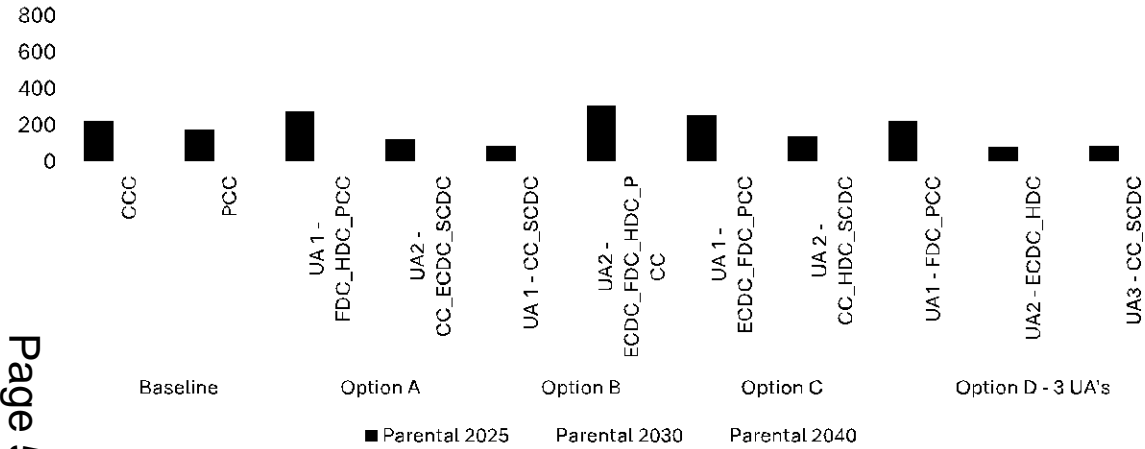


Scenario	Proposed Authority	Direct Transport Prevalence 2025	Direct Transport Prevalence 2030	Direct Transport Prevalence 2040
Baseline	CCC	1298	1641	
	PCC	726	1104	1815
Option A	UA 1 - FDC_HDC_PCC	943	1296	1915
	UA2 - CC_ECDC_SCDC	1402	1759	
Option B	UA 1 - CC_SCDC	1268	1612	
	UA2 - ECDC_FDC_HDC_PCC	1071	1430	
Option C	UA 1 - ECDC_FDC_PCC	1026	1410	
	UA 2 - CC_HDC_SCDC	1236	1563	
Option D - 3 UA's	UA1 - FDC_PCC	825	1203	1896
	UA2 - ECDC_HDC	1403	1738	
	UA3 - CC_SCDC	1268	1612	

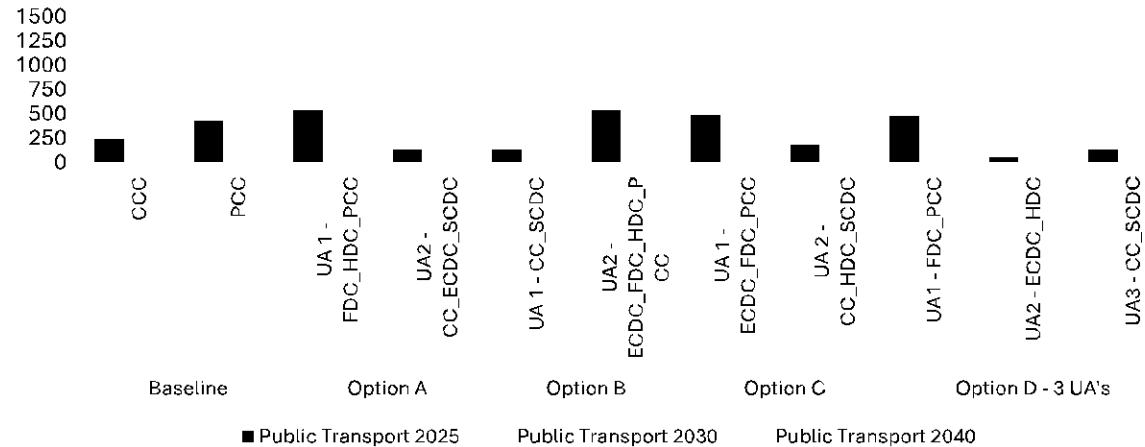
Education: HTS transport

PARENTAL AND PUBLIC TRANSPORT DEMAND VARIATION AND FORECASTING

HTS Parental demand over time



HTS Public Transport demand over time



Scenario	Proposed Authority	Parental Prevalence 2025	Parental Prevalence 2030	Parental Prevalence 2040
Baseline	CCC	23	30	41
	PCC	45	68	76
Option A	UA 1 - FDC_HDC_PCC	35	50	76
	UA 2 - CC_ECDC_SCDC	22	29	39
Option B	UA 1 - CC_SCDC	21	28	39
	UA 2 - ECDC_FDC_HDC_PCC	33	47	71
Option C	UA 1 - ECDC_FDC_PCC	39	56	87
	UA 2 - CC_HDC_SCDC	20	27	36
Option D - 3 UA's	UA 1 - FDC_PCC	42	62	76
	UA 2 - ECDC_HDC	21	26	33
	UA 3 - CC_SCDC	21	28	39

Scenario	Proposed Authority	Public Transport Prevalence 2025	Public Transport Prevalence 2030	Public Transport Prevalence 2040
Baseline	CCC	25	35	52
	PCC	109	165	153
Option A	UA 1 - FDC_HDC_PCC	67	98	153
	UA 2 - CC_ECDC_SCDC	24	36	54
Option B	UA 1 - CC_SCDC	30	45	68
	UA 2 - ECDC_FDC_HDC_PCC	58	85	132
Option C	UA 1 - ECDC_FDC_PCC	73	109	173
	UA 2 - CC_HDC_SCDC	27	38	56
Option D - 3 UA's	UA 1 - FDC_PCC	90	134	216
	UA 2 - ECDC_HDC	15	18	24
	UA 3 - CC_SCDC	30	45	68

Education: Home education

DEMAND VARIATION AND FORECASTING

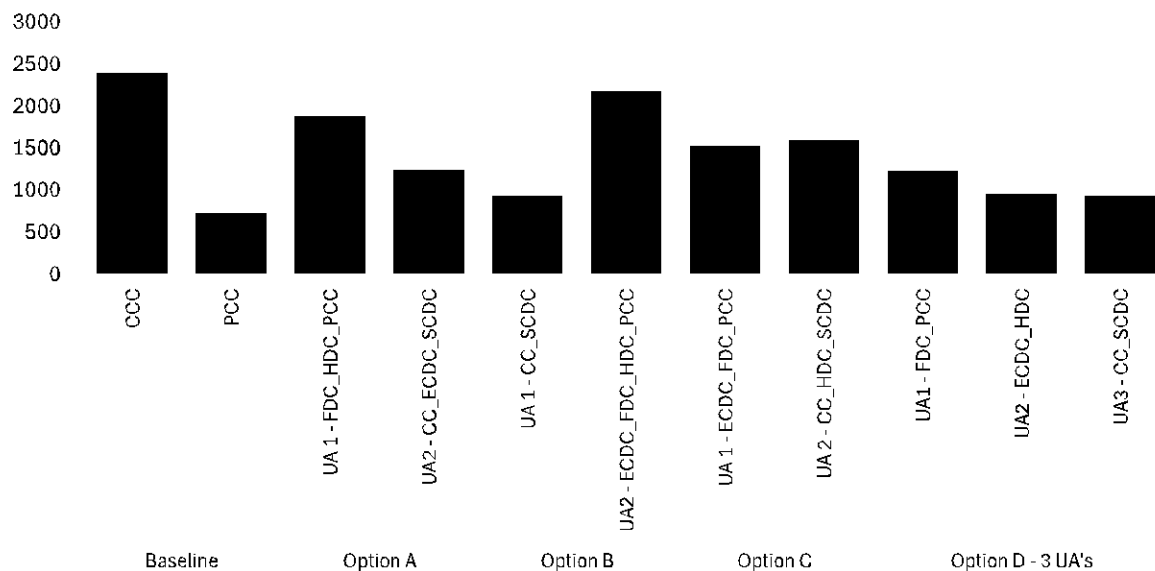
The following slides show the expected home education, school exclusion, school absences and Children Missing Education (where data was available) in 2025, 2030 and 2040. The expected demand is driven by population forecasts in each new unitary.

The graph on the left shows total demand in 2025, 2030 and 2040, in general this is proportional to population in the new unitary authorities. This analysis will show the expected change in demand in each unitary.

The table to the right of each graph shows the prevalence per 10,000 school aged population, this remains consistent over time.

Home Education demand over time

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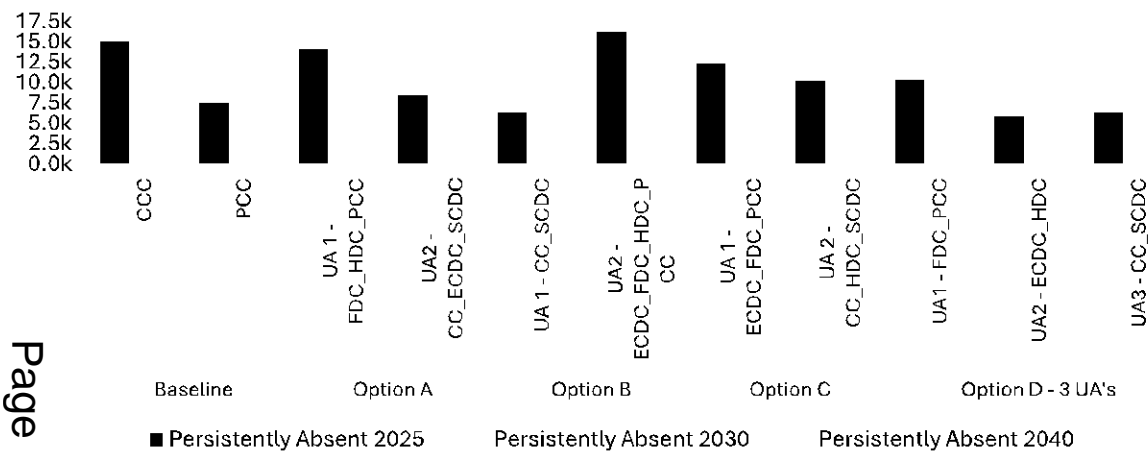
Scenario	Proposed Authority	Home Education Prevalence
Baseline	CCC	~2400
	PCC	185
Option A	UA 1 - FDC_HDC_PCC	~1900
	UA 2 - CC_ECDC_SCDC	218
Option B	UA 1 - CC_SCDC	215
	UA 2 - ECDC_FDC_HDC_PCC	235
Option C	UA 1 - ECDC_FDC_PCC	230
	UA 2 - CC_HDC_SCDC	227
Option D - 3 UA's	UA 1 - FDC_PCC	230
	UA 2 - ECDC_HDC	~950
	UA 3 - CC_SCDC	215

Note, for home education the data available shows prevalence increasing. However, both council data and nationally available data was only available for post covid years, and it is unclear if this trend will continue or flatten out. Therefore, only demand for 2025 has been shown. Nationally available data has been taken for PCC prevalences.

Education: Absences and Exclusions

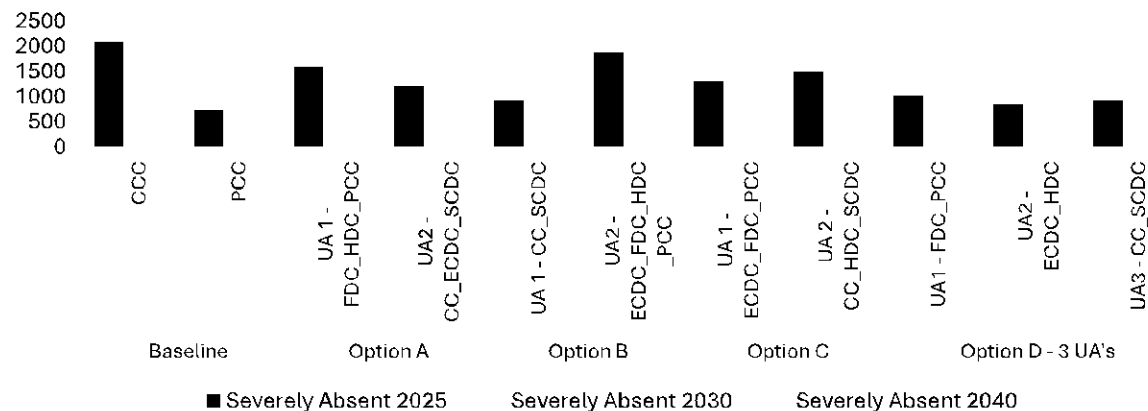
DEMAND VARIATION AND FORECASTING

Persistently Absent over time



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Severely Absent over time



Scenario	Proposed Authority	Persistently Absent Prevalence
Baseline	CCC	1545
	PCC	
Option A	UA 1 - FDC_HDC_PCC	1766
	UA2 - CC_ECDC_SCDC	1481
Option B	UA 1 - CC_SCDC	1456
	UA2 - ECDC_FDC_HDC_PCC	1737
Option C	UA 1 - ECDC_FDC_PCC	
	UA 2 - CC_HDC_SCDC	1454
Option D - 3 UA's	UA1 - FDC_PCC	
	UA2 - ECDC_HDC	1486
	UA3 - CC_SCDC	1456

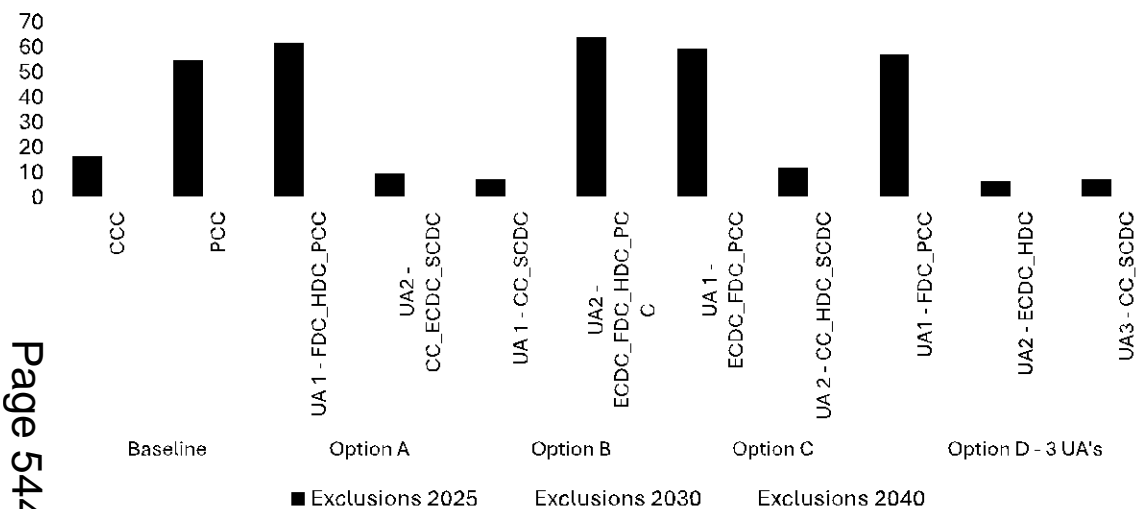
Scenario	Proposed Authority	Severely Absent Prevalence
Baseline	CCC	
	PCC	185
Option A	UA 1 - FDC_HDC_PCC	199
	UA2 - CC_ECDC_SCDC	
Option B	UA 1 - CC_SCDC	
	UA2 - ECDC_FDC_HDC_PCC	202
Option C	UA 1 - ECDC_FDC_PCC	197
	UA 2 - CC_HDC_SCDC	
Option D - 3 UA's	UA1 - FDC_PCC	192
	UA2 - ECDC_HDC	
	UA3 - CC_SCDC	

Nationally available data has been used for severely absent pupil demand, and national data has additionally been used in all cases within this section for PCC.

Education: Absences and Exclusions

DEMAND VARIATION AND FORECASTING

Exclusions over time



Scenario	Proposed Authority	Exclusions Prevalence
Baseline	CCC	2
	PCC	2
Option A	UA 1 - FDC_HDC_PCC	8
	UA2 - CC_ECDC_SCDC	2
Option B	UA 1 - CC_SCDC	2
	UA2 - ECDC_FDC_HDC_PCC	7
Option C	UA 1 - ECDC_FDC_PCC	9
	UA 2 - CC_HDC_SCDC	2
Option D - 3 UA's	UA1 - FDC_PCC	11
	UA2 - ECDC_HDC	2
	UA3 - CC_SCDC	2

Homelessness: Households owed a duty

DEMAND FOR HOMELESSNESS SUPPORT FOR 2025 HAS BEEN MODELLED

This analysis has modelled the demand for homelessness support for 2025. This analysis shows the variation in 2025 demand for homelessness support based on what duty is required. This will identify if certain scenarios are creating unitary authorities that have a high demand variation in 2025 as well as an increased demand to baseline scenario. This is shown both as a % of total households in that scenario and a total number of households.

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Scenario	Proposed Authority	% of total households assessed as owed a prevention duty	% of total households assessed as owed a relief duty	% of total households assessed as owed a main duty*	Number of households assessed as owed a duty			
Baseline	CCC	0.63%	0.49%	0.25%	1762	1365	694	
	PCC	1.20%	0.69%	0.26%	1008	582	216	
Option A	UA 1 - FDC_HDC_PCC	0.92%	0.55%	0.27%	1925	1152	574	
	UA2 - CC_ECDC_SCDC	0.55%	0.52%	0.22%	845	795	336	
Option B	UA 1 - CC_SCDC	0.48%	0.54%	0.23%	544	609	265	
	UA2 - ECDC_FDC_HDC_PCC	0.89%	0.54%	0.26%	2226	1339	645	
Option C	UA 1 - ECDC_FDC_PCC	0.93%	0.62%	0.24%	1584	1054	408	
	UA 2 - CC_HDC_SCDC	0.62%	0.47%	0.26%	1186	893	503	
Option D - 3 UA's	UA1 - FDC_PCC	0.99%	0.67%	0.26%	1282	868	336	Prevention Duty owed
	UA2 - ECDC_HDC	0.79%	0.40%	0.26%	944	471	309	Relief Duty owed
	UA3 - CC_SCDC	0.48%	0.54%	0.23%	544	609	265	Main Duty owed

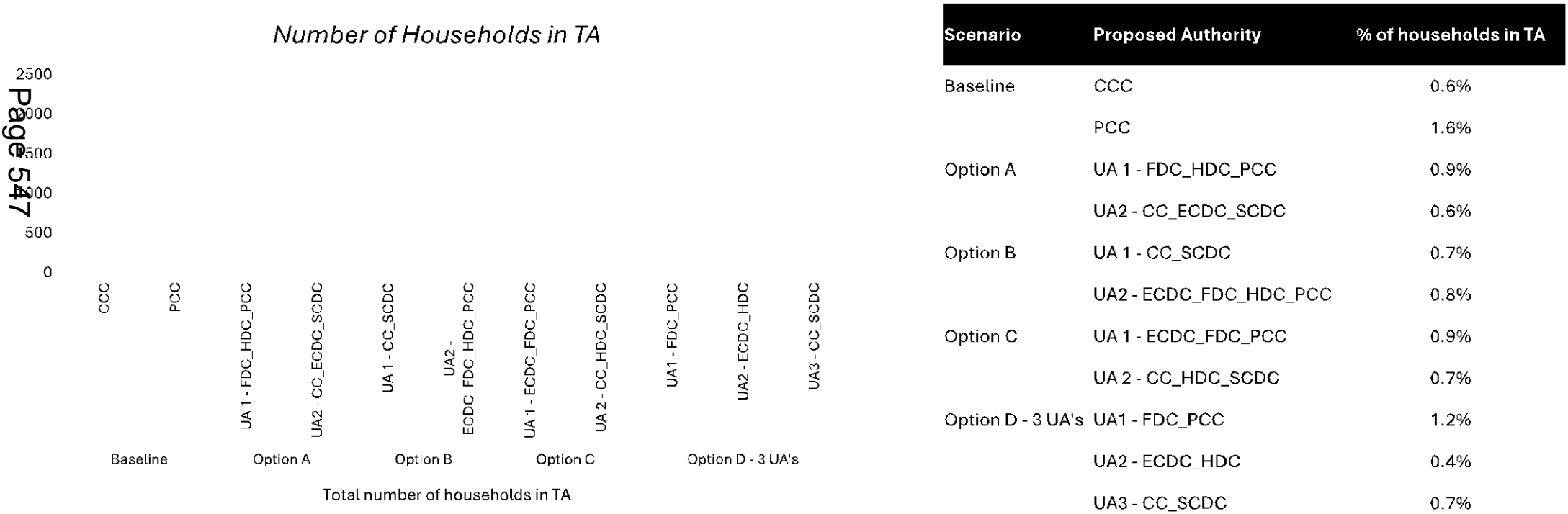
*Main duty is households assessed, following relief duty end, as unintentionally homeless and priority need. Therefore, there may be cases of a household included in both relief and main duty count

Homelessness: Temporary accommodation

TEMPORARY ACCOMMODATION DEMAND FOR 2025 HAS BEEN MODELLED

This analysis has modelled the demand for temporary accommodation for 2025. This analysis shows the variation in temporary accommodation support and will identify if certain scenarios are creating high variation in demand between unitary authorities as well as an increase in demand to baseline.

The graph on the left shows number of households needing temporary accommodation and the table on the right shows the prevalence of this as a % of total households in the unitary.



Homelessness: Historic trends

DEMAND FOR HOMELESSNESS SUPPORT IS EXPECTED TO INCREASE

The limitations of the nationally available data along with the changing trends in homelessness means the future homelessness demand can not be modelled accurately. However, the 2025 analysis provides a view of how both the number of households facing homelessness and the number of households in temporary accommodation will split amongst the proposed unitary authorities.

Historic trends:

There has been an increase in the number of households seeking help from local authorities for support with homelessness. This has been driven by the impact of recent economic and policy developments.

- Temporary accommodation: There has been a rise in temporary accommodation placements, particularly Bed and Breakfast hotel placements.
- First-Time Homelessness: More people are experiencing homelessness for the first time.
- Housing Cost Burden: Rising housing costs and lack of affordable housing are major drivers of homelessness. There are now more renter households paying over 50% of their income on rent.

Future demand:

It is expected that the number of households requiring local authority support for housing and homelessness prevention will continue to increase. However, there are policy changes that are due to impact this. For example, the Renters (Reform) Bill will have an impact on homelessness legislation, with the government planning to make relevant changes to the homelessness legislation to align with the reforms brought forward by this bill.

Appendix I: Methodology

Appendix I (a): Data

Data

THE MODEL HAS BEEN INPUTTED WITH DATA PROVIDED BY THE COUNCIL

As part of this work data was requested from councils . This data is outlined below and is the foundation for the analysis in the report:

Area	Data requested
ASC	<ul style="list-style-type: none">• Number of clients accessing long term support at year end split by working age Adult and Older Adult. Provided as a snapshot at financial year end, 21/22, 22/23, 23/24<ul style="list-style-type: none">• Where possible this data has been provided by originating address and placement address• Number of requests for support year end split by working age Adult and Older Adult. Provided as a snapshot at financial year end, 21/22, 22/23, 23/24• Number of requests for support resulting in a service year end split by working age Adult and Older Adult. Provided as a snapshot at financial year end, 21/22, 22/23, 23/24• Average unit cost for each provision split by working age Adult and Older Adult. This was requested for the last 3 financial years, 21/22, 22/23, 23/24<ul style="list-style-type: none">• Both gross and net costs were requested.• Where possible this data has been provided by originating address and placement address• Capacity of Residential Care and Nursing Care provisions• FTE and pay by team for staff involved in delivering Adult Social Care
CSC	<ul style="list-style-type: none">• Number of Children in Care by provision at year end. Provided as a snapshot at financial year end, 21/22, 22/23, 23/24<ul style="list-style-type: none">• Where possible this data has been provided by originating address and placement address• Number of child protection pans and Child in need plans at year end. Provided as a snapshot at financial year end, 21/22, 22/23, 23/24• Number of new in year referrals. Provided as a snapshot at financial year end, 21/22, 22/23, 23/24• Number of new in year Social Care assessments. Provided as a snapshot at financial year end, 21/22, 22/23, 23/24• Number of early help interventions. Provided as a snapshot at financial year end, 21/22, 22/23, 23/24• Average unit cost for each provision split by working age Adult and Older Adult. This was requested for the last 3 financial years, 21/22, 22/23, 23/24<ul style="list-style-type: none">• Both gross and net costs were requested• Where possible this data has been provided by originating address and placement address• Capacity of internal fostering placements• FTE and pay by team for staff involved in delivering Children’s Social Care

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Data

THE MODEL HAS BEEN INPUTTED WITH DATA PROVIDED BY THE COUNCIL

As part of this work data was requested from councils . This data is outlined below and is the foundation for the analysis in the report:

Area	Data requested
SEND	<ul style="list-style-type: none">• Number of total EHCPs by provision type. Snapshot at the SEN2 data return date. For 2022. 2023 and 2024• Number of new in year EHCPs by provision type. For 2022. 2023 and 2024• Average cost of EHCPs by provision type• Capacity of Maintained Special Schools• FTE and pay by team for staff involved in delivering SEND support• Number of total EHCPs. Actuals (at year end) 2022, 2023, 2024 and forecasts for each year 2025 - 2034
Education	<ul style="list-style-type: none">• Total capacity of school places• Number of young people receiving home to school transport by type for the last three financial years, 21/22, 22/23 and 23/24• Average cost of home to school transport by type for the last three financial years, 21/22, 22/23 and 23/24• Number of young people missing or absent from school for the last 3 financial years• Number of young people receiving elective home education for the last 3 financial years

Appendix I (b): Demand Modelling methodology

Demand Modelling: High Level Approach

POPULATION AND PREVALENCE

To model how we expect demand to vary by geography and change over time we have segmented the population. This will both enable us to provide forecasts for new geographical footprints, and control for the impact of deprivation and population density in our forecasting.

When we look to the features that have the biggest impact on Social Care demand for a population, we see that these are age and deprivation. In the model, we have segmented our population by age and used the smallest practical geography to control for deprivation.

Smaller geography = more accurate.

For each segment (i.e. U18 in MSOA x) of the population we can say:

Segment Demand

=

Segment Population

x

Segment
Prevalence

Through making a series of sensible assumptions on how we expect the prevalence and population to change within a segment we can forecast our expected demand in that segment.

Population modelling

APPROACH TO PROJECTING POPULATIONS

=

x

Segment prevalence

- To model population, we are using the following datasets:
 1. **Forecasts:** Council-provided data and projections (at a District level) and ONS population projections (at a District level) (2018)
 2. **Historical trends:** Council-provided data and projections (at a District level) and ONS population estimates (at an MSOA level (2023))
 3. **Analysis:** Combining population projections with population estimates
- Where they exist, we are using the population projections data provided by Cambridgeshire County Council.
 - This is with the exception of housing and homelessness. The government data used for the analysis is in terms of the number of households (e.g. number of households in temporary accommodation). Therefore, we have used the methodology detailed on page 86, using the 2018-based ONS household size dataset for household size actuals and projections.

Prevalence modelling

WHAT DO WE MEAN BY PREVALENCE

Prevalence formula

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=

x

Segment prevalence

$$= \frac{\sum}{\sum} \text{from your returns}$$

Worked example

Historical average prevalence

$$\begin{aligned}
 & \text{Children in Care average prevalence} = \frac{\text{Known number of Children in Care}}{\text{Known U18 population in wonderland}} = \frac{\begin{matrix} 2022 = 5 \\ 2023 = 10 \\ 2024 = 7 \end{matrix}}{\begin{matrix} 2022 = 4,568 \\ 2023 = 4,762 \\ 2024 = 4,823 \end{matrix}} = \frac{23}{14,153} = 16.25 \text{ CIC}/10k \text{ U18}
 \end{aligned}$$

Demand Modelling: Handling of unknown values and Out of County data

APPROACH TO UNKNOWNNS WITHIN THE DATA RETURN

=

x

Segment prevalence

To handle where values in data returns have been redacted, or where demand data has been given for districts / MSOAs which are 'Out of County', we have taken the following approach:

Redactions

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1. Where MSOA-level data returns are heavily suppressed, we have instead run the analysis using the district-level data return.
2. Where cost data is redacted, we have used the average cost of districts / MSOAs with data for that year.
3. Where we have no more detailed information, we have assumed 2.5.

Where 'unknown' locality data, UASC, or Out of County* data has been provided, we have redistributed this across districts / MSOAs within Cambridgeshire and Peterborough.

For demand data, we spread out this demand across Cambridgeshire and Peterborough through weighting against the relevant population segment (e.g. U18s for Childrens). This is essentially a likelihood that the unknown demand came from a certain district / MSOA within Cambridgeshire and Peterborough.

To account for the fact that Out of County placements may differ in cost to in-county placements, where cost data is provided, we have then back-worked the average unit cost for each demand type per district / MSOA. This ensures total forecasted costs remain accurate & constant pre and post value re-distribution.

Unit costs at a district level may appear greater than that provided in the data return, if the cost data provided for Out of County / Unknown placements are greater than in-county, to account for the greater cost of Out of County placements.

Appendix I (c): Adults & Children's Social Care and SEND methodology

Approach to projecting prevalence forward, with time

HOW ARE WE MODELLING CHANGES IN PREVALENCE OVER TIME

=

x

Segment prevalence

Introduction

Adults and Children's Social Care

To project prevalence going forward, for ASC and CSC, we have calculated the average prevalence from actuals, for the period FY21/22 through FY23/24, and applied the same prevalence going forward. These years were chosen to (1) avoid influence from COVID-19 and (2) as longer-term data is rarely available, for the same set of districts, utilising the same methodology.

For ASC, in the longer term, we have then proportionally modelled a prevalence trend back towards originating demand, discussed on the next slide.

SEND

To model total SEND prevalence, we have used council provided data and forecasts for U25 population and number of children and young people with SEND, the latter of which is only available until 2034. As the number of children and young people with SEND has greatly increased over the past few years, we have modelled a linear increase after 2034. We have apportioned SEND prevalence to different SEND setting types using the proportions seen in 2024 for each district in council-provided data.

Other aspects of the report (Home to School transport, Absences and Exclusions etc.)

Our approach to modelling other sections of the report are detailed further into this methodology appendix.

Population segments used

These are used for both prevalence calculations, and for the weighted redistribution of unknown data.

Cohort	Population segment used
ASC: Older Adults	65+
ASC: Working Age Adults	18 – 65
Children's Social Care	Under 18
SEND (and Home to School transport)	Under 25

Approach to projecting prevalence forward, with time

PLACEMENT VS ORIGINATING PREVALENCE

We know that we have more placements in some parts of Cambridgeshire and Peterborough than others relative to local demand. As a result, we place service users in areas of Cambridgeshire and Peterborough that are not the same as their originating address. **This means that our data currently shows an artificially distorted view of need across Cambridgeshire and Peterborough.** As our population tends to its “natural” demographics we would expect this distortion to unwind over time and social care need to equalise across geographies. This phenomenon will only impact “placement” based services (e.g. Residential Care), and not community services (e.g. domestic care).

For each service, we produced cost and demand analysis for 2 key scenarios:

Service	Prevalence now (2025)	Long term population driven prevalence (2030 and 2040)
Childrens: Children in Care	We have assumed that this placements will be distributed with respect to their originating address , not the placement address.	No change in prevalence: we will perform the analysis based on the child’s originating / parental address, which will not change as a result of the location of the child's placement.
Adult: Residential Care, Nursing Care and Supported Living placements	Using known demand and cost data for each placement, provide a forecast for each district based on service users currently placed in that locality. These forecasts will have demographic distortions baked in as we do not expect services users to be moved due to changes in boundaries.	Our long-term population driven prevalence forecast will be shaped towards the distribution of service users by originating address where known. As the population across Cambridgeshire and Peterborough tends to its natural demographics, we expect the prevalence of Nursing Care and Residential Care placements to tend to the same distribution between districts as Nursing Care and Residential Care demand by origin. Where this data is unavailable, we will use the prevalence rate of domestic care (as this service does not result in service users changing address). For the longer term forecasts we will use a prevalence rate that is distributed in this way.
Adult: Other care types	For Other care types, or where placement information is not available, the forecast for each district will be based on the service user’s originating address.	No change in prevalence: we will perform the analysis based on the service user’s originating address.

Assumptions

LENGTH OF STAY

In the longer term, we expect the prevalence to trend back towards the distribution of prevalence suggested from originating data (or where unavailable, domestic care demand).

For longer term forecasts (2030 and 2040), and for three types of placement care – Nursing Care, Residential Care and Supported Living, we have therefore blended the prevalences between placement prevalence and originating prevalence with the weightings on the right.

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Trend towards originating prevalence over the long term

Age group (WAA or OA)	Type of care	Year	Weighting
OA	Nursing	2030	30%
		2040	0%
	Residential	2030	20%
		2040	0%
	Supported Living	2030	20%
		2040	0%
WAA	Nursing	2030	80%
		2040	50%
	Residential	2030	80%
		2040	50%
	Supported Living	2030	80%
		2040	50%

ASC, CSC and SEND demand modelling

SUMMARY TABLE

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Cohort	Assumptions for 2025	Assumptions for 2030 & 2040 (where this differs)
Older Adult	<ul style="list-style-type: none"> For 2025 only, prevalence remains the same as past average per district / MSOA, based on placement address For OP, use population 65+ for prevalence and population forecasts Practice is consistent across current LA footprints 	<ul style="list-style-type: none"> For residential-type settings, assume "natural" demographic demand is proportionally spread as per originating address where available or as per dom care between districts / MSOAs. For OA: Assume average placement duration of 2 years.
Working Age Adult	<ul style="list-style-type: none"> For 2025 only, prevalence remains the same as past average per district / MSOA, based on placement address For WAA, use population 18-65+ for prevalence and population forecasts Practice is consistent across current LA footprints 	<ul style="list-style-type: none"> For residential-type settings, assume "natural" demographic demand is proportionally spread as per originating address where available or as per dom care between districts / MSOAs. For WAA: Assume average placement duration of 15 years.
Children's	<ul style="list-style-type: none"> For 2025 and 2030 & 2040, prevalence remains the same as past average per district / MSOA Use U18 population Assumed that spend will be divided by originating address rather than placement address, therefore analysis completed based on parents' address (not placement address) Practice is consistent across current LA footprints 	
SEND	<ul style="list-style-type: none"> We have used council provided data and forecasts for number of people accessing SEND services by district, which is only available until 2034. We have used a linear forecast to model this after 2034. Breakdown by setting in same proportions as council-provided data for 2024. Prevalence is calculated from dividing by U25 population, which has been provided by councils. 	

Appendix I (d): Home to School Transport, Education and Homelessness forecast methodology

Home to School Transport (HTS)

FORECASTING METHODOLOGY

Our modelling for Home to School (HTS) transport demand is designed to reflect that HTS transport demand is driven by both demand from children and young people (CYP) with SEND but also CYP without SEND. As the total number of CYP with EHCPs is increasing, we would expect HTS transport demand to increase, but not at the same rate.

The formula therefore has two components: one linked to the average base prevalence, with the same approach as detailed for ASC and CSC demand; and a second component that reflects the increase driven by the increasing number of CYP with EHCPs.

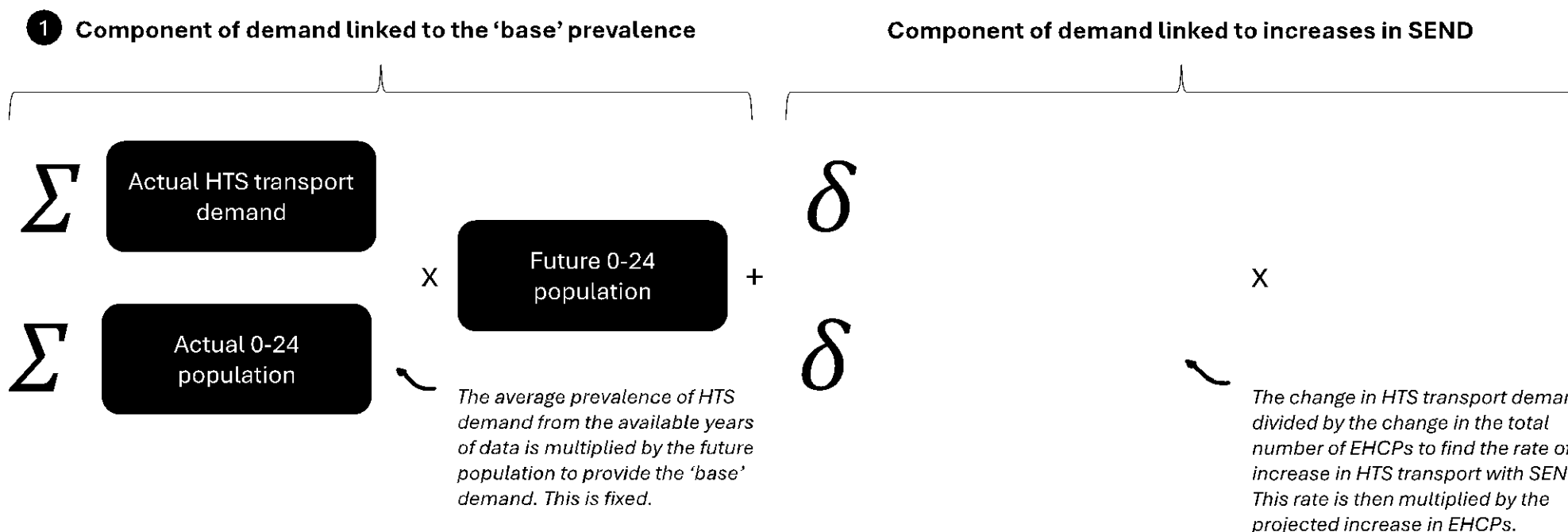
For neighbouring unitaries without data, we have assumed the same average prevalence and split of transport type as areas where we do have data.

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Demand Formula

Total projected HTS transport demand

=



Either by district / MSOA of where the school is, or where the user is

Education

FORECASTING METHODOLOGY FOR ABSENCES, EXCLUSIONS AND HOME EDUCATION

Data inputs

In all cases, where data was available in the data return, this was used.

Where data was unavailable (for example, for neighbouring unitaries without data), national data was used for that district.

National data is only available at the UTLA level, and as such where national data was used, the same prevalence will be applied to all districts / MSOAs within a UTLA.

Metric	National data source used	Years used
Persistent absences Severe absences	Pupil absence in schools in England	Academic years 2021, 2022, 2023
Exclusions	Suspensions and permanent exclusions in England	Academic years 2021 and 2022. 2023 data currently un-available.
Elective Home Education (EHE)	Elective home education – at any point during the previous academic year	Academic year 2023/24 used to reflect latest trends.
Children Missing Education*	* CME was only included if complete information was supplied in the data return for all districts / MSOAs within the scenarios. Where CME data was missing for neighbouring unitaries, this was excluded from the outputs.	

Demand formula (example)

Absences

$$= X \frac{\sum}{\sum}$$

For absences, exclusions and EHE, an average prevalence is calculated from either the available years of data (if using the data return) or from the 'years used' in the table on the left (if using national data).

Analysis of national data shows that the rates of school absences and exclusions are higher than the pre-COVID average.

By taking an average prevalence from the immediate years available for both 2025 and longer-term forecasts, our projection will be more accurate in the short term.

This approach does not assume that the rates of absences and exclusions will return to their pre-COVID baseline.

EHE was only projected for 2025, as national data is only available from 2021, and we are unsure if the post-COVID rise in EHE will continue.

Data limitations

Where data is available by home address, this will be used. This is preferable as we are calculating the prevalence against the school age population of each area. However, national data looks to only be available by school location.

Effect of calculating absences and exclusions by school location



1 CYP goes to school in same area

No issues with calculating prevalence by the MSOA's SAP.

2 CYP goes to school in a different district / MSOA

Prevalence may be overstated in areas with more schools and undercounted in areas with fewer schools. Impact: Changes in UA could overstate or understate the number of missing/absent students between scenarios.

3 CYP goes to a school Out of County

UAs which largely educates pupils whose home authority is elsewhere will have the number of absences / exclusions overstated.

Housing and homelessness

FORECASTING METHODOLOGY

Data inputs

Metric	National data source used
Household size actuals & projections	Household projections for England: 2018-based
Households assessed as owed a duty	Statutory homelessness in England, 2023
Number of households in temporary accommodation	

Assumptions

We have assimilated data across the previous 4 quarters of data available. Where data was missing for a council in a quarter, we have applied the average across the remaining quarters.

The national data on homelessness is only available at a LA level. At an MSOA level, we have assumed that all MSOAs within an LA will have the same prevalence. Scenarios where current LAs are split will therefore be an approximation.

Similarly, household size projections produced by the ONS are also at an LA level. We have therefore assumed the household size is constant for all MSOAs within a local authority, which we know to be a broad assumption. We have accepted this approximation, as the national data on homelessness is also limited at an LA level.

As we have adjusted our population projections, we have applied the 2018 household sizes to our adjusted population projections, to calculate the projected number of households.

$$\text{Household size formula} = \text{X} \text{ } \overset{\text{i.e. the projected household size}}{\downarrow}$$

This is then used as the basis on which prevalence is calculated.

$$\text{Demand formula} = \text{X} \frac{\sum}{\sum}$$

What we aren't forecasting and why

1 Costs of temporary accommodation

No reliable data available without requesting data returns.

2 Exact placement splits beyond temporary accommodation

This would require looking into the local social housing supply locations to ascertain how this would be split between proposed UAs, as well as added complexities where councils are sending residents out of county.

3 2030 & beyond

Due to the rapidly changing policy space (renter's reform, housebuilding), we are only providing 2025 estimates.

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Appendix I (e): Cost Modelling

Cost Modelling

SERVICE COST

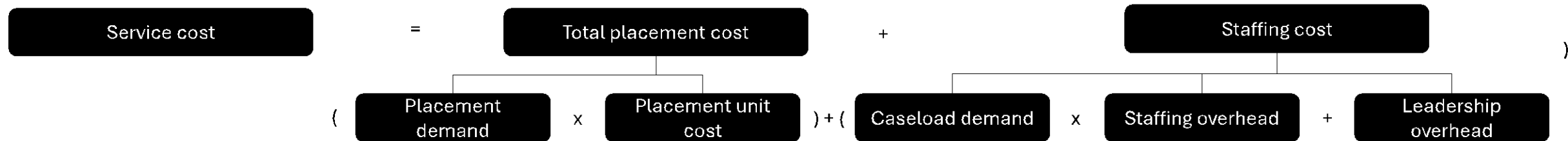
Our cost analysis has been limited to assessing the impact of LGR on two key drivers of spend:

1. **Provision** costs: the cost of placements, homecare, and supporting SEN provision.
2. The **staffing** cost associated with identifying need and supporting residents.

Where we have sufficiently granular data this extends to:

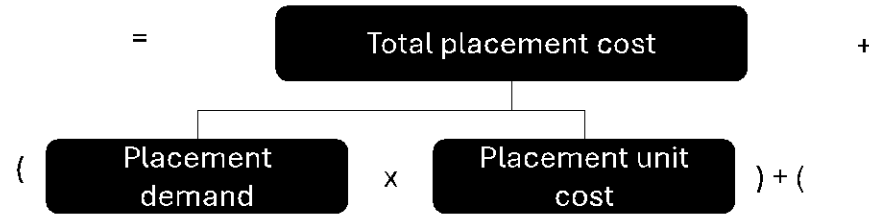
Service	Description	Services in scope		
		Adult	Childrens	Education
Placements	Analysis on unit cost of placements and homecare. This will extend to estimating the impact of scale, population density, complexity, self funding, OOA placements, Inflation and equalisation of rates.	<ul style="list-style-type: none"> • Nursing • Residential • Domiciliary • Supported Living • "Other" 	<ul style="list-style-type: none"> • Children in Care placements 	<ul style="list-style-type: none"> • Mainstream School • MSS • IMSS • 'Other' • Home to School transport
Staffing	Analysis of the distribution of staffing spend across the proposed unitaries, and any anticipated changes in organisation structure.	<ul style="list-style-type: none"> • All Council Adult Social Care directorate staffing 	<ul style="list-style-type: none"> • All Children's Social Care directorate staffing 	<ul style="list-style-type: none"> • All Council Education directorate staffing

The overarching governing equation is:



Cost Modelling

UNIT COSTS



In a similar manner to our demand modelling, we have used the same population segmentation approach to help us model costs across Cambridgeshire and Peterborough.

As part of the data return you have provided us with unit costs. We have then modelled cost at the same geographic level to help control for complexity (driven by deprivation etc.) and local cost variation (e.g. higher rents in urban areas).

We have modelled unit cost by individual setting (i.e. OP Nursing) to ensure that we are comparing cases of comparable complexity so far as is possible within non-PID data.

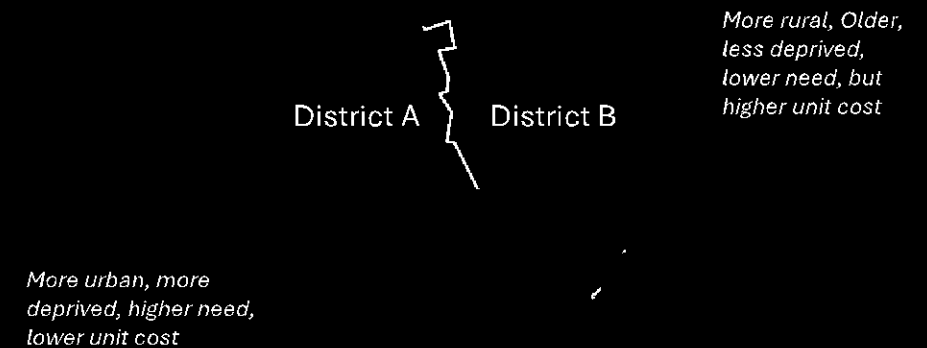
Placement demand is taken as per the approach discussed in the previous section.

To provide average rates over larger geographic areas we have used a demand weighted average. This average is also used where no data is available (for example, for neighbouring unitaries where we have not received data).

This means that if we forecast increasing need in an expensive area of Cambridgeshire and Peterborough, and a reduction in need in a less expensive area, the average unit cost would adjust to account for this.

Please note that for Peterborough's data, instead of using a real terms average of the costs provided in the data return, we have directly used the 2025 costs as provided for Adult Social Care placements, as the historical data was not accurate.

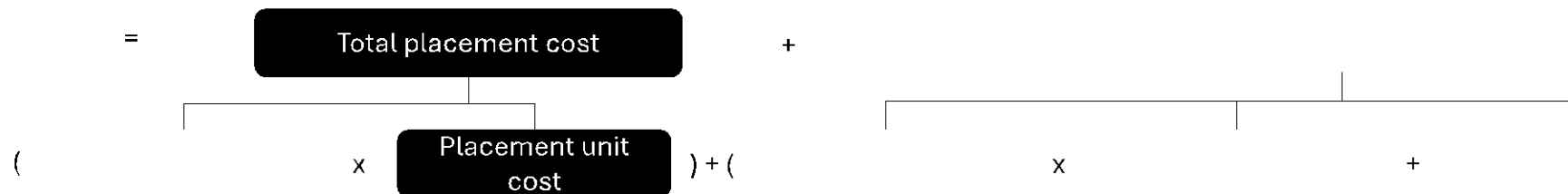
Worked example



	District A	District B	Total
2025	Population = 100 Prevalence = 1/10 Unit cost = £1000/wk	Population = 150 Prevalence = 1/20 Unit cost = £1500/wk	Population = 250 Prevalence = 1/14 Unit cost = £1214/wk
2040	Population = 110 Prevalence = 1/10 Unit cost = £1000/wk	Population = 300 Prevalence = 1/20 Unit cost = £1500/wk	Population = 410 Prevalence = 1/10 Unit cost = £1288/wk

Cost Modelling

UNIT COSTS

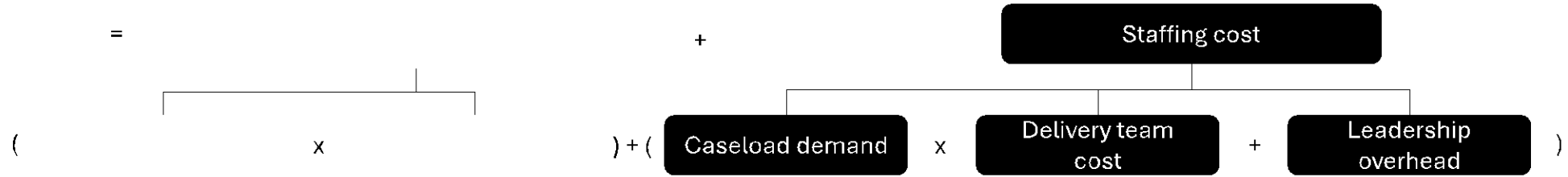


The unit cost is the cost of a setting placement, or providing a service such as Home to School transport for one service user. As we forecast unit cost forward, there are several factors that we have considered to assess the impact of LGR.

Factor	Hypothesis	How have we considered the impact of this?
Scale	That smaller authorities have less buying power and so will pay more for placements as they are outcompeted by larger LAs and the private market.	Using both national and individual data returns we will identify any correlation between unit cost and scale. If any strong trend is identified, we will apply an expected increase in unit cost rate as a result.
Population density	It is more expensive to deliver care in areas with lower population density due to increased travel time.	
Complexity	More complex cases have a higher associated cost of care and our caseload is increasing.	By modelling costs at a small geographic scale we control for these factors. As our underlying population changes (gets older, poorer or less dense) the aggregated cost will change to reflect this as we will have more service users with a higher average unit cost.
Self funding	Different areas of Cambridgeshire and Peterborough will have differing levels of self funders, which means that different unitary authorities will need to contribute differing percentages of the total cost of care.	
Out of area placements	We pay more to place service users outside an authority.	We have used out of county costs where these have been provided, and used an average cost where this is unavailable.
Inflation	Placement costs will increase in cost regardless of complexity or authority boundaries.	We have assumed compounding 3.328% inflation in line with 10 year CPI & average earnings index. When taking the average cost of a placement, we have also uplifted historical costs to account for inflation at a 5.81% rate.
Equalisation of care rates within a LA	Where an existing unitary authority is absorbing neighbouring MSOAs/districts and is paying a materially higher unit cost, and additional demand added to these contracts will be at this higher rate.	We are not expecting this to impact many scenarios, but will assume the unit cost of the existing unitary where this is higher.

Cost Modelling

STAFFING COST



Through our analysis on staffing cost, we are looking to understand the following:

1. How will staffing requirements vary across the proposed unitary authorities.
2. Where do we expect to see the cost of staffing change between different proposed models?
Where might existing organisational structures become unviable due to disaggregation of services?

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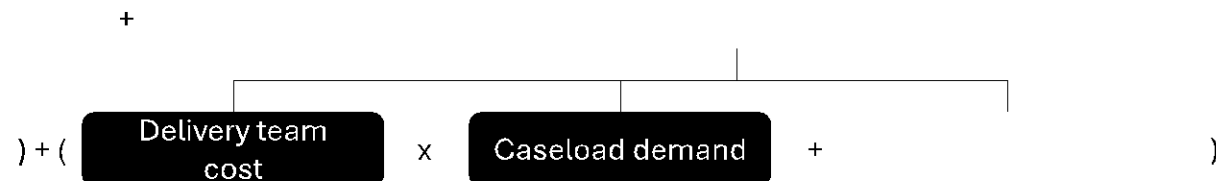
Our analysis has focused only on staff working directly on people services (e.g. transformation or data teams are excluded).

We have divided the workforce into 2 key groups:

- **Delivery team:** Staff that scale with demand, this includes all staff up to “team manager” level (up to c. £70k/annum/FTE).
- **Senior leadership:** Staff at Director level or their direct reports (over c. £70k/annum/FTE). These roles are required for every organisation regardless of caseload size.

Cost Modelling

STAFFING COSTS (DELIVERY TEAM)



Staffing costs that scale with demand

Most staffing cost scales with the number of service users that we serve. We can therefore use a delivery team overhead per service user to attribute this spend to unitary authorities based on expected demand both in 2025, and using our 2030 / 2040 forecasts.

Assumed to rise with average earnings, 3.51%

Includes only staff that scale with service delivery, i.e. up to team manager grade

Delivery team overhead

=

Staff spend today

Caseload today

Informed from your data returns

Caseload demand is used as a proxy to understand how our total staffing costs will change with time and be distributed between proposed LAs. Because we are most interested in changes to caseload and we are using a consistent definition of this demand for both the future state and demand today, it does not matter if this demand fails to capture all work performed by a team.

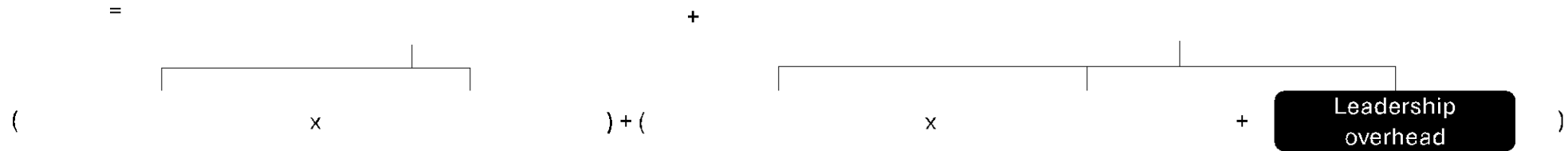
Following feedback, we have modelled caseload demand to include:

Service	Caseload demand metric
Adult	All care types returned in the data return, excluding requests for support & fulfilled requests for support
Children's	All placement types returned in the data return, excluding referrals and assessments
SEND	EHCP demand

We have chosen this metric as it more accurately captures a consistent baseline. Whilst we understand that assessments, and handling requests for support do form part of a delivery team's caseload, this is not meant to be a direct caseload measurement, but a proxy to use. As we are keeping the same caseload proxy measurement in the calculation of the future staffing cost, this remains consistent.

Cost Modelling

STAFFING COSTS (SENIOR LEADERSHIP)



Senior leadership

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Whilst these staff might make up a relatively small proportion of the number of employees in an organisation, due to higher salaries they make up a disproportionate percentage of current staffing spend. For scenarios whereby total demand on an organisation is smaller, this leadership overhead can make up a significant proportion of spend.

We have assumed that director level leadership team for each directorate is fixed in its scale, and that by increasing the number of authorities in a geography we would need to duplicate this team across each service.

We have calculated the senior leadership team spend as a fixed overhead for the baseline scenario. We have then uplifted this by inflation, and scaled this by demand with a 50% weighting (e.g. a 50% reduction in demand would result in a 25% reduction in this cohort).

We have assumed senior leadership to include staff with salaries >£70k/ annum/FTE.

Step up factor

HYPOTHESIS AND RATIONALE

Hypothesis: *Smaller authorities have less buying power in the market, so all things being equal they pay more for the same provision.*

- As a response to feedback, we did some analysis to assess the impact of scale on unit cost.
- To do this, we focused on Older Adult Residential Care bed unit costs (as provided in the ASCFR data) – these are the most consistent setting, have the biggest population size and the data-set is most readily accessible nationally.
- We looked at the factors that best explain the difference in cost between authorities
 - Population size of relevant cohort (i.e. 65+) – council-received data
 - Median income - Earnings and hours worked, place of residence by local authority: ASHE Table 8 2024
 - IMD – Indices of Multiple Deprivation 2019

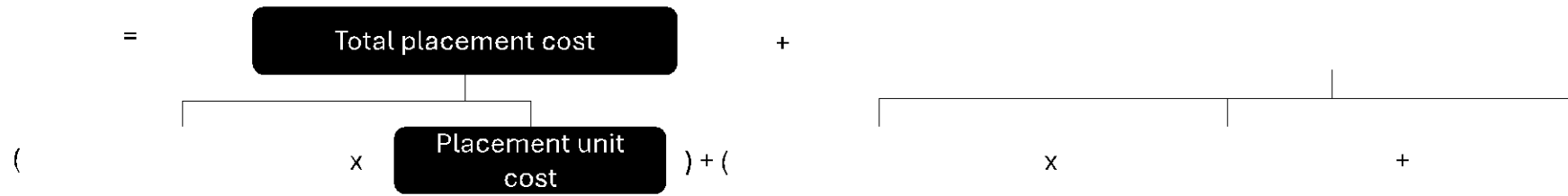
We used a linear multivariable regression model to identify the trend in this dataset and found a statistically significant correlation between smaller authority population sizes and higher unit costs, in combination with these additional factors.

- As we know the population size, IMD and median income for each geography we could calculate the expected increase in cost by varying the population size, predicted IMD and predicted median income in the model compared to the baseline scenario.
- For each proposed authority we then calculated a relative cost factor that we could apply to each unitary to calculate the expected unit cost.
- For where neighbouring unitary data has been provided, the step-up factor has not been applied in the baseline case.
- This has been applied to Adult and Children's placement costs but not to SEND or Home to School Transport.

As we have Peterborough data we have calculated the step up factor accounting for the proportion of the population within the proposed new unitary authority that originates from Peterborough. This avoids double counting the impact of moving towards the demographics of Peterborough.

Cost modelling

SUPPRESSION HANDLING



Where placement cost values in data returns have been redacted, we have taken the following approach to “filling in the blank”.

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Where an average over a larger geographical area is known, we have set the missing value for all unknowns to that average.

2. Where a total at a larger geographical area is not known, we have assumed a flat average of the known data.

Appendix II: Data tables

Data tables: Demand

WAA:

District	Nursing 2025	Nursing 2030	Nursing 2040	Residential 2025	Residential 2030	Residential 2040	Dom Care 2025	Dom Care 2030	Dom Care 2040	Supported living 2025	Supported living 2030	Supported living 2040	Other 2025	Other 2030	Other 2040
Cambridge	5	6	7	39	43	50	182	192	204	115	124	134	186	197	209
East Cambridgeshire	9	9	8	41	43	42	81	87	89	70	74	75	147	158	162
Fenland	9	9	9	38	41	44	98	103	106	163	169	169	231	243	251
Huntingdonshire	7	7	8	64	64	65	157	162	172	146	152	163	335	346	367
Peterborough	13	13	14	87	92	97	64	68	72	56	59	62	735	778	826
South Cambridgeshire	6	6	7	60	67	82	165	184	221	105	118	144	296	330	397

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District	Nursing 2025	Nursing 2030	Nursing 2040	Residential 2025	Residential 2030	Residential 2040	Dom Care 2025	Dom Care 2030	Dom Care 2040	Supported living 2025	Supported living 2030	Supported living 2040	Other 2025	Other 2030	Other 2040
Cambridge	150	130	135	157	158	180	239	263	308	83	88	102	70	78	91
East Cambridgeshire	69	88	107	175	202	238	240	275	324	78	85	98	65	75	88
Fenland	121	133	151	197	239	279	315	356	410	119	127	144	80	90	104
Huntingdonshire	131	149	172	281	308	350	515	572	652	89	101	116	93	103	118
Peterborough	163	177	203	296	322	373	197	220	255	5	6	7	390	434	505
South Cambridgeshire	119	168	224	226	267	331	357	406	499	61	83	106	90	102	125

Data tables: Demand

CSC:

District	CiC 2025	CiC 2030	CiC 2040	Residential 2025	Residential 2030	Residential 2040	IFA Fostering 2025	IFA Fostering 2030	IFA Fostering 2040	Internal Fostering 2025	Internal Fostering 2030	Internal Fostering 2040	Other 2025	Other 2030	Other 2040
Cambridge	139	137	139	44	44	44	24	24	24	50	50	50	21	20	21
East Cambridgeshire	74	74	75	18	18	18	17	17	17	30	30	30	10	10	10
Fenland	171	175	176	42	43	44	29	30	30	73	75	76	26	27	27
Huntingdonshire	152	154	159	51	52	54	32	32	33	56	56	58	13	14	14
Peterborough	403	399	392	49	48	47	127	126	123	158	157	154	69	69	67
South Cambridgeshire	125	132	151	34	36	42	30	32	36	48	50	57	13	14	15

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END:

District	Mainstream School 2025	Mainstream School 2030	Mainstream School 2040	MSS 2025	MSS 2030	MSS 2040	INMSS 2025	INMSS 2030	INMSS 2040	Other 2025	Other 2030	Other 2040
Cambridge	730	982	1493	360	484	736	67	90	138	266	357	543
East Cambridgeshire	609	820	1239	255	344	520	52	71	107	262	353	533
Fenland	683	916	1373	419	562	842	71	95	142	400	536	804
Huntingdonshire	1154	1535	2284	470	626	931	92	122	181	558	742	1104
Peterborough	1418	2155	3578	937	1424	2364	65	99	165	863	1311	2177
South Cambridgeshire	1094	1511	2320	416	575	883	95	132	202	428	591	907

Data tables: Unit costs

WAA:

District	Nursing Avg Cost per Week 2025	Nursing Avg Cost per Week 2030	Nursing Avg Cost per Week 2040	Residential Avg Cost per Week 2025	Residential Avg Cost per Week 2030	Residential Avg Cost per Week 2040	Dom Care Avg Cost per Week 2025	Dom Care Avg Cost per Week 2030	Dom Care Avg Cost per Week 2040	Supported living Avg Cost per Week 2025	Supported living Avg Cost per Week 2030	Supported living Avg Cost per Week 2040	Other Avg Cost per Week 2025	Other Avg Cost per Week 2030	Other Avg Cost per Week 2040
Cambridge	1434	1689	2343	1330	1567	2173	289	340	472	596	702	974	420	495	686
East Cambridgeshire	1248	1470	2040	1577	1857	2577	308	362	503	1500	1767	2451	403	474	658
Fenland	1450	1708	2370	1699	2001	2776	353	415	576	1273	1499	2080	338	399	553
Huntingdonshire	2070	2439	3383	1943	2289	3175	336	396	549	1190	1402	1945	359	423	587
Peterborough	1457	1716	2380	1931	2274	3155	365	430	597	1988	2342	3248	488	574	797
South Cambridgeshire	1422	1675	2323	1576	1857	2576	343	404	561	1231	1450	2012	443	522	724

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WAA:

District	Nursing Avg Cost per Week 2025	Nursing Avg Cost per Week 2030	Nursing Avg Cost per Week 2040	Residential Avg Cost per Week 2025	Residential Avg Cost per Week 2030	Residential Avg Cost per Week 2040	Dom Care Avg Cost per Week 2025	Dom Care Avg Cost per Week 2030	Dom Care Avg Cost per Week 2040	Supported living Avg Cost per Week 2025	Supported living Avg Cost per Week 2030	Supported living Avg Cost per Week 2040	Other Avg Cost per Week 2025	Other Avg Cost per Week 2030	Other Avg Cost per Week 2040
Cambridge	1102	1298	1801	876	1032	1432	320	377	523	282	332	461	484	571	792
East Cambridgeshire	1088	1281	1778	830	977	1356	326	384	533	652	768	1065	424	500	693
Fenland	943	1110	1540	809	953	1322	333	392	544	495	583	809	448	527	731
Huntingdonshire	899	1059	1469	828	976	1353	315	371	515	266	313	434	397	467	648
Peterborough	1037	1221	1694	908	1070	1484	365	430	597	1881	2216	3074	433	509	707
South Cambridgeshire	1009	1188	1648	937	1104	1531	317	373	518	498	586	813	530	624	866

Data tables: Unit costs

CSC:

District	CIC Avg Cost per Week 2025	CIC Avg Cost per Week 2030	CIC Avg Cost per Week 2040	Residential Avg Cost per Week 2025	Residential Avg Cost per Week 2030	Residential Avg Cost per Week 2040	IFA Fostering Avg Cost per Week 2025	IFA Fostering Avg Cost per Week 2030	IFA Fostering Avg Cost per Week 2040	Internal Fostering Avg Cost per Week 2025	Internal Fostering Avg Cost per Week 2030	Internal Fostering Avg Cost per Week 2040	Other Avg Cost per Week 2025	Other Avg Cost per Week 2030	Other Avg Cost per Week 2040
Cambridge	2526	2975	4127	5511	6491	9006	977	1150	1596	420	495	686	3026	3564	4945
East Cambridgeshire	2654	3126	4337	6904	8132	11282	961	1132	1570	416	490	680	4615	5436	7542
Fenland	3121	3676	5100	7609	8962	12434	1028	1211	1681	418	493	684	5807	6839	9489
Huntingdonshire	2556	3011	4177	5733	6752	9368	986	1162	1612	413	486	674	2980	3510	4869
Peterborough	2137	2517	3492	7687	9055	12562	1169	1377	1911	368	433	601	4043	4762	6606
South Cambridgeshire	2306	2716	3768	5545	6531	9060	969	1141	1583	431	507	704	3719	4381	6078

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END:

District	Mainstream School Avg Cost per Week 2025	Mainstream School Avg Cost per Week 2030	Mainstream School Avg Cost per Week 2040	MSS Avg Cost per Week 2025	MSS Avg Cost per Week 2030	MSS Avg Cost per Week 2040	INMSS Avg Cost per Week 2025	INMSS Avg Cost per Week 2030	INMSS Avg Cost per Week 2040	Other Avg Cost per Week 2025	Other Avg Cost per Week 2030	Other Avg Cost per Week 2040
Cambridge	207	244	339	269	316	439	1525	1797	2493	334	393	546
East Cambridgeshire	191	225	312	241	284	394	988	1163	1614	290	342	474
Fenland	212	250	347	245	288	400	1592	1875	2601	272	320	444
Huntingdonshire	185	218	303	233	274	380	1229	1447	2008	291	343	476
Peterborough	201	237	329	251	296	411	1319	1554	2156	314	370	513
South Cambridgeshire	213	250	347	264	311	431	1271	1497	2077	382	450	624

Data Tables: Step up factor

STEP UP FACTOR

Proposed Authority	Population 65+ 2023	IMD	Median income	Mid	Step up factor	Scenario
CCC	132.9k	14.0	£35.1k	1026.6	1.0000	Baseline
PCC	31.9k	27.6	£29.7k	856.8	1.0000	Baseline
UA 1 - FDC_HDC_PCC	94.5k	21.7	£31.5k	922.5	0.9676	Option A
UA2 - CC_ECDC_SCDC	70.2k	11.7	£36.7k	1071.7	1.0458	Option A
UA 1 - CC_SCDC	50.8k	11.8	£37.7k	1083.6	1.0587	Option B
UA2 - ECDC_FDC_HDC_PCC	113.9k	20.1	£31.7k	937.3	0.9724	Option B
UA 1 - ECDC_FDC_PCC	75.8k	23.6	£31.0k	902.4	0.9635	Option C
UA 2 - CC_HDC_SCDC	89.0k	12.0	£36.1k	1060.4	1.0346	Option C
UA1 - FDC_PCC	56.4k	27.0	£30.4k	866.6	0.9499	Option D - 3 UA's
UA2 - ECDC_HDC	57.5k	12.2	£33.3k	1034.6	1.0095	Option D - 3 UA's
UA3 - CC_SCDC	50.8k	11.8	£37.7k	1083.6	1.0587	Option D - 3 UA's

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Local Government Reorganisation: Impact on people services

If you would like to discuss the content of his report or would like any further information, please contact:

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Fair Funding Review 2.0 – updated funding disaggregation model for LGR

Cambridgeshire

Adrian Jenkins

August 2025



LGR criteria for new unitaries

- The English Devolution White Paper (18 December 2024) outlined proposals for unitary authorities in remaining 21 two-tier county areas
- Key criteria: “new unitary councils must be the right size to achieve efficiencies, improve capacity and withstand financial shocks”, and that “for most areas” this will be a minimum population of 500,000.
- But government will consider options for unitaries with lower populations, “on a case-by-case basis”, and it is assumed this means with populations of around 350,000 and above
- “Proposals should be for sensible economic areas, with an appropriate taxbase which does not create an undue advantage or disadvantage for one part of the area.”
- “Proposals should be for a sensible geography which will help to increase housing supply and meet local needs.”

Pixel LGR disaggregation model

- Our original version of the model disaggregated funding for 2025-26 based on the current distribution of funding. Funding in 2025-26 is largely based on the 2013-14 Relative Needs Formulas (RNFs), with subsequent changes in the overall quantum of funding and the relative reliance on council tax.
- Since then, MHCLG has published its Fair Funding 2.0 consultation paper, which will change the distribution of funding in 2026-27. Together with the Spending Review 2025, it provides a reasonable basis for forecasting funding for local government over the next 3 years (2026-27, 2027-28, and 2028-29).
- Pixel has separately developed forecasts for existing authorities based on the Fair Funding 2.0 consultation (see Pixel's MTFP model, v5.16.7). We have used this forecasting model as the basis for disaggregating funding to new unitaries in future years.
- To disaggregate funding for 2026-27, we have recalculated the Relative Needs Formulas (RNFs) and Resources Deduction for the county council, and allocated these amounts to each district within the county. We have then been able to build up funding allocations for any proposed unitary within the county.
- District and unitary funding allocations can be allocated directly to each proposed unitary, and do not need to be further disaggregated.
- Our model provides funding estimates for 2025-26 (baseline, using current distribution) and 2026-27, 2027-28 and 2028-29. Any new unitaries will be implemented in either 2027-28 or 2028-29.

Fair Funding 2.0

- The Fair Funding 2.0 consultation paper was published on 20 June 2025: <https://www.gov.uk/government/consultations/the-fair-funding-review-20>
- It provides Relative Needs Formula (RNF) shares for 8 separate services. 5 are upper-tier formulas, which apply to the county council: adult social care (which can be split between younger adults and older people), children's services, foundation formula (upper tier), highways maintenance, fire and rescue, and home-to-school transport. 2 are lower-tier formulas and only apply to district councils: foundation formula (lower tier) and temporary accommodation.
- We have split the county formulas between the district councils using, where possible, the actual datasets that have been used by MHCLG to calculate the RNF shares. Not all the data is available, and not all the formulas can be replicated. In the following slides we explain how alternative approaches have been used to fill the gaps. When more information becomes available, we will refine the model.
- The Resources Deduction can be calculated using the relative taxbase shares, and the appropriate tier splits for county and districts.
- Where there is currently no standalone fire authority, we assume that a new fire authority will be created, and we have calculated the RNF and Resources Deduction for a new standalone fire authority.
- We have estimated the phasing of gains and losses over 3 years, in line with the proposals in the consultation paper. We have not recalculated the payments from the damping floor, but have assumed these will be allocated to the appropriate unitary authority (these only apply to district councils, so there is no need to disaggregate them).
- **Overall, the disaggregation between the proposed unitaries assumes that there is no change in the overall quantum of funding within an area.**

Disaggregation of RNFs in 2026-27

- We have calculated the county RNFs for each district based on the proposed RNF in the consultation paper. We have then apportioned the county council's RNF using these shares.
- **Younger adult social care.** All the benefits and Census data is available from NOMIS.
- **Older people social care.** Needs data and council tax data is available. We have not recalculated the Low Income Adjustment.
- **Children's Services.** It is not possible to recalculate the new children's RNF because child-level data is not publicly available. We have used the existing 2013-14 RNF values to redistribute the county's new 2026-27 children's RNF.
- **Highways maintenance.** Highways lengths are not available at district level, so we have apportioned highways lengths based on population. We have assumed that traffic flow is the same in every district. Ideally we would have district-specific data for these two datasets. Highways RNF distributes only 3.2% of overall RNF so under- or over-allocations here are unlikely to be material.
- **Foundation Formula (upper tier).** We have used the 2019 Index of Multiple Deprivation (IMD) and will update when the 2025 version is available. Data on commuters is available from the 2021 Census. Visitor data is published by VisitBritain but only to the county level; instead, we have applied the visitor data used in the 2013-14 RNF, which has been published for individual district areas.
- **Home-to-school transport (HTST).** Data on travel distances is not available for each district. Instead we have used population multiplied by area (km²) to reflect both demand (population) and distance. This is not perfect but produces plausible results. We can adjust the weightings if required.
- **Temporary Accommodation/ Foundation Formula (lower tier).** There is already a published RNF for each district and unitary.
- **Mid-2024 population estimates** have been used throughout. The latest data has been used, except where an alternative data source has been specified in the Fair Funding 2.0 consultation paper.

Transitional support and damping

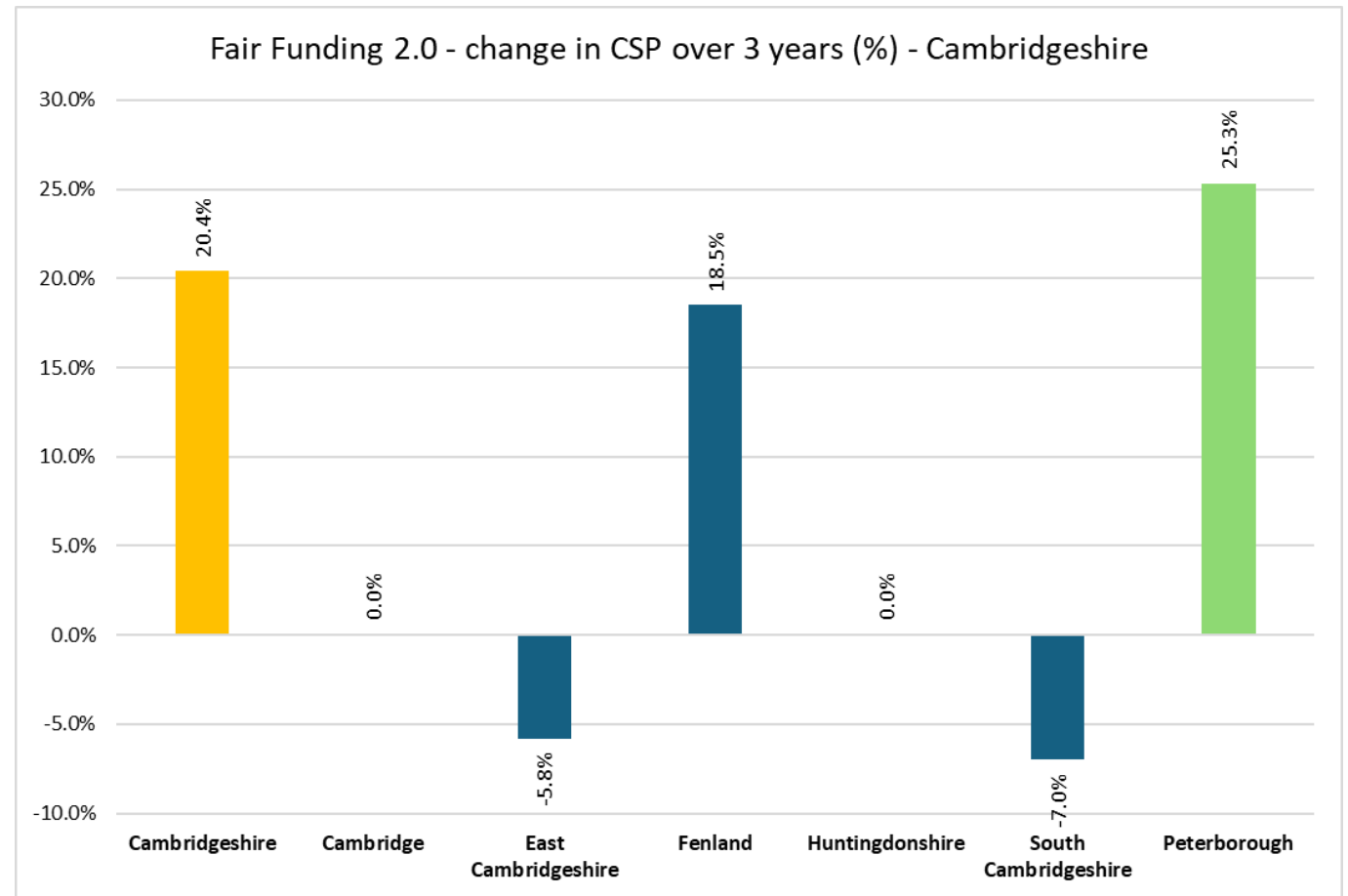
- **Phasing of gains and losses.** One-third of gains and losses will be applied in 2026-27, two-thirds in 2027-28, and the full changes in funding in 2028-29.
- We have estimated the gains and losses for the county council, districts councils and any relevant unitary authorities. County gains and losses have to be recalculated for each district. We have done this by:
 - Calculating the share of Settlement Funding Assessment (SFA) for county services for each district based on the current basis of distribution (i.e. using 2013-14 RNFs to calculate a share of 2025-26 SFA)
 - Calculating new shares of SFA using the new RNFs and new SFA.
 - Scaling the gains and losses to the actual county amounts
 - Applying one-third of the gains or losses in year 1, and two-thirds in year 2
- Phased gains and losses for existing district councils have been allocated to the relevant unitary authority.
- We have not recalculated the payments from the **damping floor**. The floor ensures that no authority's Core Spending Power (CSP) falls in cash terms in any of the next 3 years (floor is set at 0%). Some shire district councils (with the highest losses) will have a -7% floor in 2026-27, and 0% in the remaining two years. No county council or unitary authority is expected to get any damping payments from the floor.
- For any amounts of damping expected to be paid to shire district councils, we have assumed these will simply be allocated to the new unitary authorities. The alternative would be to recalculate damping floor payments but this would result in different amounts to those available in the settlement.

Assessment of population and financial scale

- There are 132 single-tier councils in England, of which 70 have been in existence since 1974 (London boroughs, metropolitan authorities), and 62 have been created in various waves since the late 1990s
- We have compared a the potential unitaries in Cambridgeshire to these existing single-tier councils.
- The government has particular concern about whether new unitaries will be sufficiently large to deliver social care services. New unitaries will want sufficient scale to be financially viable, but not to be over-exposed to these demand-led service pressures.
- We have used our modelling to:
 - Show whether the proposed unitaries are similar to existing single-tier councils in England in financial size, both overall and for the major services.
 - Show whether the proposed unitaries have a reasonable balance of funding and “needs”.
 - Show whether the proposed unitaries’ sources of funding are sound and sustainable.
- Part of this assessment will also have to take into account actual expenditure, and how that expenditure will be disaggregated between the proposed unitary authorities. This is outside the scope of our work and is being undertaken by a third party.
- In theory, there could be a mismatch between spending and funding, although in practice a new unitary authority will have to manage its new budgets so that they are affordable within the funding envelope that is available.

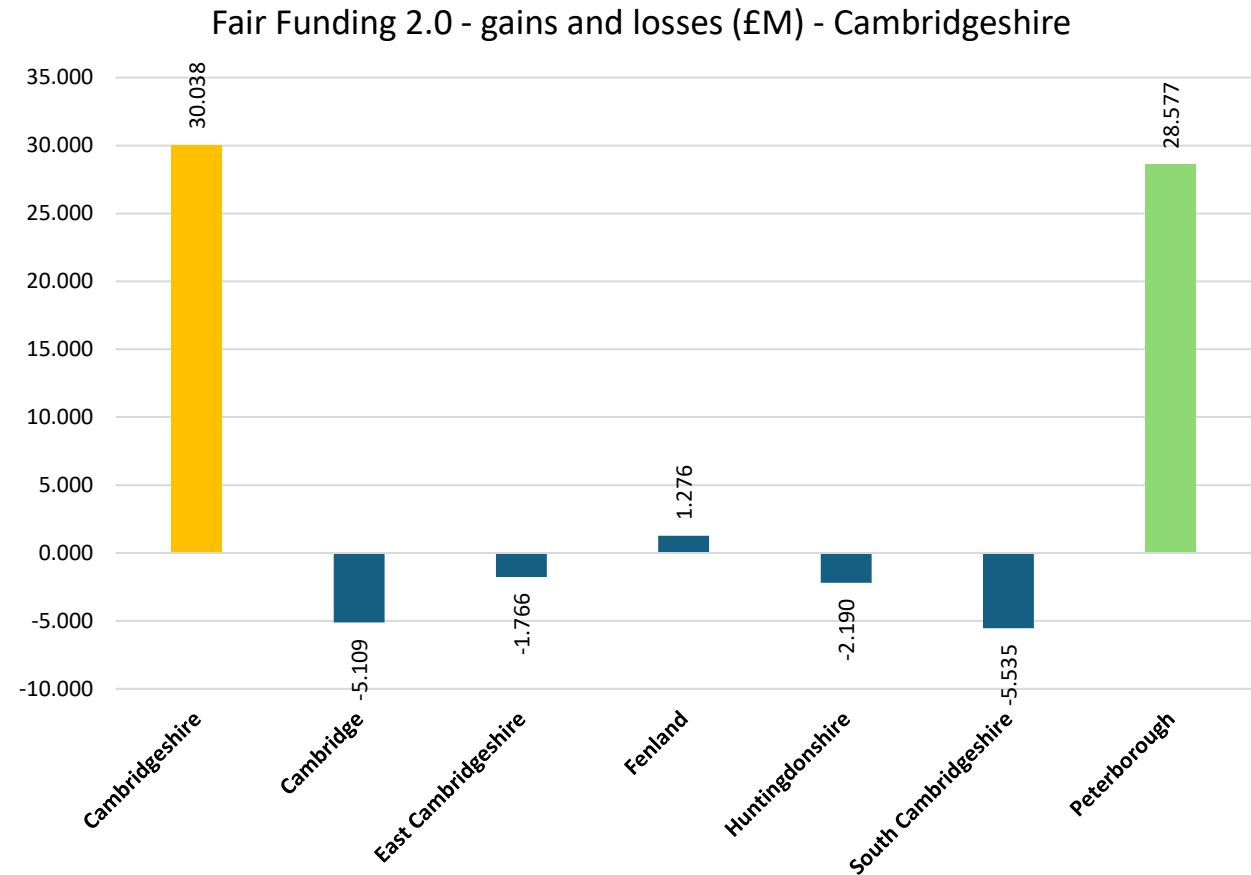
Fair Funding 2.0 – impact on existing LA structure

- The impact of the Fair Funding proposals is very varied within Cambridgeshire.
- We expect Peterborough to gain very substantially from the funding reforms, with a cumulative increase in CSP over the next 3 years of 25.3%. This is almost double the average 3-year increase for unitary authorities (16.2%).
- The increase for Cambridgeshire County Council is 20.4%, above the average for shire county councils.
- Apart from Fenland, all four district councils in Cambridgeshire are expected to lose from the reforms, with cumulative cuts in funding (post-damping) of 5.8% (East Cambs) and 7.0% (South Cambridgeshire). Both these two councils will have a -7% floor in 2026-27, followed by 0% in the next two years. Cambridge and Hunts lose from the funding reforms, but remain at the 0% funding floor over the next 3 years.
- Fenland’s increase in CSP is more than double the district average (+7.7%).
- The allocation of these gains and losses across the proposed unitaries will have significant financial implications for the growth in resources over the next 3 years.



Fair Funding 2.0 – impact on existing LA structure

- Converting these gains and losses into cash values, we can see that the gain for the County Council and Peterborough is similar (£30m and £28m respectively).
- Our modelling also indicates similar cash losses in Cambridge City and South Cambridgeshire (-£5.1m and -£5.5m respectively). Losses are smaller in East Cambs and Hunts (-£1.7m and -£2.2m).
- Fenland’s gain is relatively small in cash terms (£1.3m).
- Overall, we can see that the gains in the County Council and Peterborough will dominate in terms of the change in funding. But some of the losses – particularly in Cambridge City and South Cambridgeshire – will influence outcomes.
- A further point is that the gains in the County Council are not necessarily evenly distributed – and our modelling distributes these changes in county-level funding based on the underlying demographics.

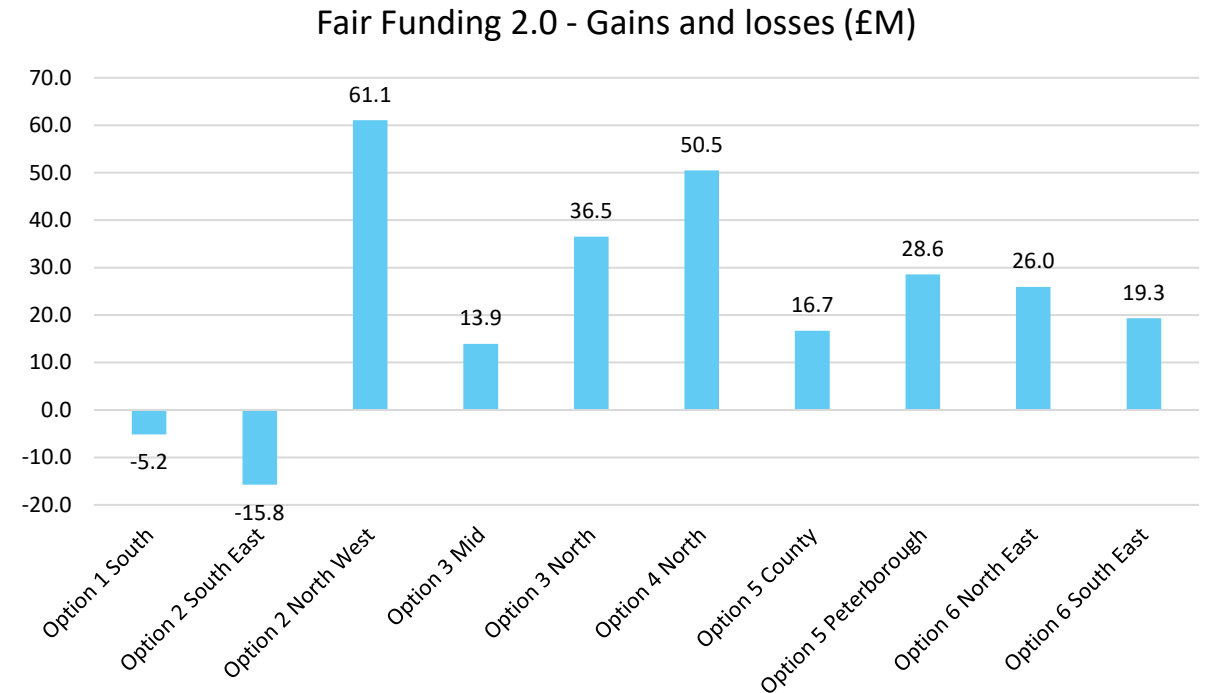


Cambridgeshire proposals

LGR scenario	Unitary name	Constituent authorities	Population
Option 1	South	South Cambs/Cambridge City	318,504
	Mid (adjusted)	Hunts/Fenland/East (adj)	347,562
	Peterborough (adjusted)	Peterborough (adj)	253,016
Option 2	South East	East/South Cambs/Cambridge City	409,970
	North West	Hunts/Fenland/Peterborough	509,112
Option 3	South	South Cambs/Cambridge City	318,504
	Mid	Hunts/ East Cambs	277,532
	North	Fenland/P'boro	323,046
Option 4	South	South Cambs/Cambridge City	318,504
	North	East Cambs/Fenland/Hunts/P' Boro	600,578
Option 5	County	Cambs County Unitary	699,573
	Peterborough	Peterborough	219,509
Option 6	North East	East Cambs /Fenland/P' Boro	414,512
	South West	Hunts /South Cambs/Cambridge City	504,570

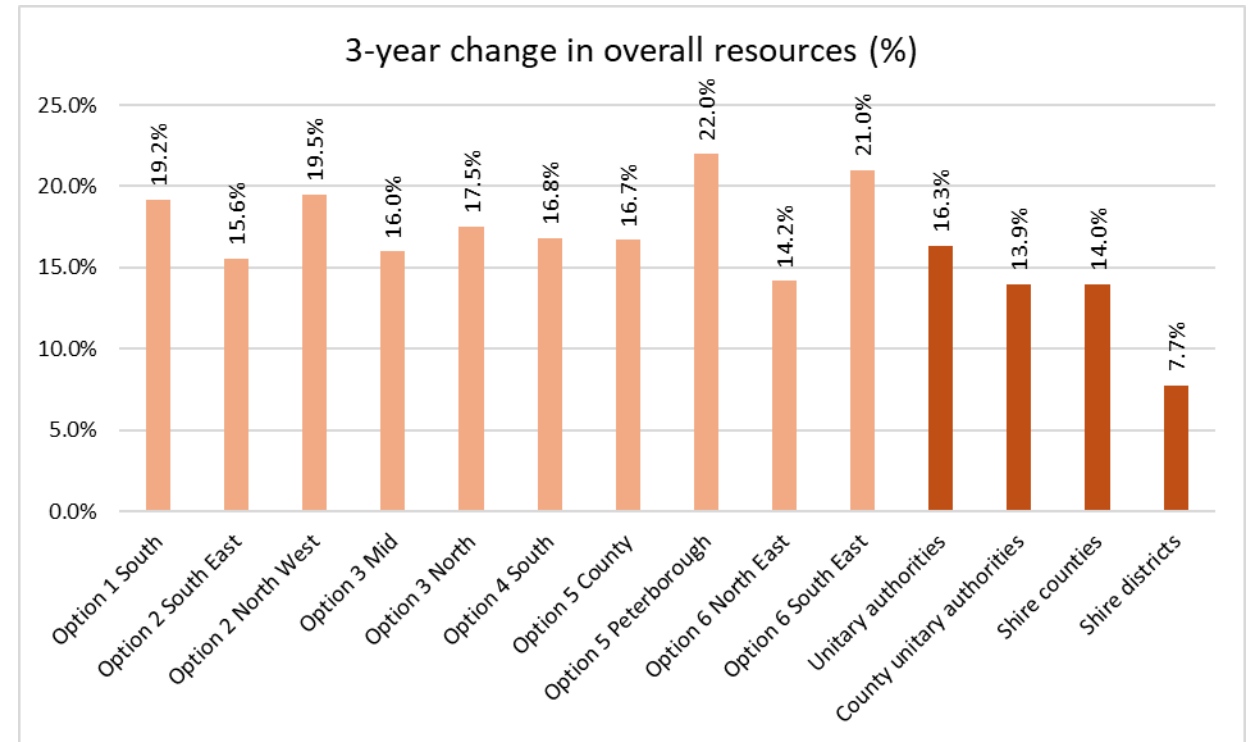
Fair Funding 2.0 – impact on proposed unitary structure

- The largest gains in funding are those that include Peterborough. (Option 2 NW, Option 3 North, Option 4 North) Gains are largest where Peterborough is combined with other districts with gains (e.g. Fenland).
- But there is a substantial difference between options 4 North (Hunts and East Cambs) and 6 North East (East Cambs alone). Both Hunts and East Cambs are losing as districts – but the Hunts area gains from the changes in funding for the County Council.
- Only the Option 1/ 4 South loses from the reforms (losses are largest when East Cambs joins Cambridge City and South Cambs).
- Combined Cambridge City/ South Cambs with Hunts (Option 6 SE) results in overall gains (+£19.2m). Option 6 has two relatively balanced options, in terms of funding gains/ losses.



Fair Funding 2.0 – impact on proposed unitary structure

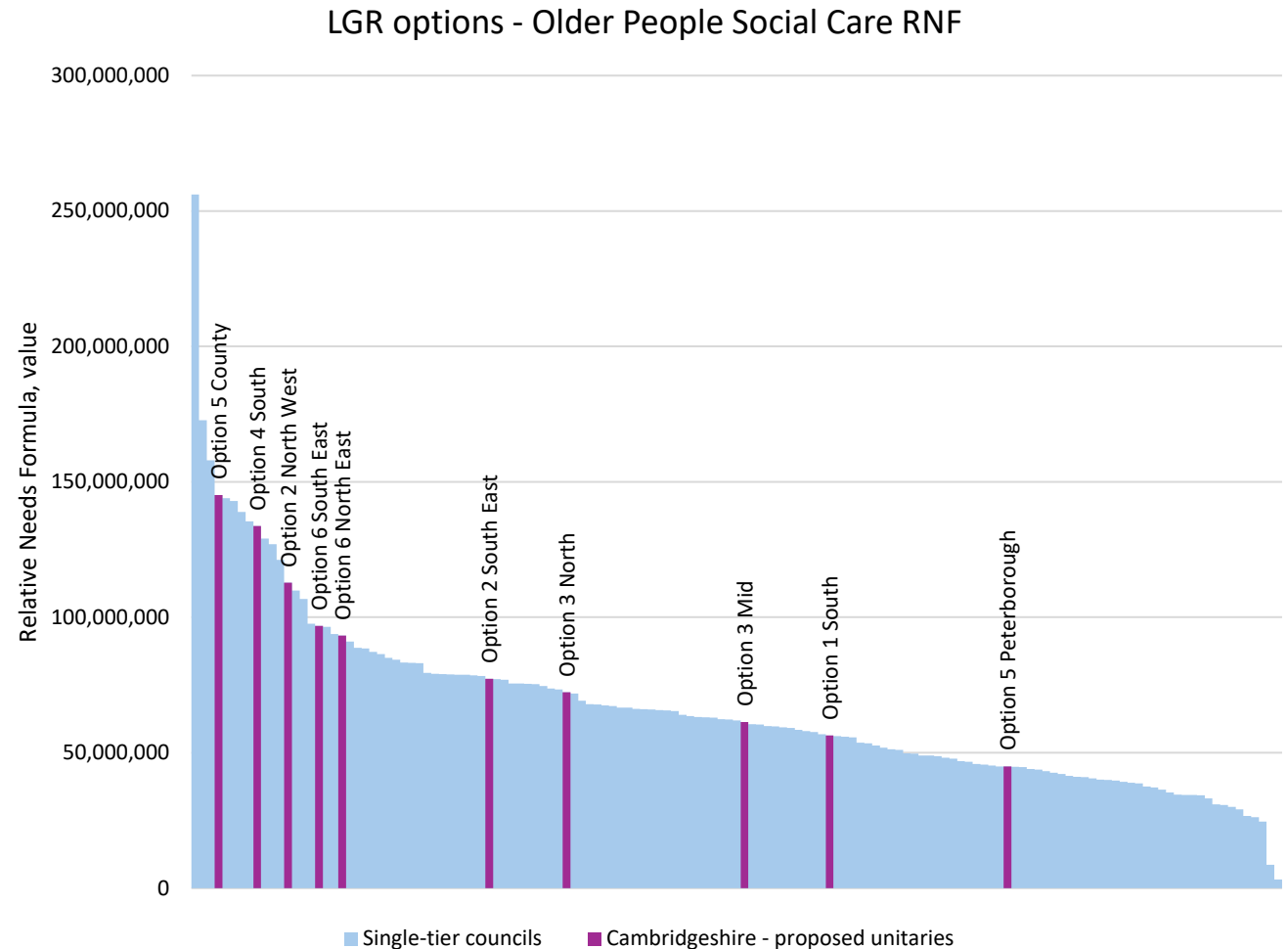
- Converting these funding gains/ losses into future changes in overall resources (Core Spending Power) shows a more benign picture. All the proposed unitaries would have increases in excess of the average for county unitaries/ county councils, and all but three would exceed the unitary average.
- The reasons are (a) the losses are damped over 3 years, and are not particularly significant; and (b) any funding losses are more than offset by council tax growth (Band D/ taxbase) and increases in funding quantum.
- As a result, none of the proposed unitary options has projected resources that are a cause for concern. Those options with the largest funding cuts in the previous slide (option 1 South and 2 South East) have healthy increases in resources over the next 3 years.



Fair Funding 2.0 – Older People RNF

- RNF represents the relative needs for older people’s services in each single-tier authority, and is broadly analogous to the relative scale of expenditure in each authority
- Scale is also a function of the demographic structure of the county (relatively large numbers of older people)
- Most of the unitary options in Cambridgeshire would have substantial older people’s social care services, based on the new RNF
- The exceptions are: Peterborough (based on current boundaries), Option 1 South (Cambridge, South Cambs), Option 3 Mid (Hunts/ E Cambs).
- The relative scale (size) for all the options is higher than those we had modelled using the current Adult RNF.

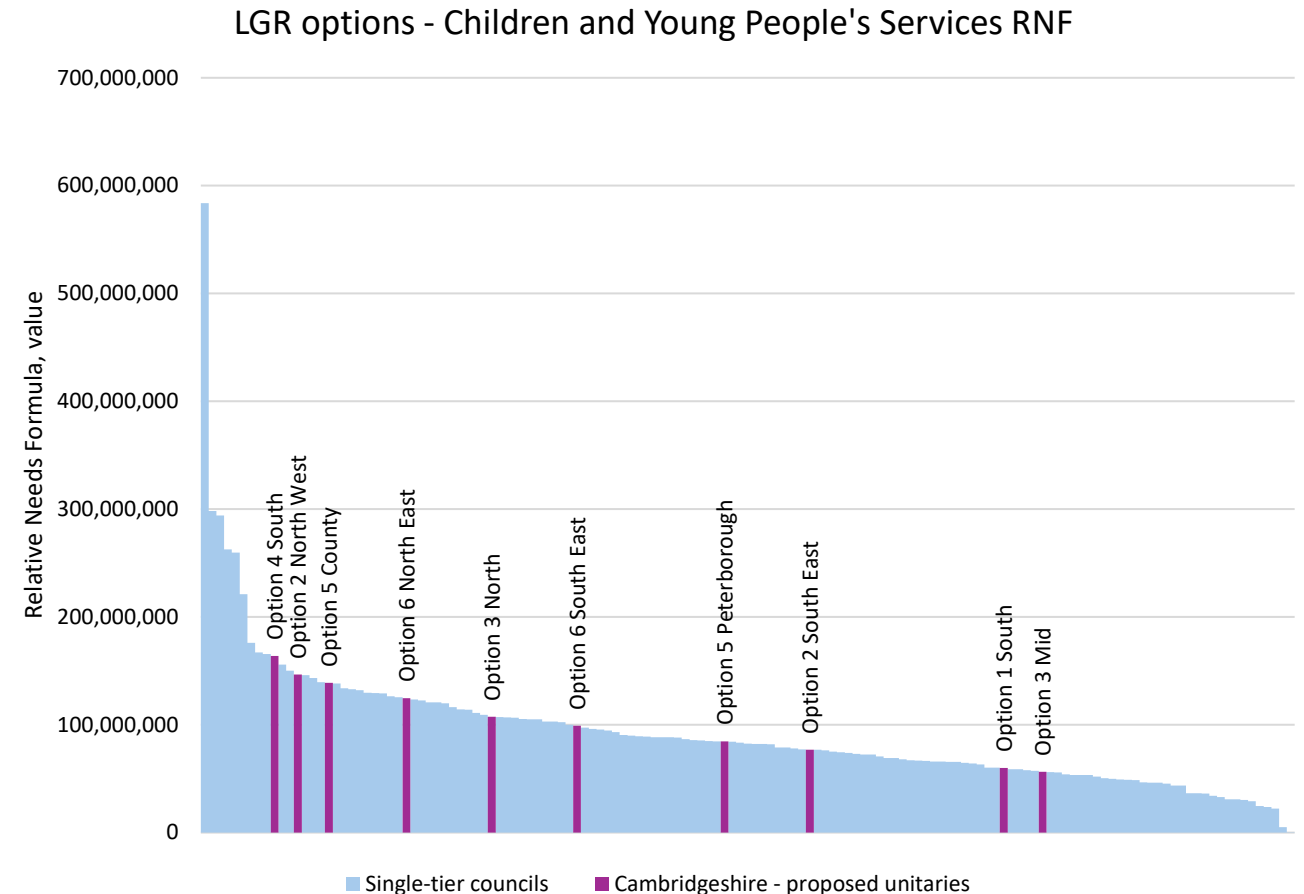
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Fair Funding 2.0 – Children’s Social Care RNF

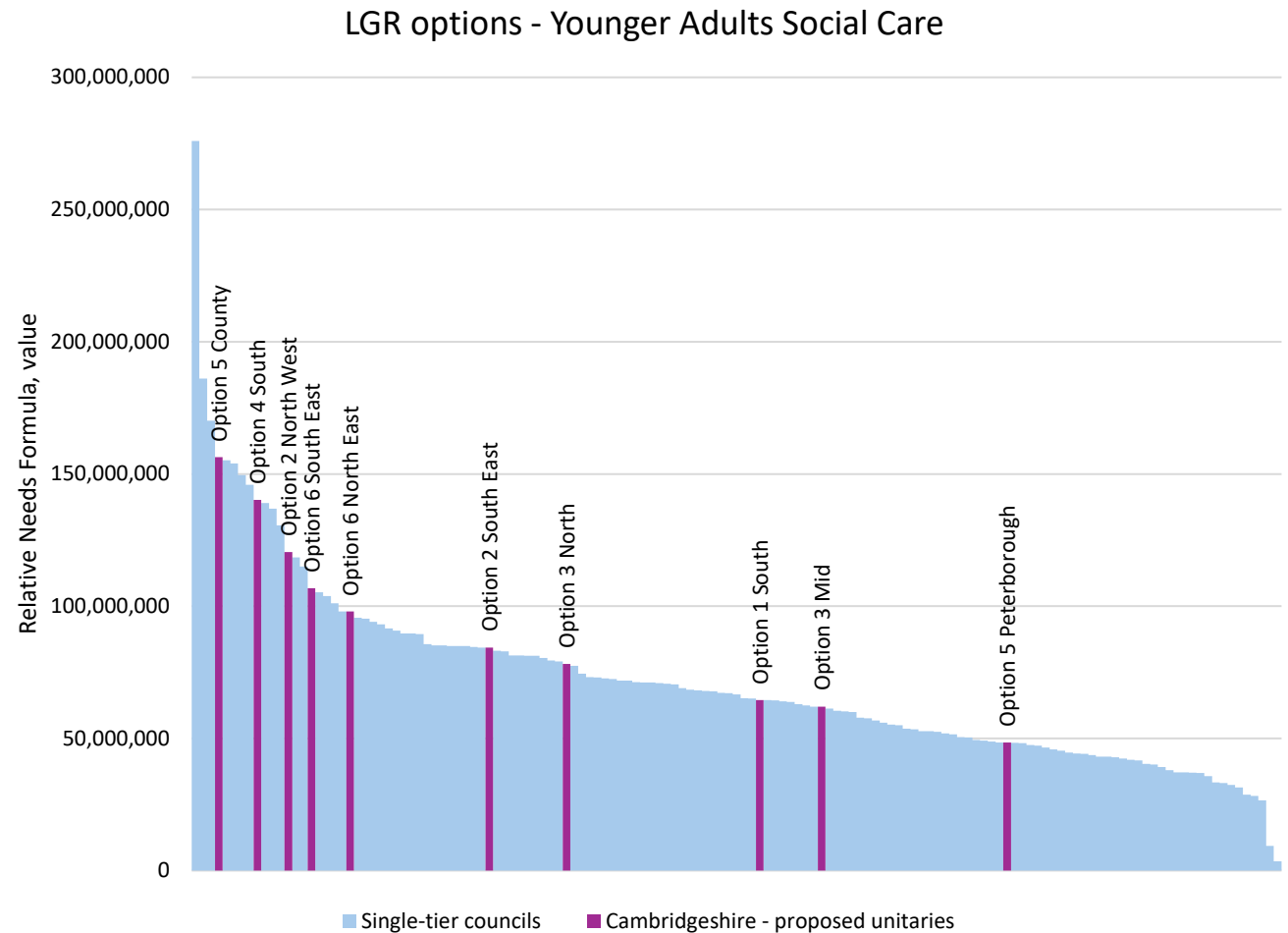
- Children’s services are smaller relative to other single-tier councils, albeit with most above the average
- The smaller relative size of children’s social care in Cambridgeshire reflects the demographic structure of the county (fewer children relative to the population as a whole)
- Most of the unitary options in Cambridgeshire would have substantial children’s social care services, based on the new RNF.
- Options 2 SE, 1 South, and 3 Mid would have smaller scale. Peterborough would be above-average in terms of scale.

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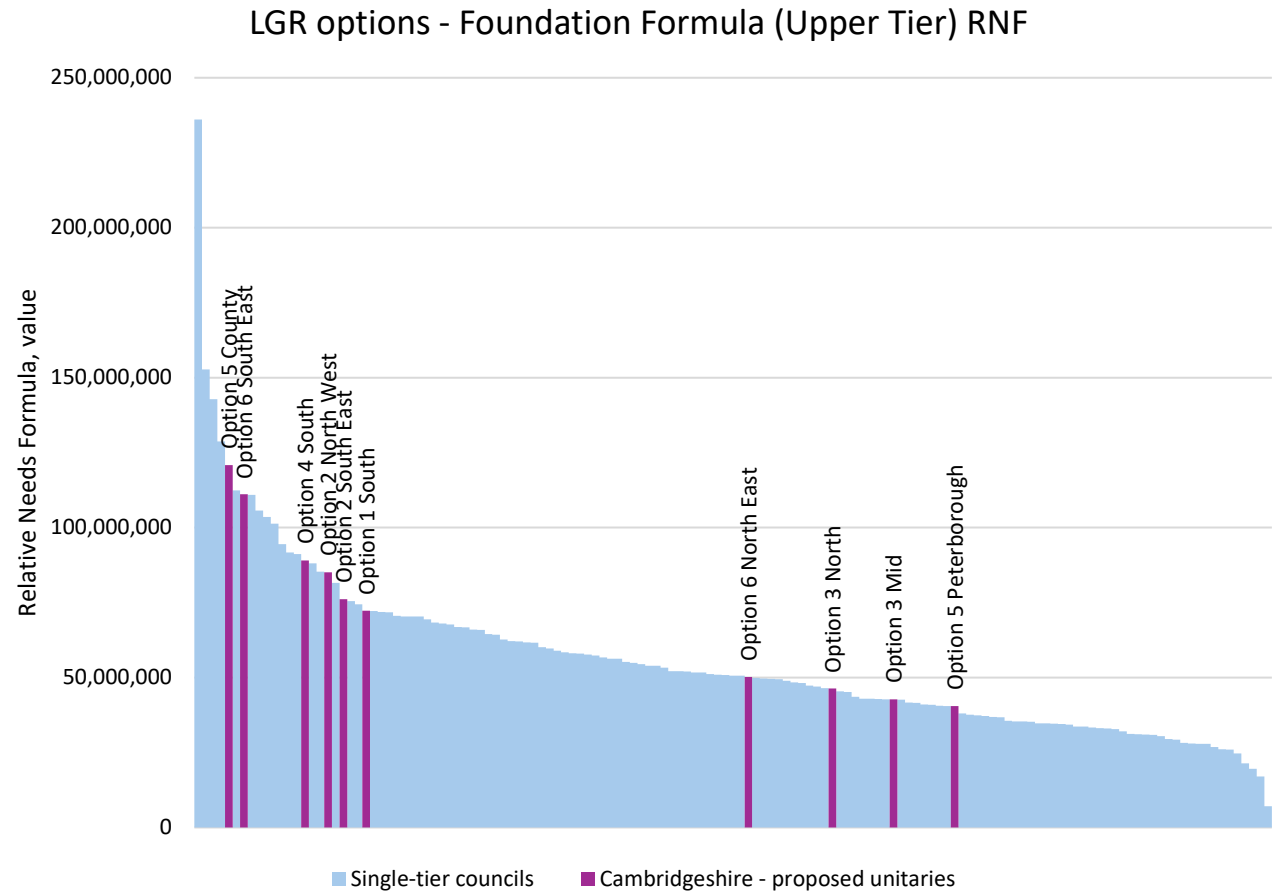
Fair Funding 2.0 – Younger adults RNF

- Most of the unitary options in Cambridgeshire would have substantial younger adult’s social care services, based on the new RNF
- Options 1 South and 3 Mid, together with Peterborough, would have smaller scale for this service.



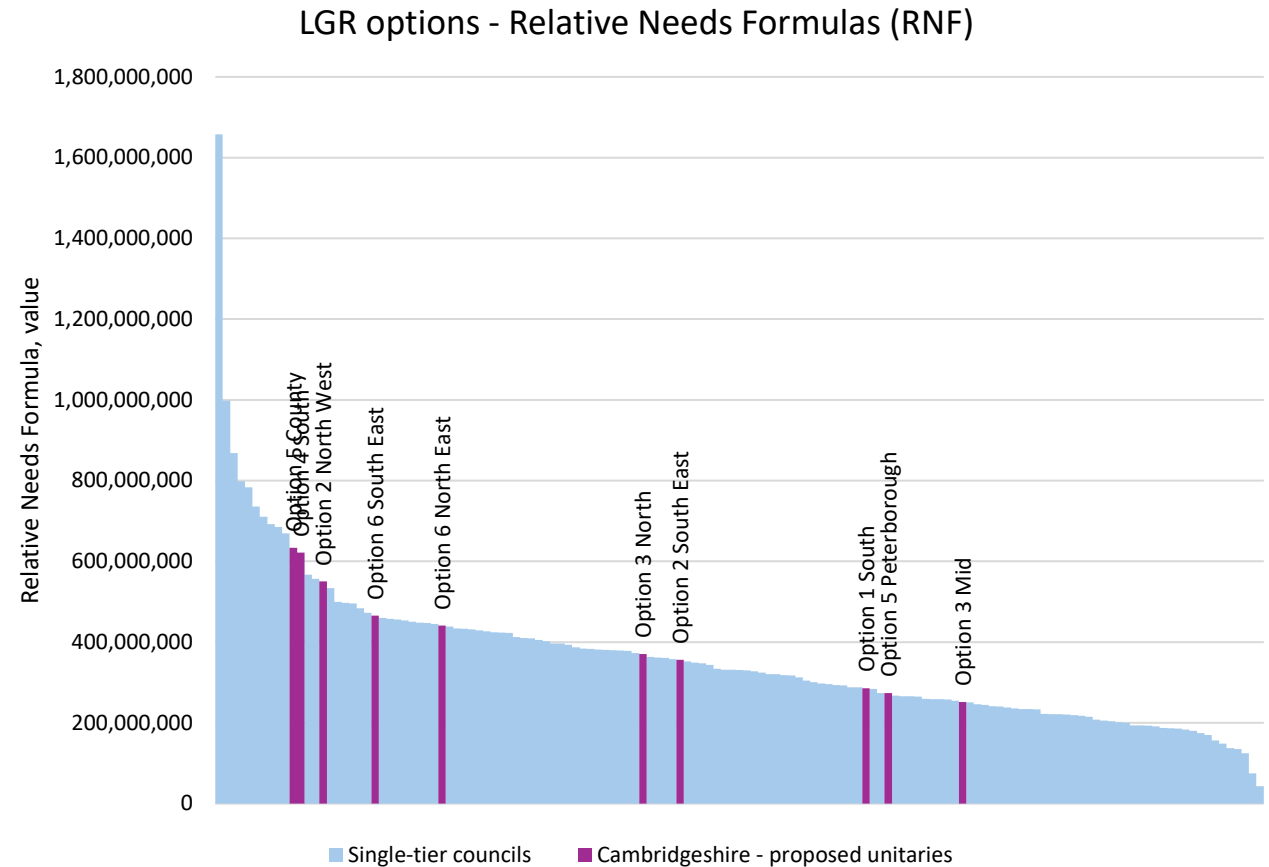
Fair Funding 2.0 – Foundation Formula RNF

- The Foundation Formula is the main non-social care formula within Settlement Funding Assessment (SFA)
- It covers a wide range of county services, including: Waste disposal, public transport, libraries, leisure, planning and central services
- Many of the potential unitaries would have above-average size services, particularly those including South Cambridgeshire/ Cambridge
- Foundation Formula RNFs suggest smaller scale in some of the “northern” options, either because of smaller overall populations (e.g. Peterborough) or relatively low RNFs per head for these areas (e.g. lower commuters, visitors).



Fair Funding 2.0 – Overall RNF

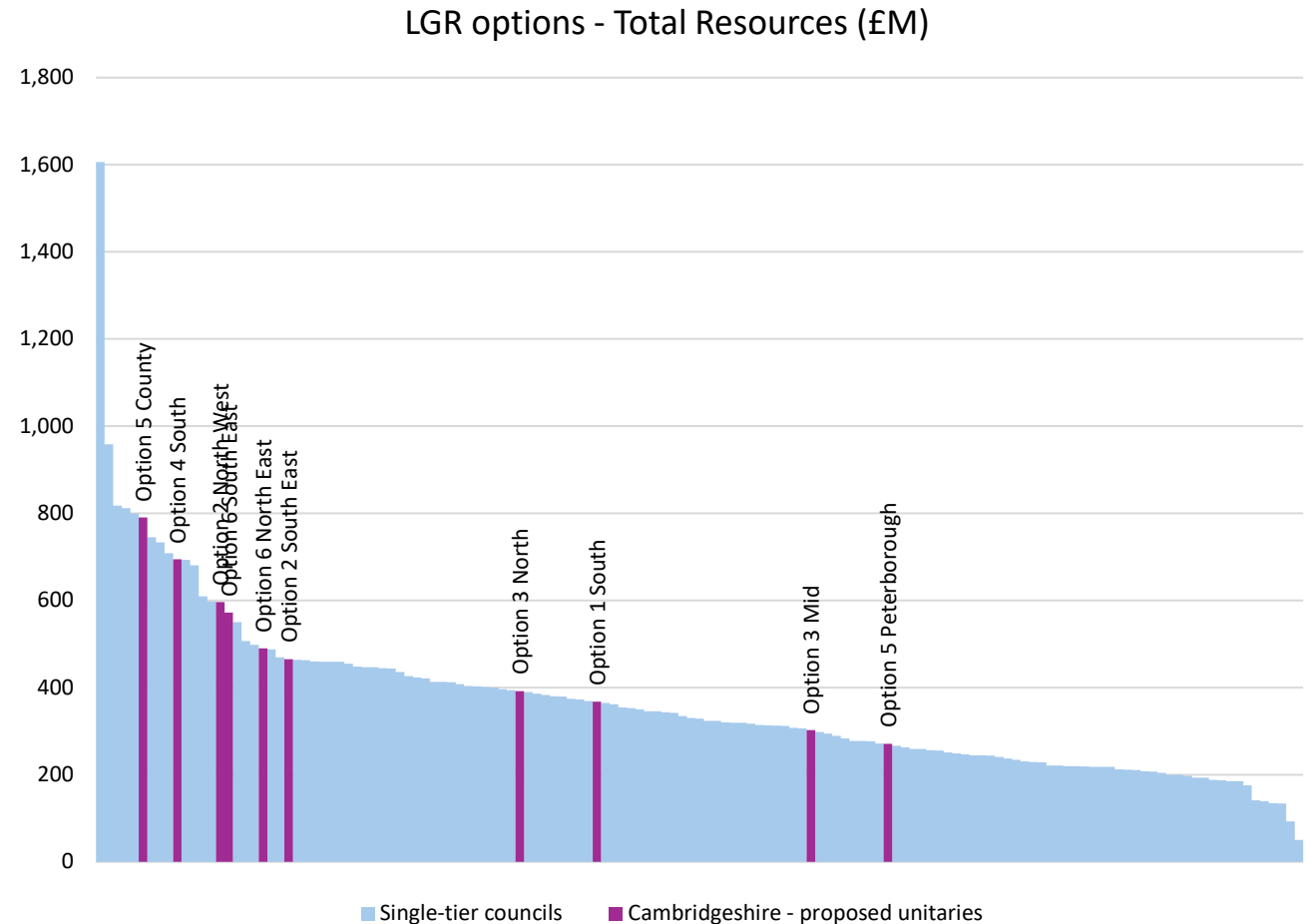
- Most of the unitary options in Cambridgeshire would have substantial overall needs, based on the new RNF.
- Only 3 options would have below average scale based on overall RNF (Option 1 South, Option 5 Peterborough, Option 3 Mid).
- All the options have a higher relative RNF than the analysis based on the current RNFs. In that analysis, some of the options (Option 1 South, Option 3 Mid) were in the lower quartile – whereas they are now closer to the median.



Fair Funding 2.0 – Total Resources

- Overall resources includes actual council tax (and business rates) as well as SFA and government funding.
- All of the unitary authorities proposed for Cambridgeshire would be relatively large compared to the existing single-tier authorities in England.
- The exceptions would be Option 3 Mid and the existing Peterborough. Option 1 South would have an above-average scale in terms of overall resources.
- All the unitaries proposed for options 2 and 4 would have substantial financial scale, and would be in the upper quartile compared to other existing single-tier authorities.

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Conclusions

- **Fair Funding gains and losses.** These are unevenly distributed within the county. Peterborough (together with Fenland) would generate much larger gains in the south of the county. Whilst the County Council gains from the funding reforms (~£30m), the expected outcomes for most shire districts is less good, particularly in the south of the county.
- **3-year growth.** Overall change in resources over the next 3 years appears to be much more healthy, with our modelling suggesting that every individual proposed unitary will have above-average increases in overall resources, and real-terms growth.
- **Key service scale.** Most of the proposed unitaries would have key services that are of sufficient scale, with the only exceptions those in Option 1 South and Option 3 Mid. For all the options, though, the latest RNFs indicate a larger scale than those that we calculated based on the 2013-14 RNFs.
- **Overall RNF** (“needs”, spending) and **overall resources** show much more substantial financial scale than the individual service RNFs. This is because of these measures take into account council tax and business rates revenues.

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Financial option appraisal

Page 603

Cambridgeshire and Peterborough LGR




04 September



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Please note: This document is a work in progress and represents only part of the overall picture. It is shared solely to support initial discussion and is not for wider circulation or onward sharing at this stage.



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4	Option A-D baselines

5	Savings and transition costs
6	Other alignment issues
7	Overall conclusions
A	Appendices



1

Introduction



Introduction

Background

- Alongside on-going work by the region to submit a detailed proposal for local government re-organisation (LGR) to MHCLG by the end of November this year, Huntingdonshire District Council (HDC) has commissioned separate analysis from ourselves to provide an independent perspective on the short-list of options being considered by the aforementioned regional work. These options are as follows:

Option A

Unitary 1
Peterborough
Fenland
Huntingdonshire

Unitary 2
East Cambridgeshire
South Cambridgeshire
Cambridge City

Option B

Unitary 1
Peterborough
Fenland
Huntingdonshire
East Cambridgeshire

Unitary 2
South Cambridgeshire
Cambridge City

Option C

Unitary 1
Peterborough
Fenland
East Cambridgeshire

Unitary 2
South Cambridgeshire
Cambridge City
Huntingdonshire

Option D

Unitary 1
Peterborough
Huntingdonshire

Unitary 2
Fenland
East Cambridgeshire
Huntingdonshire

Unitary 3
South Cambridgeshire
Cambridge City

- The analysis is focussing on the financial and economic implications of each of the short-listed options, providing an assessment of the impact for HDC residents and determining whether a unitary model that merges HDC with South Cambridgeshire District Council (SCDC) and Cambridge City Council (CCC) is fundamentally viable for Cambridgeshire and Peterborough as a whole.
- Our work has been structured into two parts. The first part focusses on the financial implications and is the subject of this report. The second part, focussing on the economic aspects, is now being undertaken with the intention to report back by the 26th August.





Introduction - continued

Our approach - establishing a baseline

- Each year, every council in the country updates its Medium Term Financial Plan (MTFP). This is an important feature of the financial management regime across local government, with councils setting out their best estimates of the likely funding and resources relative to the costs they expect to face over the subsequent three to five years.
- We have used the figures in the latest published* MTFPs of each council as the basis of our assessment of the financial sustainability of the different short-listed options.
- This has been achieved by consolidating the MTFP figures for each council based on the combinations in each of the options.
- This produces an MTFP for each of the unitary options which represents a baseline from which potential savings and costs from consolidation can be assessed against**.
- In each case, the revenue and expenditure of the county council has to be ‘disaggregated’ i.e. apportioned across the unitary options, as it does for Huntingdonshire under Option D. The process for doing so is explained within this report pack.

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* These were published as part of budget setting documents in Q4 2024/25

** The work differs in approach from that which has been undertaken to date on behalf of the region’s councils by Pixel Financial Management. That work has primarily focussed on the core spending power of the different unitary options.





Introduction - continued

Our approach - savings and costs

- There are expected to be cash savings from reducing the number of local authorities in the area and our analysis has focussed on those that are more readily apparent and deliverable i.e. reduction in management posts, reduction in the number of ward councillors and cash efficiencies in third party spend. There will also be a need to increase spending on management resources as a result of splitting county level services across two or three new unitary councils and our assessments of savings are presented on a net basis.
- We have not considered the potential savings that may be achievable from the opportunity that LGR presents to change the way services are delivered. These are far less certain and more recent examples of LGR have struggled to realise these within 3 years post re-organisation. Such changes will come with costs associated with investments in new IT hardware and software for example. The costs of these have been similarly excluded from our analysis at this stage.
- The costs of change that have been included are the costs of redundancies and retirements that will arise as a result of reducing management positions. We have also provided for the costs of recruitment, costs of running a shadow council for a year, costs of programme management and critical system transitions. The bulk of these costs will be incurred in the run up and shorter-term period following re-organisation.
- It is important to note however, that whatever savings are generated from LGR, they are unlikely to be sufficient to mitigate against the structural funding issues in local government and the cost pressures that aspects of provision in children, adult and housing in particular, are presenting. This will mean a continual need for efficiencies and savings across the new councils, irrespective of the chosen option.
- Further detail on both the savings and costs calculations are provided in this report pack.





Introduction - continued

Our approach – points to note

- The MTFPs do not offer a complete picture of the financial status of each council. The MTFP is, essentially, a projection of future income and costs. The existing and future levels of debt are taken account of by virtue of the projected costs of debt interest and repayments being within it. However, other aspects of the balance sheet i.e. reserve levels, other liabilities and asset base have not been considered at this stage.
- Those are important considerations from a financial strength and resilience perspective, less so from an on-going sustainability perspective, as systematic or structural mismatches in funding and expenditure can only be supported for a limited length of time, irrespective of the balance sheet position.
- In projecting forward, each council makes its own assessment of expenditure pressures which are likely to reflect different perspectives on, for example; risk, service demand and cost inflation.
- The level of detail in each council's published MTFP is also variable such that the net revenue expenditure (NRE) may include, for example, provisions or reserve transfers which do not represent expected expenditure in the year.
- We have not undertaken an assessment of the comparability of each council's MTFP and the assumptions upon which they have been put together.
- The assessments of future income are also complicated by the Government's Fair Funding Review.
- The review is likely to mean that the income that councils have assumed in their MTFP, for 2026/27 onwards, is going to be materially different in reality for a large number of councils.
- This is as a result of Government's attempts to redistribute resources to places experiencing demand pressures that are not reflected in the current funding system.



2

Summary of findings



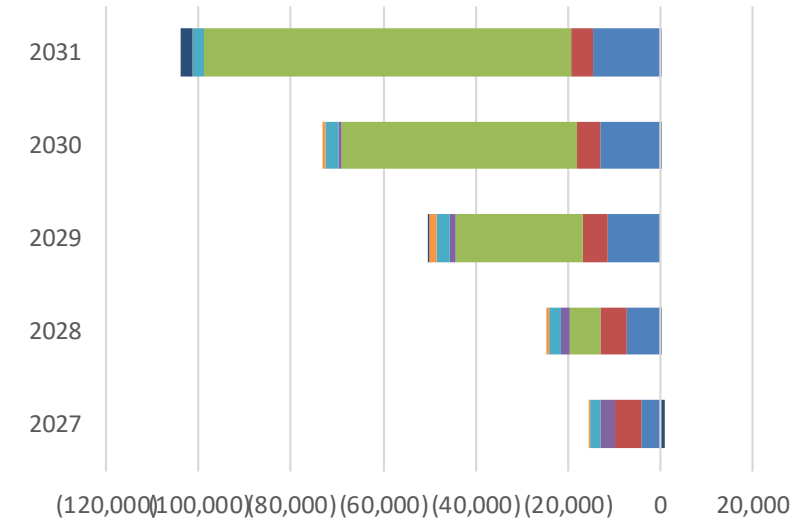
Summary of findings

Baseline positions

- The graph shows the annual budget positions projected for each of the region's councils over the next five years.
- The major cost pressures prevailing in local government are in respect of children, adult and housing services and the MTFPs of the two councils with responsibility for children and adult services illustrate the impact of this with significant and growing deficit positions for each of them.
- This means that the baseline position for each option will, dependent upon its configuration, inherit an increasing deficit position to a greater or lesser extent.
- From a regional perspective, it is a net zero sum position but, from an individual resident perspective, the level and trajectory of deficit changes, dependent upon the option and the area they reside.

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Budget surplus/(deficit)



	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
■ Peterborough	(4,110)	(7,277)	(11,372)	(12,878)	(14,314)
■ East Cambridgeshire	(5,703)	(5,447)	(5,313)	(5,073)	(4,939)
■ Cambridgeshire County	26	(6,896)	(27,514)	(51,068)	(79,503)
■ South Cambridgeshire	(3,138)	(1,885)	(1,218)	(683)	39
■ Fenland	(2,217)	(2,641)	(3,045)	(2,921)	(2,565)
■ Huntingdonshire	(198)	(529)	(1,456)	(698)	(161)
■ Cambridge City	1,001	265	(42)	73	(2,377)

Total (14,339) (24,409) (49,960) (73,247) (103,820)



Summary of findings - continued

Savings and transition costs

- Our analysis suggests that the opportunities we have focussed upon could deliver between £6.6m and £7m* in recurring net savings based on the creation of two unitary councils. We estimate that those would reduce by more than half under the three unitary council option that we were asked to consider.
- The costs of transitioning from the current structures to the new structures will need to be paid back from these recurring savings. We have estimated that the transition costs will be in the range of between £15-16m*, noting the exclusions from this figure that are explained in slide 6.
- How those costs and savings fall across the different unitary combinations and the individual council payback periods are of similar importance, particularly when assessed alongside the baseline positions.

Overall assessment

- This table summarises the observations taken from the analysis within the main section of this report. It advocates further investigation of Options A and C, but caution with respect

Option	Option A			Option B			Option C			Option D			
	U1	U2	Total	U1	U2	Total	U1	U2	Total	U1	U2	U3	Total
Baseline implications - comparison to 'As-Is'	U2 represents an enhanced financial baseline for East Cambridgeshire, Cambridge City and South Cambridgeshire. U1 results in a weaker financial baseline for other areas.			U2 represents an enhanced financial baseline for Cambridge City and South Cambridgeshire. U1 results in a weaker financial baseline for other areas.			U2 represents an enhanced financial baseline for Huntingdonshire, Cambridge City and South Cambridgeshire. U1 results in a weaker financial baseline for other areas.			U3 represents an enhanced financial baseline for Cambridge City and South Cambridgeshire, while U1 represents a largely unchanged financial baseline for Peterborough and residents of one half of Huntingdonshire. U2 represents a weaker financial baseline for the remaining areas.			
Council tax base - based on '25/26 Band D equivalents	162,599	149,812	312,411	196,203	116,209	312,411	129,286	183,125	312,411	87,581	108,621	116,209	224,830
Recurring net savings at Y5 (£'000s)	5,094	1,567	6,661	6,216	422	6,638	3,804	3,181	6,985	1,474	1,113	441	3,028
Saving share	76%	24%	100%	94%	6%	100%	54%	46%	100%	49%	37%	15%	100%
Share of regional council tax base	52%	48%	100%	63%	37%	100%	41%	59%	100%	28%	35%	37%	100%
Saving share relative to share of regional council tax base	1.5	0.5		1.5	0.2		1.3	0.8		1.7	1.1	0.4	
Payback (years)	3	4		3	n/a		3	3		4	n/a	n/a	
Contribution to Y5 budget surplus/(deficit)	6%	5%		5%	n/a		5%	8%		5%	n/a	19%	
Projected return from LGR													
Proceed with further and more detailed analysis													

to Option B, given its apparent financial divisiveness and the doubt it raises as to whether a unitary across two districts will deliver sufficient return to payback the transition costs over a satisfactory period. Option D appears unworthy of further analysis, from a financial perspective, given the scale of transition costs relative to savings in two of the three new councils proposed. However, it needs to be recognised that finance represents just one of the wider set of factors and criteria that need to be assessed as part of the LGR option appraisal exercise.

3

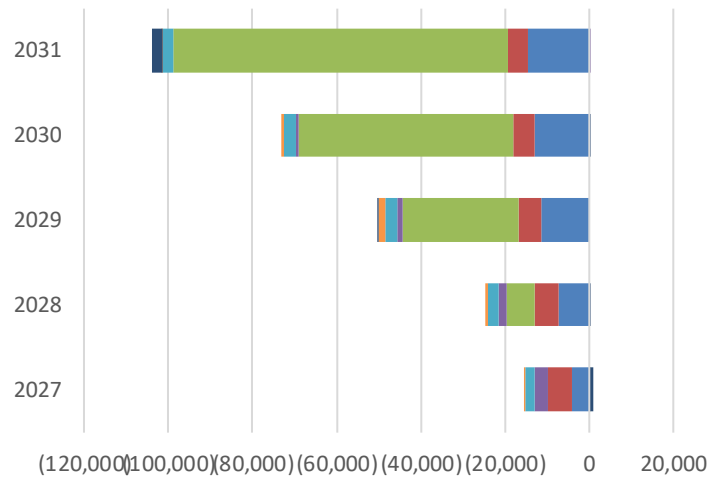
Detailed analysis



Medium term financial plans (MTFPs)

Page 615

Budget surplus/(deficit)



	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Peterborough	(4,110)	(7,277)	(11,372)	(12,878)	(14,314)
East Cambridgeshire	(5,703)	(5,447)	(5,313)	(5,073)	(4,939)
Cambridgeshire County	26	(6,896)	(27,514)	(51,068)	(79,503)
South Cambridgeshire	(3,138)	(1,885)	(1,218)	(683)	39
Fenland	(2,217)	(2,641)	(3,045)	(2,921)	(2,565)
Huntingdonshire	(198)	(529)	(1,456)	(698)	(161)
Cambridge City	1,001	265	(42)	73	(2,377)

Total (14,339) (24,409) (49,960) (73,247) (103,820)

- The graph and table show the budget gaps projected in the individual MTFPs for the seven councils within the Cambridgeshire and Peterborough LGR region.
- The projected positions for each council show required savings in excess of £100m over a 5 year period from 1st April 2026
- Approximately 91% of these are attributable to the two councils with responsibilities for adult and children services across the region i.e. the two largest cost pressure services in local government.
- Not all MTFPs provided projections across the time period shown. The following assumptions have been applied to achieve the 5 year profile shown:
 - Annual growth in council tax base of 1.0%
 - Application of the maximum council tax rise in each year
 - Growth in net revenue expenditure of 2% for the district councils and 4% for the county council and city council
- As noted in the Introduction section, the underpinning assumptions of each council's MTFP are likely to differ and we have not performed work to understand these variances or attempt to standardise.



• The position for the final year of analysis for Cambridge City is distorted by a c. £3m business rate retention re-set that they have factored into their projections

Budget position per council tax base unit

- As part of our brief, we have been asked to consider the options from a resident perspective. Hence, we have taken the budget gap figures from the MTFPs and assessed them on a ‘per council taxpayer’ basis.
- The top table shows the position with the county council identified separately while the second table adds the county council onto the values for each district.
- We have then used the figures in the second table to act as the baseline for residents in each of the council areas, specifically to measure how different that is, relative to the one that arises from consolidating the respective councils into the chosen unitary options.
- All six legacy council areas will bring their own budget position into their respective new unitary, overlaid with the element of Cambridgeshire County Council that applies to their unitary footprint.
- This requires the finances of the county council to be apportioned and our approach to doing that is explained overleaf. However, it is evident from the tables that certain districts will act as more of a financial drag than others within the computing of the new unitary positions.

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Budget surplus/(deficit) per Band D taxpayer (£)

	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Peterborough	(65)	(115)	(209)	(244)	(279)
East Cambridgeshire	(171)	(162)	(157)	(153)	(149)
Cambridgeshire County	0	(28)	(110)	(203)	(314)
South Cambridgeshire	(46)	(27)	(18)	(10)	(5)
Fenland	(69)	(84)	(98)	(95)	(86)
Huntingdonshire	(3)	(10)	(25)	(14)	(8)
Cambridge City	20	3	(5)	(4)	(57)

Budget surplus/(deficit) per Band D taxpayer (£) with county position included

	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Peterborough	(65)	(115)	(209)	(244)	(279)
East Cambridgeshire	(170)	(190)	(267)	(356)	(464)
South Cambridgeshire	(46)	(55)	(127)	(213)	(319)
Fenland	(69)	(112)	(208)	(298)	(400)
Huntingdonshire	(3)	(37)	(134)	(217)	(322)
Cambridge City	20	(25)	(115)	(207)	(372)



Approach to dis-aggregating the county council baseline

- We have apportioned the income and expenditure of the county council on the basis shown below.
- For example, taking Unitary 1 from Option A as an example. It features two of the county's districts i.e. Fenland and Huntingdonshire. Therefore, the NRE for Children, Education and Families has been apportioned to Unitary 1 based on the % of U17s in those two district areas relative to the county as a whole.

Allocation basis	
Net revenue expenditure (NRE)	
Children, Education and Families	% of population aged Under 17
Adults, Health and Commissioning	% of population aged Plus 65
Place and sustainability	Area (km2)
Finance and Resources	Households
Strategy and Partnerships	Households
Capital financing	Households
Income	
Business rates	% of district business rates
Council tax	% of Band D equivalent properties
RSG	% of NRE
Unringfenced grants	Households
Fair funding formula adjustment	% of NRE

- The same process has been replicated for each of the NRE and income elements shown. Therefore, continuing the example from above, the income and NRE for Option A's Unitary 1 will be the collective income and NRE for Peterborough, Fenland and Huntingdonshire along with the apportioned element from the county.



4

Option A-D baselines





Option A-D baselines

- The following analysis seeks to compare the As-Is baseline position for residents across each of the Cambridgeshire districts and Peterborough to those which result from them being consolidated into the various unitary options.
- The As-Is position is per the table in slide 14 and the new unitary positions are derived from the process described in slide 15.
- The analysis does not take account of growth prospects or the balance sheet strength of each new unitary, nor does it take account of the potential savings and transition costs that the restructuring will generate.
- Hence, it should not be considered as a definitive appraisal of the relative financial attractiveness of each option going forward.
- It is intended as an appraisal of how the baseline financial pressure, that would ultimately fall on council taxpayers, moves as a result of LGR under each of the options.



Option A :U1 – Peterborough, Fenland, Huntingdonshire; U2 – East Cambridgeshire, South Cambridgeshire, Cambridge City

Option A

Budget surplus/(deficit)	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1	(29,411)	(40,869)	(58,930)	(72,042)	(84,324)
Unitary 2	15,072	16,460	8,970	(1,205)	(19,497)
Total	(14,339)	(24,409)	(49,960)	(73,247)	(103,820)

- There is an imbalance across the county between where income is generated and cost pressures sit which the Fair Funding Review is seeking to respond to. In the absence of this, Option A would appear most financially attractive to East Cambridgeshire from a baseline, starting position.

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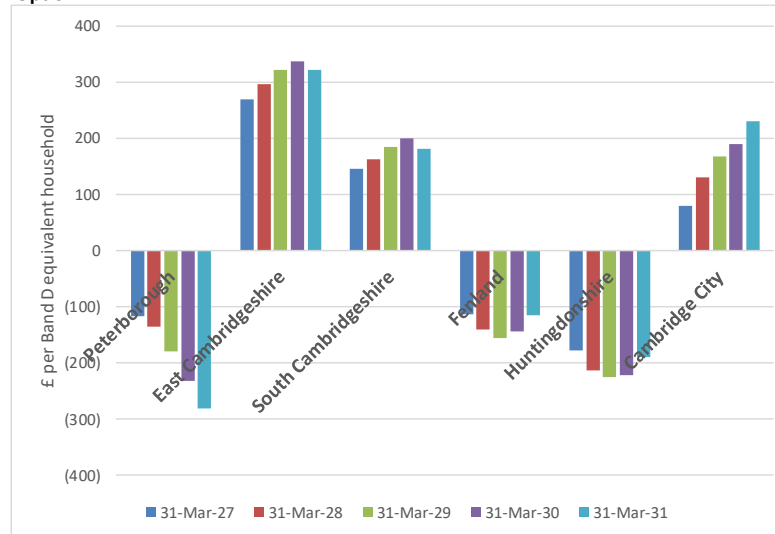
Budget surplus/(deficit) per Band D taxpayer (£)

	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1					
Peterborough	(181)	(249)	(355)	(430)	(498)
Fenland	(181)	(249)	(355)	(430)	(498)
Huntingdonshire	(181)	(249)	(355)	(430)	(498)
Unitary 2					
East Cambridgeshire	101	109	59	(8)	(125)
South Cambridgeshire	101	109	59	(8)	(125)
Cambridge City	101	109	59	(8)	(125)

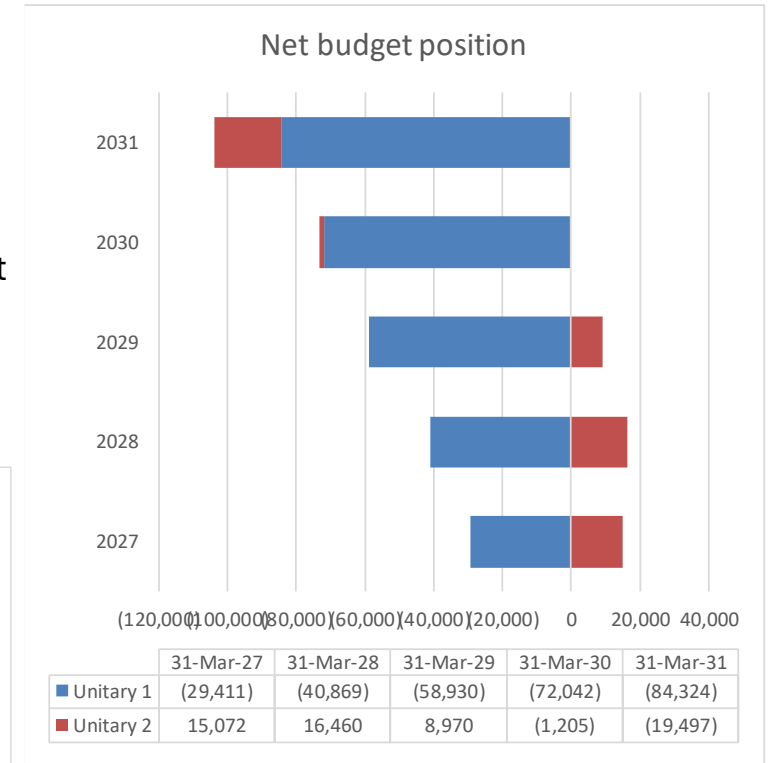
Difference to As-Is

	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Peterborough	(116)	(135)	(179)	(232)	(281)
East Cambridgeshire	270	297	322	338	323
South Cambridgeshire	146	163	184	201	181
Fenland	(113)	(141)	(155)	(144)	(116)
Huntingdonshire	(178)	(214)	(226)	(221)	(189)
Cambridge City	79	131	168	190	230

Option A



Net budget position



Total (14,339) (24,409) (49,960) (73,247) (103,820)



Option B :U1 – Peterborough, Fenland, Huntingdonshire, East Cambridgeshire; U2 – South Cambridgeshire, Cambridge City

Option B

Budget surplus/(deficit)	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1	(45,880)	(58,270)	(79,291)	(96,183)	(112,000)
Unitary 2	31,541	33,860	29,331	22,936	8,180
Total	(14,339)	(24,409)	(49,960)	(73,247)	(103,820)

- The range in disparity is at its greatest under Option B, where Unitary 2 excludes both of the two most financially challenged districts and puts all but the two least financially challenged councils at a worse starting position.

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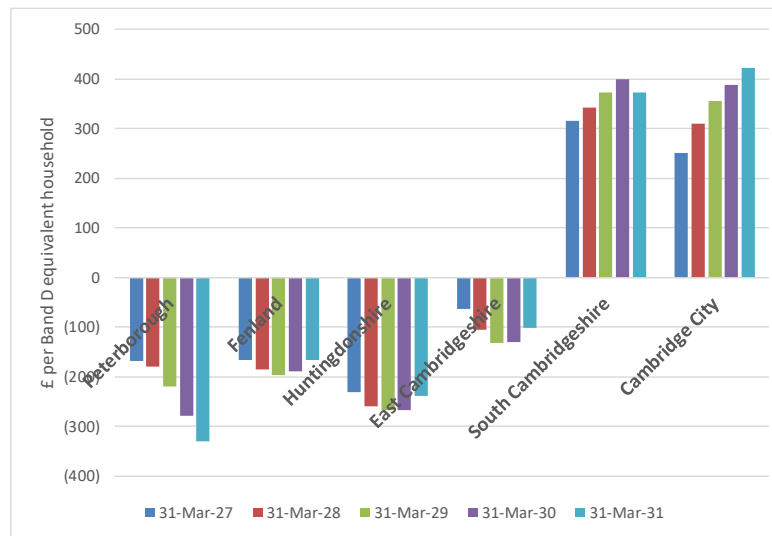
Budget surplus/(deficit) per Band D taxpayer (£)

	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1					
Peterborough	(234)	(294)	(396)	(476)	(549)
Fenland	(234)	(294)	(396)	(476)	(549)
Huntingdonshire	(234)	(294)	(396)	(476)	(549)
East Cambridgeshire	(234)	(294)	(396)	(476)	(549)
Unitary 2					
South Cambridgeshire	271	288	247	192	68
Cambridge City	271	288	247	192	68

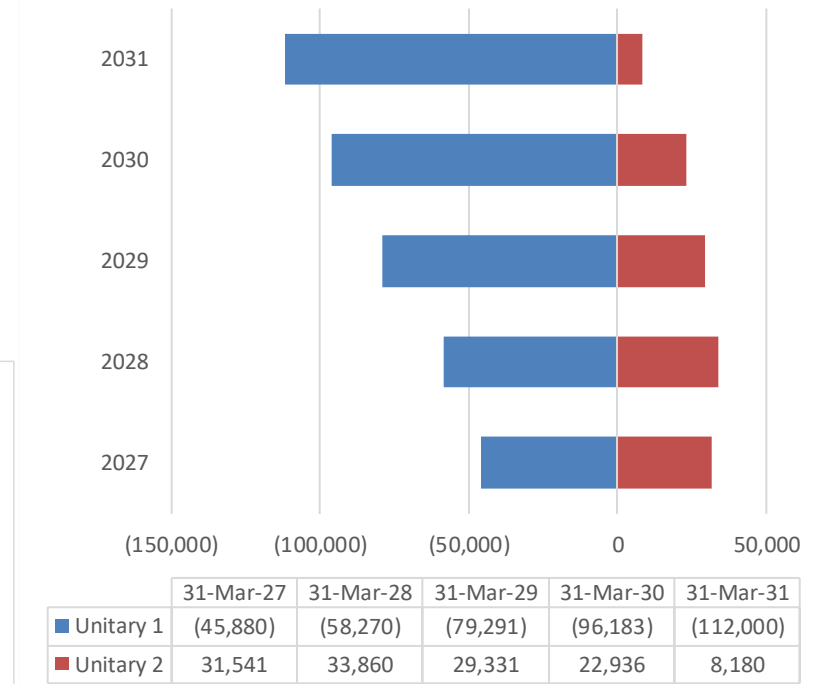
Difference to As-Is

	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Peterborough	(169)	(180)	(220)	(278)	(331)
Fenland	(166)	(186)	(196)	(190)	(166)
Huntingdonshire	(231)	(259)	(267)	(267)	(240)
East Cambridgeshire	(64)	(106)	(133)	(130)	(101)
South Cambridgeshire	317	343	373	400	374
Cambridge City	250	310	357	389	423

Option B



Net budget position



Option C

:U1 – Peterborough, Fenland, East Cambridgeshire; U2 –South Cambridgeshire, Cambridge City, Huntingdonshire

Option C

Budget surplus/(deficit)	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1	(38,920)	(46,003)	(57,785)	(68,200)	(77,349)
Unitary 2	24,581	21,594	7,825	(5,047)	(26,471)
Total	(14,339)	(24,409)	(49,960)	(73,247)	(103,820)

- Option C has a similar in-balance to Option A i.e. not as extreme as Option B, but Huntingdonshire replaces East Cambridgeshire as the beneficiary by being paired with Cambridge City and South Cambridgeshire.

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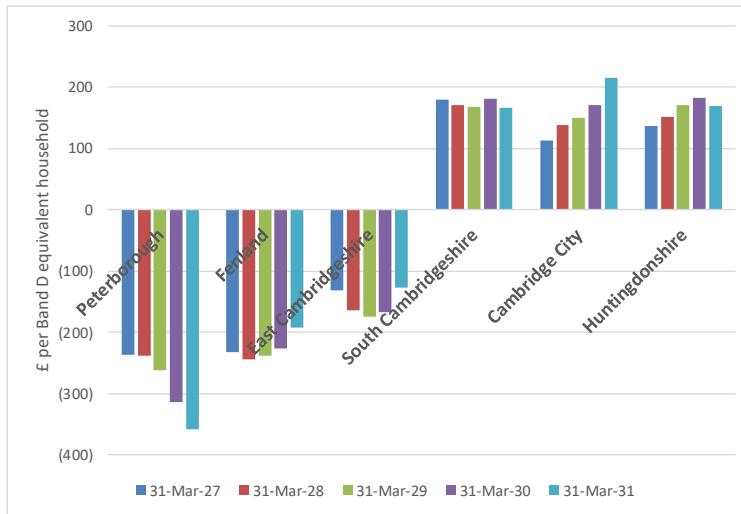
Budget surplus/(deficit) per Band D taxpayer (£)

	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1					
Peterborough	(301)	(352)	(438)	(512)	(575)
Fenland	(301)	(352)	(438)	(512)	(575)
East Cambridgeshire	(301)	(352)	(438)	(512)	(575)
Unitary 2					
South Cambridgeshire	134	117	42	(27)	(139)
Cambridge City	134	117	42	(27)	(139)
Huntingdonshire	134	117	42	(27)	(139)

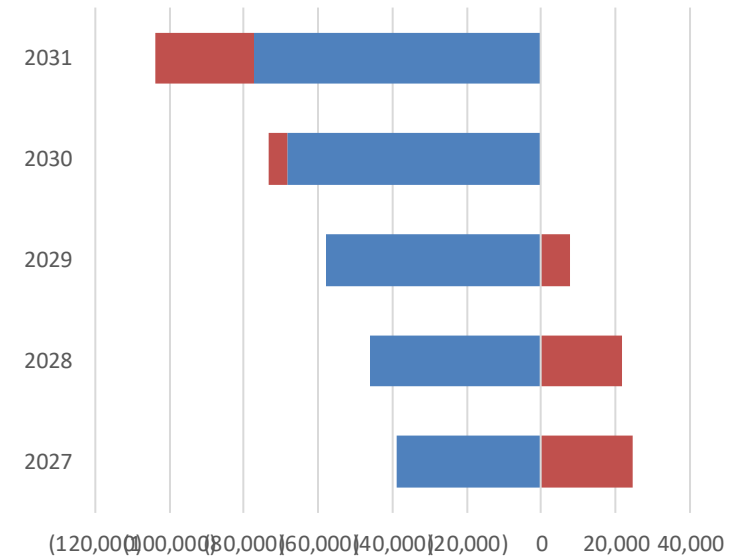
Difference to As-Is

	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Peterborough	(236)	(238)	(262)	(314)	(357)
Fenland	(233)	(244)	(238)	(226)	(192)
East Cambridgeshire	(131)	(164)	(175)	(167)	(127)
South Cambridgeshire	180	171	167	182	167
Cambridge City	113	139	151	171	216
Huntingdonshire	137	152	171	182	170

Option C



Net budget position



	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1	(38,920)	(46,003)	(57,785)	(68,200)	(77,349)
Unitary 2	24,581	21,594	7,825	(5,047)	(26,471)

Total (14,339) (24,409) (49,960) (73,247) (103,820)



Option D

:U1 – Peterborough, Huntingdonshire (partial); U2 - Fenland, East Cambridgeshire, Huntingdonshire (partial); U3 – South Cambridgeshire, Cambridge City

Option D

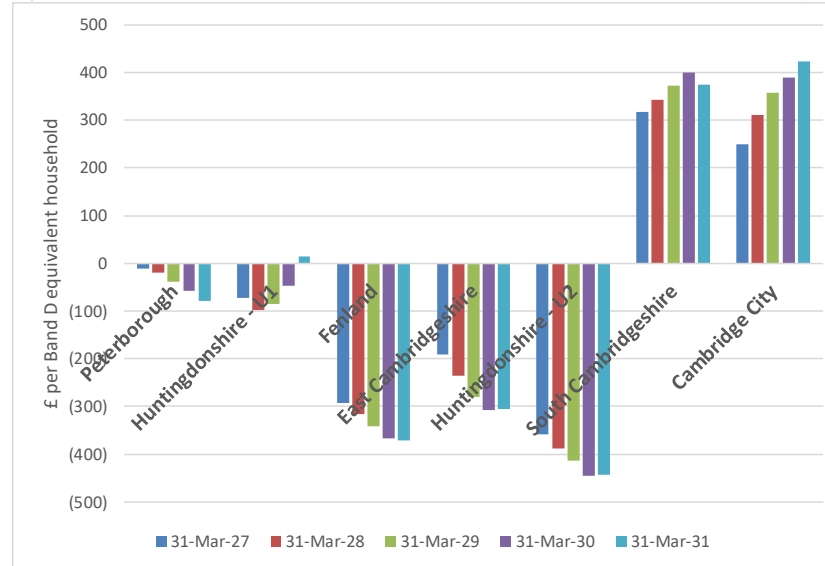
Budget surplus/(deficit)	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1	(6,643)	(11,741)	(19,197)	(23,060)	(26,923)
Unitary 2	(39,238)	(46,529)	(60,094)	(73,123)	(85,077)
Unitary 3	31,541	33,860	29,331	22,936	8,180
Total	(14,339)	(24,409)	(49,960)	(73,247)	(103,820)

- Option D splits the deficit range in Option B across two unitaries, such that it would be a relatively better starting position for Peterborough and the relevant half of Huntingdonshire* compared to Option A but a deterioration for those in Unitary 2 i.e. Fenland, East Cambridgeshire and the other half of Huntingdonshire.

Budget surplus/(deficit) per Band D taxpayer (£)

	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1					
Peterborough	(76)	(133)	(215)	(256)	(295)
Huntingdonshire - U1	(76)	(133)	(215)	(256)	(295)
Unitary 2					
Fenland	(361)	(424)	(542)	(653)	(753)
East Cambridgeshire	(361)	(424)	(542)	(653)	(753)
Huntingdonshire - U2	(361)	(424)	(542)	(653)	(753)
Unitary 3					
South Cambridgeshire	271	288	247	192	68
Cambridge City	271	288	247	192	68
Difference to As-Is					
	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Peterborough	(11)	(19)	(39)	(58)	(78)
Huntingdonshire - U1	(73)	(98)	(85)	(47)	14
Fenland	(293)	(316)	(342)	(367)	(370)
East Cambridgeshire	(192)	(236)	(279)	(308)	(305)
Huntingdonshire - U2	(358)	(389)	(413)	(444)	(444)
South Cambridgeshire	317	343	373	400	374
Cambridge City	250	310	357	389	423

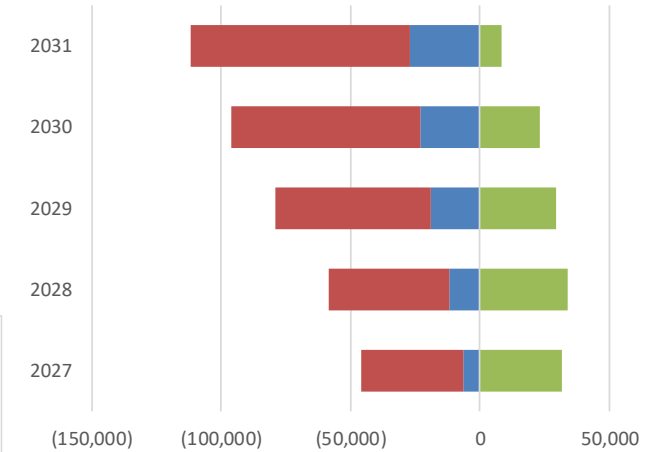
Option D



* Disaggregated on the basis of population

Huntingdonshire - U1	65,378	36%
Huntingdonshire - U2	114,294	64%
Total	179,672	

Net budget position



	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1	(6,643)	(11,741)	(19,197)	(23,060)	(26,923)
Unitary 2	(39,238)	(46,529)	(60,094)	(73,123)	(85,077)
Unitary 3	31,541	33,860	29,331	22,936	8,180

Total (14,339) (24,409) (49,960) (73,247) (103,820)

5

Savings and transition costs





Savings and transitions costs

Summary

In the slide overleaf, we have set out, for each option, the projected impact of the saving opportunities we have assessed relative to the costs of setting up the new councils and generating those savings. The intention from the LGR process is that the recurring savings will payback the upfront transition costs and the shorter the period this occurs over, the more financially attractive each option is. Hence, our assessment of each option considers the period over which costs are recovered i.e. the payback period.

It is important to note that whatever savings are ultimately generated from LGR, they are unlikely to be sufficient to mitigate against the structural funding issues in local government and the cost pressures that aspects of provision in children, adult and housing in particular, are presenting. This will mean a continual need for efficiencies and savings across the new councils, irrespective of the chosen option.

Despite variances in the scale of the projected savings across each of the unitary councils, the overall value of recurring net savings is broadly similar across Options A-C at between c. £6.6m - £7m* per annum. The savings are halved by pursuing Option D, as a result of reduced scale and the additional staffing costs required. The size of Unitary 2 in Option B and Unitary 2 and Unitary 3 in Option D mean that the savings are insufficient to recover the transition costs over the five-year measurement period. A payback is achievable by Unitary 1 in Option D assuming that the existing city council takes on the expanded footprint without the need for additional management resources and or investment in systems, thus reducing the level of transition costs. Further detail about the assumptions underpinning these results can be found in Appendix 1.

One of the potential transition costs that the above commentary excludes is the impact of council tax harmonisation. As a result of each council area having different council tax rates, these have to be harmonised for residents within their respective new unitary areas within a defined period. There are different approaches to doing this, which can lead to a permanent and significant reduction in council tax income compared to the As-Is position. The preferred approach, financially, to avoid such a loss, is to harmonise rates from day one but this will be a choice for the new councils to decide upon. We have included some further analysis on this issue within Appendix 2.



Savings and transitions costs - continued

- The table below shows that the overall level of savings for Options A-C are similar. The staff savings potential is highest in Option B but skewed towards Unitary 1 and offset by the lowest level of potential third party spend savings across the four options. The bringing together of four districts in Unitary 1 under Option B creates the counter effect of creating a two district Unitary 2 but layering in a similar senior management cost base as Unitary 1.
- There is a similar but reduced effect in Option A, as the county unitary (Unitary 2) has three rather than two legacy districts which means the savings potential is greater.
- Under Option C, the county unitary effectively swaps Huntingdonshire with East Cambridgeshire when comparing with Option A and this results in more balance in the savings share when compared to Option A as a result of Unitary 2 in Option C being significantly bigger than Unitary 2 under Option A.

Option	Option A			Option B			Option C			Option D			
	U1	U2	Total	U1	U2	Total	U1	U2	Total	U1	U2	U3	Total
Recurring net savings at Y5 (£'000s)	5,094	1,567	6,661	6,216	422	6,638	3,804	3,181	6,985	1,474	1,113	441	3,028
Saving share	76%	24%	100%	94%	6%	100%	54%	46%	100%	49%	37%	15%	100%
Share of regional council tax base	52%	48%	100%	63%	37%	100%	41%	59%	100%	28%	35%	37%	100%
Payback (years)	3	3		3	n/a		3	3		4	n/a	n/a	
Contribution to Y5 budget surplus/(deficit)	6%	5%		5%	n/a		5%	8%		5%	n/a	19%	

- In terms of the transition costs, it is how these are shared rather than the overall quantum which differs across Option A-C. The transition costs are higher under Option D as a result of certain elements occurring three times rather than two such as job evaluations, programme management, shadow councils etc.
- The LGR timetable will mean running with a shadow council for a year prior to the new councils being established and there will also be a closedown period involving a certain amount of double running once the new councils are operational.
- Across Options A-C, the non-staff related transition costs represent about 70% of the total with this being nearer 90% under Option D.
- For the purposes of this exercise, the non-staff related transition costs have been allocated by share of overall council tax base with the staff related costs allocated in proportion to the savings they deliver.

6

Other alignment issues





Other alignment observations

- There are operational features of each council which need considering as part of the financial option appraisal and will need to be properly assessed as part of the detailed proposal to MHCLG.
- The following are examples, rather than an exhaustive list, of the type of issues and commercial arrangements that will need to be considered, particularly from a cost and resourcing perspective.
- For example, HDC has an existing shared service arrangement covering ICT, building control, legal, CCTV services and home improvement agency with South Cambridgeshire and Cambridge City. This is something that could be capitalised on under Option C but which would present disaggregation work under the other options albeit that we understand appropriate severance agreements are already in place in anticipation of LGR and this type of issue occurring. Similarly, the shared Revenue and Benefits service between Fenland and East Cambridgeshire potentially counts against Option A, relative to Option C where they would remain together.

From a county council perspective, it has significant shared service arrangements with unitary councils outside of the region which will potentially present complex disaggregation issues. It has companies that are economically active in some districts and not others. For example, it's development company, This Land Ltd, is active in Huntingdonshire, Cambridge City, East Cambridgeshire and South Cambridgeshire. It has a district heat company operating in East Cambridgeshire.

- It has not been possible to assess the transition cost implications of these arrangements, but these are factors that can be given some qualitative consideration as part of the option appraisal being undertaken at this point in time.
- The experience of other areas that have previously been through an LGR process is that the costs of addressing these type of issues and the overall costs of transition tend to exceed initial business case estimates.



7

Overall conclusions





Overall conclusions

Regional perspective

- In terms of baseline strength, Option A would appear to achieve a slightly more balanced position than Option C from a regional perspective, albeit an endemic mismatch between where income is generated and where cost pressures sit would still prevail across the two unitary areas. This is something that the Fair Funding Review and any new local government funding mechanism would need to respond to.
- In the absence of the Fair Funding Review, Option B is likely to create two unitary councils that are too financially diverse, with analysis suggesting this is moderated, rather than addressed, by the review. Option D, irrespective of the review, would appear to create one council that would have considerably more financial pressures than the others.

Local perspective

From a local perspective, Option C would appear to be the most favourable. The assessment of payback potential suggests there is unlikely to be a material difference for the two council combinations under either Option A or Option C, but Option C does produce a stronger baseline position than under Option A.

The same applies for Option B in that it creates one unitary that appears too small to produce the savings that would be necessary to cover the transition costs within the five-year assessment window.

- The council tax harmonisation implications should be borne in mind, even though the harmonisation strategy will be for new councils to determine. If a decision is taken to harmonise on day 1, then Option A would see a minor reduction for Huntingdonshire taxpayers on the rate increase that would otherwise be paid whereas Option C would require a minor enhancement of the increase.



A

Appendices



A1

Savings and transition cost



Appendix 1 – approach to calculating savings and transition costs

- The following provides a summary insight to the approach taken to calculating savings and transition costs and the key assumptions and values relied upon.

Approach to estimating savings

The following elements make up the savings calculation:

Management costs

The published list of roles earning more than £50k in each council were relied upon. An on-cost assumption of 25% was applied to the salary rates. The roles were categorised into four seniority levels e.g. level 1 would be a chief executive, level 2 would be a senior leadership team member, level 3 would be a service director or head of service, level 4 would be assigned to the remaining roles. For each unitary combination, the role lists from the legacy councils were aggregated and where duplicated roles existed at level 1-2, one of the roles was removed, where similar or duplicated roles existed at level 3, a reduction in role numbers may have been applied dependent upon the size of the unitary. No changes were made at level 4. Adjustments were also made to account for the size of each unitary and the disaggregation of legacy county level resource into both a unitary featuring legacy city council roles and an adjoining unitary (ies) featuring smaller tier 1 services.

Member allowances

The current cost of Members was taken from the '24/25 accounts of each of the councils. An average ward density, based on unitary councils across the country, was calculated from Local Government Boundary Commission data and used to determine an estimate of the number of councillors likely to be required in the new unitaries. The average cost of allowances per councillors taken from eleven of the most recent county unitary reorganisations was applied to this number to produce an estimate of the likely members budget required for the shortlisted unitary council combinations.

Third party spend

The third party spend of all councils for '24/25 was identified and analysed in terms of common areas of spend and common suppliers. This identified energy, ICT, external audit, FM, leisure, insurance, recruitment, postal and couriers as areas offering high potential for savings from consolidation. A 5% saving was assumed for spend where 3 or more councils shared a common supplier in these categories. The exception being for external audit where an average audit fee of £700k was assumed for each new unitary with the saving being the difference between that and the amalgamated fees for the current councils.

Approach to estimating transition costs

The following elements were provided for in transition costs:

Redundancy, retirement and recruitment

An average age, length of tenure and statutory redundancy terms were applied to the reduction in staff cost assumed in the savings figures. The average age and tenure assumption was based on data in the people strategy documents produced by Cambridgeshire County Council and Cambridge City Council. An assumption was made about the proportion of redundancies who would be eligible for pension access (13%) based upon age profiles and who would therefore produce a pension strain. A pension strain cost factor of 10 was applied with the salary costs reduced by 25% to adjust for average career earnings with time spent in the LGPS assumed at 25 years. A provision has been made for recruitment at 20% of salary cost where additional resource has been assumed as per Management costs savings narrative.

Other costs

A provision of c.£11m has been made for the following elements based on more detailed work we have previously done elsewhere and the assessments made by other areas in their Initial Plan submissions to MHCLG in March: Job Evaluation, Transitional Programme Resources, ICT, Public Consultation, Shadow Council, Induction, Closedown. The provision excludes the cost of service reconfigurations which would be material but for which we have also excluded the savings potential. It would be expected that those changes are subject to a business case process that would determine paypack metrics. A contingency of c. 10% has also been included. There are elements of the aforementioned costs which would be materially greater under Option D e.g. ICT, Job Evaluation and Transitional Programme Resources. An additional c.£3.5m has been assumed for this.



A2

Council tax harmonisation



Appendix 2 - council tax harmonisation

- Under LGR, the legacy council tax rates need harmonising. The table shows the loss of income that arises under each option based on harmonising at the highest pre-LGR prevailing rate, the average and the lowest. It assumes that rates do not increase beyond the 4.99% referendum limit. The loss of income arises as a result of holding back the prevailing rate in a legacy district to allow others to catch up. The alternative is to adjust rates a day 1 to avoid the loss of income. This will mean that residents in certain legacy districts will receive rate increases above 4.99% in the first year while others rates will go up by less than 4.99% or may even go down. The table on the next page sets out the position.

Council tax harmonisation										
		Harmonise to:								
		Highest rate			Lowest rate			Average rate		
		Years to harmonise	Income loss (£'000s)		Years to harmonise	Income loss (£'000s)		Years to harmonise	Income loss (£'000s)	
			5 years	10 years		5 years	10 years		5 years	10 years
Option A	Unitary 1	4	83,925	280,690	1	89,354	206,218	3	130,776	304,500
	Unitary 2	2	35,070	90,912	1	40,217	92,817	2	70,258	178,367
			118,995	371,602		129,571	299,035		201,034	482,867
Option B	Unitary 1	4	100,703	339,427	1	109,102	251,795	3	157,610	428,818
	Unitary 2	2	34,614	89,728	1	16,729	38,609	2	55,230	140,401
			135,317	429,155		125,831	290,404		212,840	569,219
Option C	Unitary 1	4	60,895	203,612	1	60,738	140,175	2	66,702	163,787
	Unitary 2	2	55,904	60,987	1	23,694	54,683	2	86,057	219,364
			116,799	264,599		84,432	194,858		152,759	383,151
Option D	Unitary 1	3	33,100	96,349	1	17,738	40,938	2	27,692	69,313
	Unitary 2	3	51,464	150,143	1	28,967	66,853	2	54,064	136,008
	Unitary 3	2	34,338	89,032	1	16,566	38,232	2	54,958	139,717
			118,902	335,524		63,271	146,023		136,714	345,038



Appendix 2 - Council tax harmonisation - continued

- The tables below show how much the council tax rate would need to change in each of the legacy areas under LGR to achieve a day 1, harmonised rate. The percentage movement assumes the 4.99% has already been applied. For example, under Option A, residents in Peterborough would experience a rise of over 10% in council tax in their first year, with the rate for residents in the ex-Fenland district being less than the previous year.

Option A	
Unitary 1	
Peterborough	5.10%
Fenland	-5.97%
Huntingdonshire	-1.49%
Unitary 2	
East Cambridgeshire	2.37%
South Cambridgeshire	0.55%
Cambridge City	-2.40%

Option B	
Unitary 1	
Peterborough	5.14%
Fenland	-5.93%
Huntingdonshire	-1.45%
East Cambridgeshire	-0.18%
Unitary 2	
South Cambridgeshire	1.22%
Cambridge City	-1.75%

Option C	
Unitary 1	
Peterborough	4.34%
Fenland	-6.65%
East Cambridgeshire	-0.94%
Unitary 2	
South Cambridgeshire	0.59%
Cambridge City	-2.36%
Huntingdonshire	1.11%

Option D	
Unitary 1	
Peterborough	1.86%
Huntingdonshire	-4.53%
Unitary 2	
Fenland	-3.56%
East Cambridgeshire	2.33%
Huntingdonshire	1.03%
Unitary 3	
South Cambridgeshire	1.22%
Cambridge City	-1.75%

A3

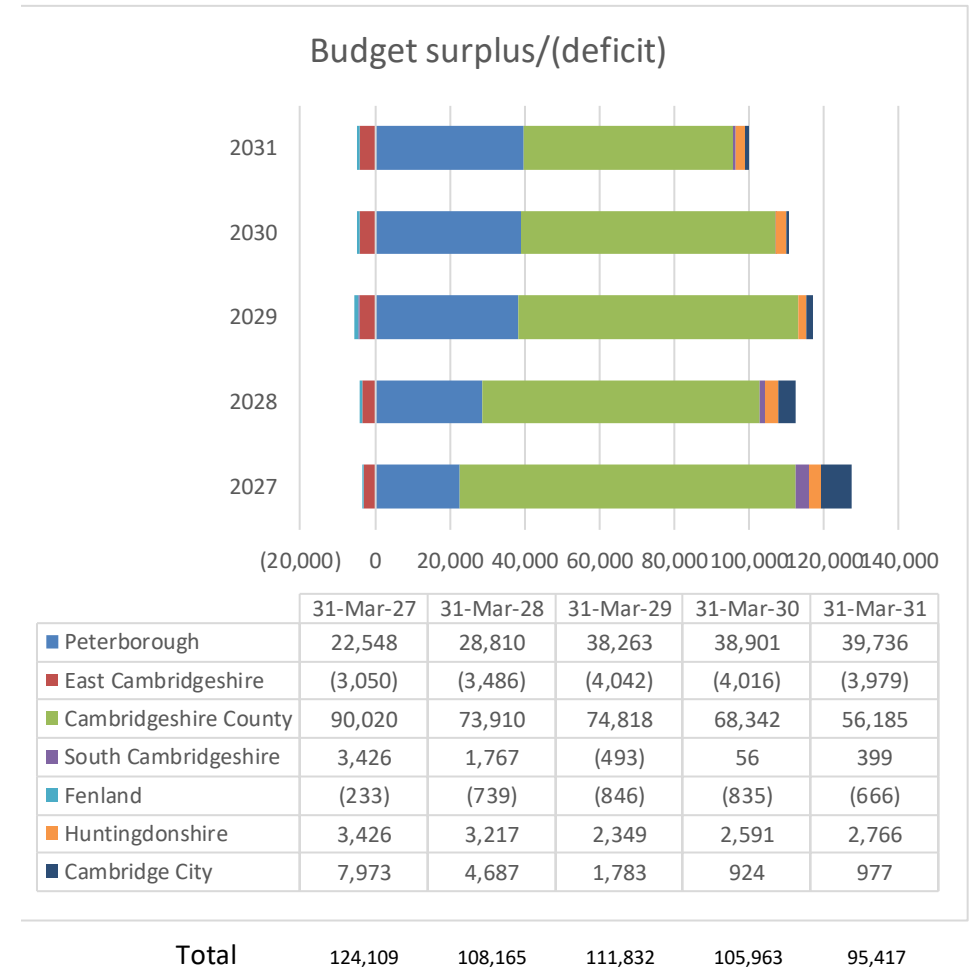
Impact of Fair Funding Review



Appendix 3 – alternative MTFP analysis based on Fair Funding expectations

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- The analysis replicates the baseline MTFP analysis in the main section of the report but adjusts for the latest funding estimates per projections within Pixel Financial Management’s MTFP model. This is based on their understanding of the likely impact of the Fair Funding Review.
- The analysis is somewhat distorted because the values for NRE remain those within the council’s MTFPs that were produced in Q3 2024/25 and published in Q4 2024/25.
- Since that time, it is likely that cost pressures have increased in significant, demand led, services and that the prospect of making the level of savings envisaged within the MTFPs have reduced. Although the position shown in the graph and supporting table has switched from a deficit to a surplus position, it is likely that the reality will be a lower level of surplus shown for the reasons described and that there will also need to be a replenishment of reserves that have fallen below prudent levels.
- Reassuringly, however, the net position, irrespective of absolute value, appears more stable over the five years under consideration compared to the compounding deficit position projected in the analysis within the main report.



Appendix 3 – continued

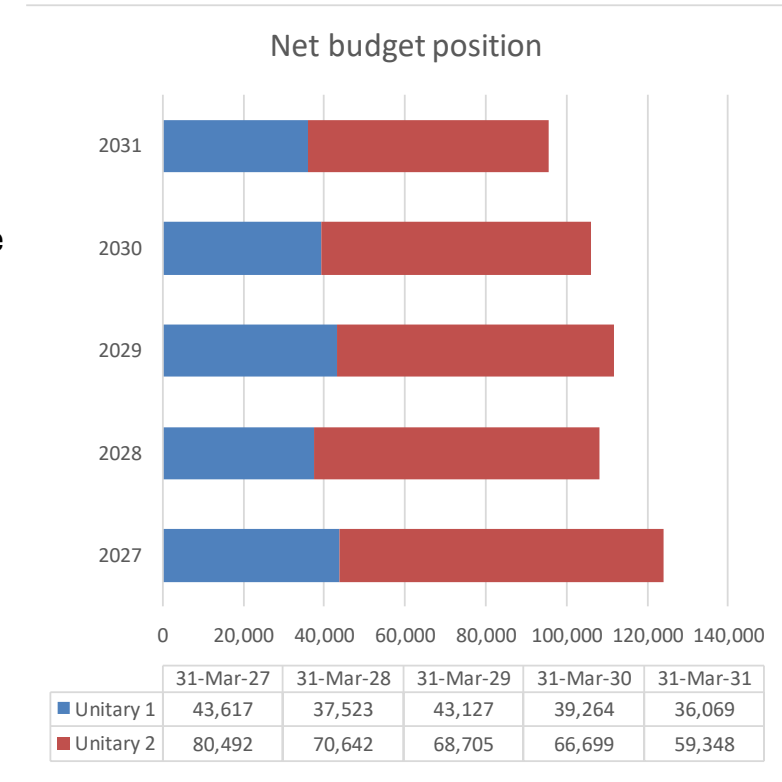
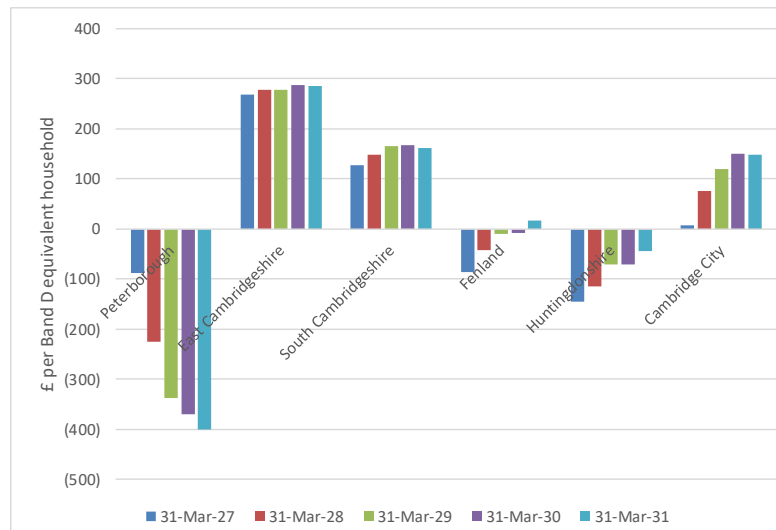
Option A: U1 – Peterborough, Fenland, Huntingdonshire; U2 – East Cambridgeshire, South Cambridgeshire, Cambridge City

Budget surplus/(deficit)	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1	43,617	37,523	43,127	39,264	36,069
Unitary 2	80,492	70,642	68,705	66,699	59,348
Total	124,109	108,165	111,832	105,963	95,417

- Those that experience a positive baseline movement and those that experience a negative baseline movement remains the same as within the main report. The starting differences are similar too, with year on year movements being flatter, aligning to the profile shown in the graph to the right. Peterborough residents are the only ones to experience a declining position compared to the As-Is.

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Budget surplus/(deficit) per Band D taxpayer (£)	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1					
Peterborough	270	231	264	239	219
Fenland	270	231	264	239	219
Huntingdonshire	270	231	264	239	219
Unitary 2					
East Cambridgeshire	540	472	456	441	390
South Cambridgeshire	540	472	456	441	390
Cambridge City	540	472	456	441	390
Difference to As-Is					
Peterborough	(89)	(225)	(338)	(370)	(401)
East Cambridgeshire	268	279	277	288	285
South Cambridgeshire	127	149	165	168	162
Fenland	(86)	(43)	(9)	(7)	17
Huntingdonshire	(145)	(114)	(70)	(71)	(44)
Cambridge City	7	75	120	150	148



Total	124,109	108,165	111,832	105,963	95,417
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Appendix 3 – continued

Option B: U1 – Peterborough, Fenland, Huntingdonshire, East Cambridgeshire; U2 –South Cambridgeshire, Cambridge City

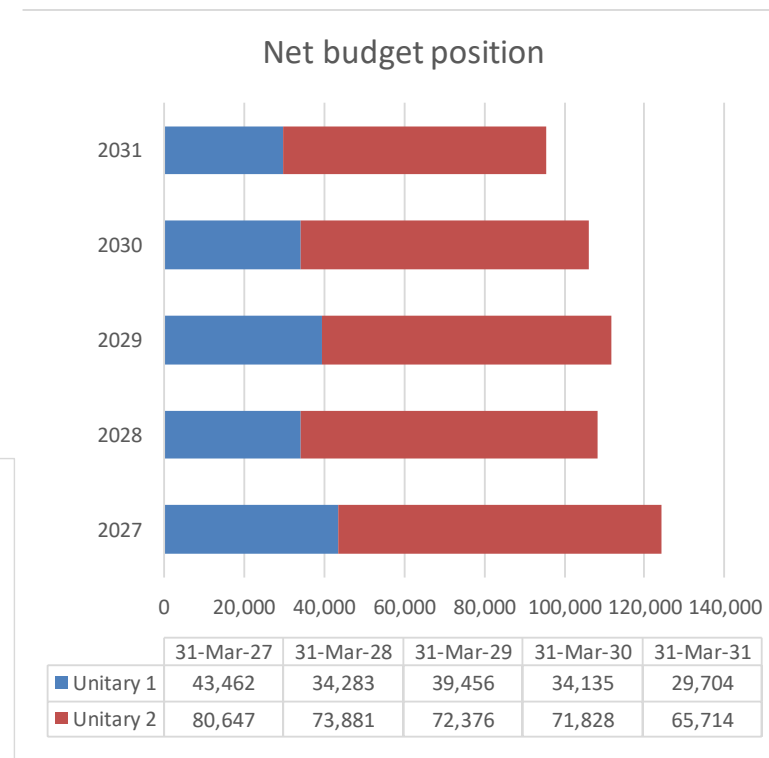
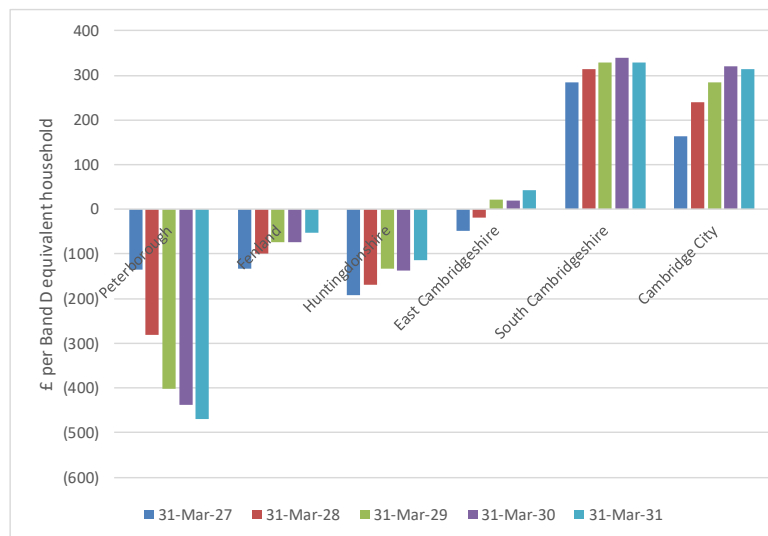
Budget surplus/(deficit)	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1	43,462	34,283	39,456	34,135	29,704
Unitary 2	80,647	73,881	72,376	71,828	65,714
Total	124,109	108,165	111,832	105,963	95,417

- The range in disparity between the two unitaries is lower when compared to the same option in the main report. However, the pattern of all but the two least financially challenged councils being at a worse starting position remains the same.

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Budget surplus/(deficit) per Band D taxpayer (£)	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1					
Peterborough	223	175	200	172	149
Fenland	223	175	200	172	149
Huntingdonshire	223	175	200	172	149
East Cambridgeshire	223	175	200	172	149
Unitary 2					
South Cambridgeshire	697	636	620	612	557
Cambridge City	697	636	620	612	557

Difference to As-Is	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Peterborough	(136)	(281)	(402)	(437)	(470)
Fenland	(133)	(99)	(73)	(74)	(53)
Huntingdonshire	(192)	(170)	(134)	(138)	(114)
East Cambridgeshire	(49)	(18)	21	19	44
South Cambridgeshire	285	314	328	340	329
Cambridge City	164	240	283	321	314



Total **124,109** **108,165** **111,832** **105,963** **95,417**



Appendix 3 – continued

Option C: U1 – Peterborough, Fenland, East Cambridgeshire; U2 – Huntingdonshire, South Cambridgeshire, Cambridge City

Budget surplus/(deficit)	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1	21,242	19,849	28,091	24,919	22,906
Unitary 2	102,867	88,316	83,741	81,044	72,511
Total	124,109	108,165	111,832	105,963	95,417

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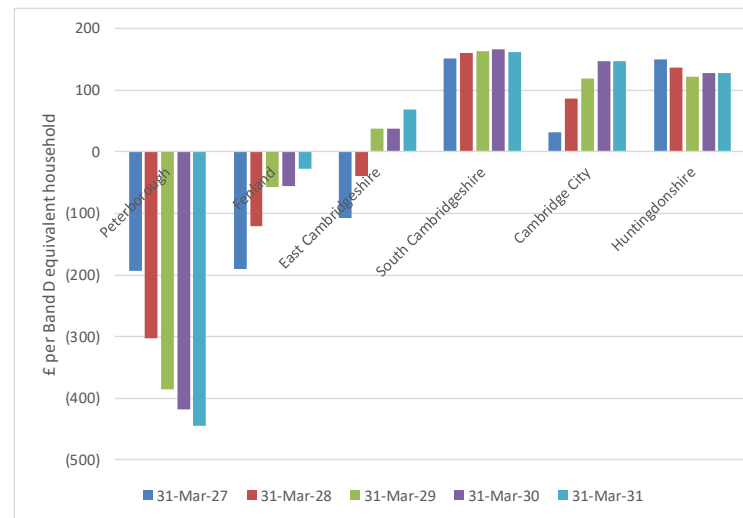
- The pattern is similar to Option A with Huntingdonshire replacing East Cambridgeshire in being paired with the two strongest districts. However, the position is marginally worse for Peterborough and Fenland under this option compared to Option A and it replaces Option B in the main report as the option producing the greatest disparity between the two unitaries.

Budget surplus/(deficit) per Band D taxpayer (£)

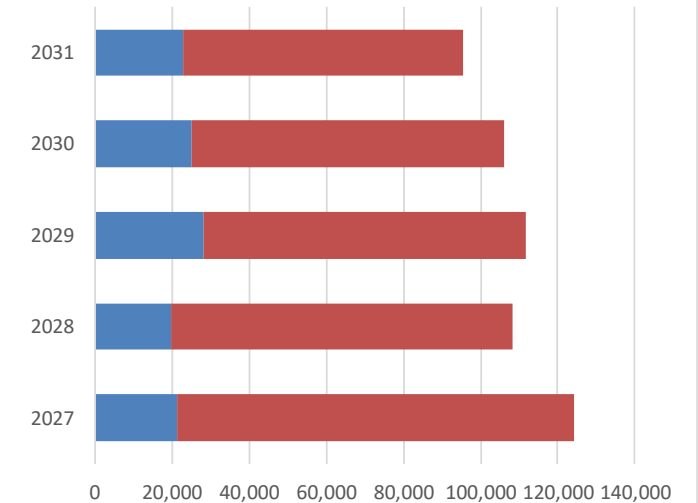
	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1					
Peterborough	165	154	216	191	175
Fenland	165	154	216	191	175
East Cambridgeshire	165	154	216	191	175
Unitary 2					
South Cambridgeshire	565	482	455	438	390
Cambridge City	565	482	455	438	390
Huntingdonshire	565	482	455	438	390

Difference to As-Is

	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Peterborough	(193)	(302)	(386)	(418)	(445)
Fenland	(191)	(120)	(57)	(55)	(27)
East Cambridgeshire	(107)	(39)	37	38	69
South Cambridgeshire	152	160	163	166	162
Cambridge City	31	86	119	147	148
Huntingdonshire	150	138	121	128	127



Net budget position



	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1	21,242	19,849	28,091	24,919	22,906
Unitary 2	102,867	88,316	83,741	81,044	72,511

Total **124,109** **108,165** **111,832** **105,963** **95,417**

Appendix 3 – continued

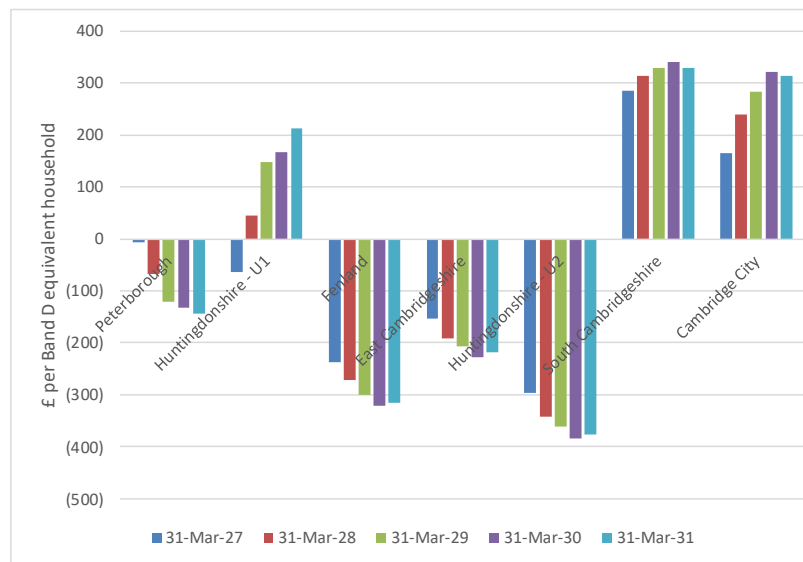
Option D :U1 – Peterborough, Huntingdonshire – U1; U2 – Huntingdonshire – U2, Fenland, East Cambridgeshire; U3 - South Cambridgeshire, Cambridge City

Budget surplus/(deficit)	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1	30,633	34,062	42,399	42,254	42,209
Unitary 2	12,829	222	(2,943)	(8,119)	(12,505)
Unitary 3	80,647	73,881	72,376	71,828	65,714
Total	124,109	108,165	111,832	105,963	95,417

- Mirrors the position in the main report in that this option represents a relatively better starting position for Peterborough and the relevant half of Huntingdonshire* compared to Option A and B but is worse than Option A, B and C for those in Unitary 2 i.e. Fenland, East Cambridgeshire and the other half of Huntingdonshire.

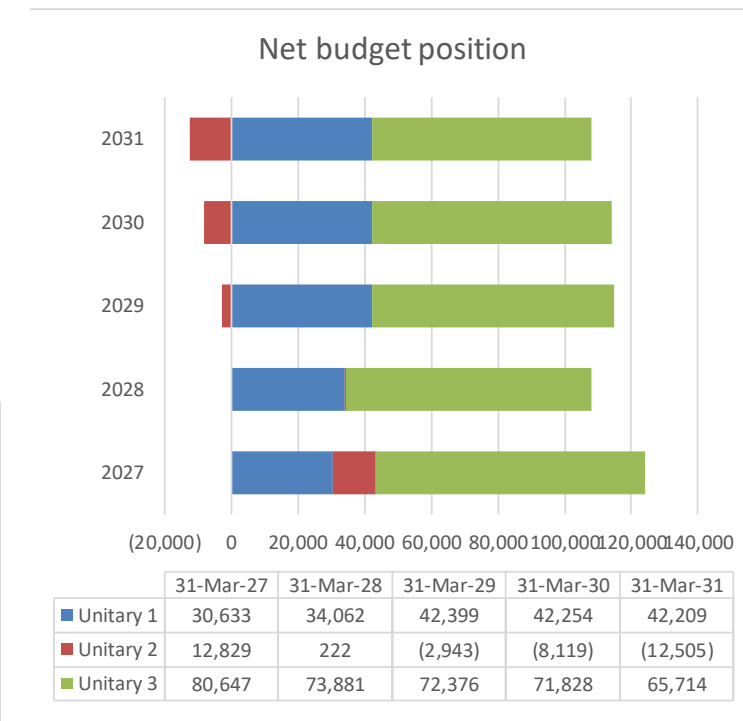
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Budget surplus/(deficit) per Band D taxpayer (£)	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
Unitary 1					
Peterborough	352	389	482	478	475
Huntingdonshire - U1	352	389	482	478	475
Unitary 2					
Fenland	119	2	(27)	(74)	(113)
East Cambridgeshire	119	2	(27)	(74)	(113)
Huntingdonshire - U2	119	2	(27)	(74)	(113)
Unitary 3					
South Cambridgeshire	697	636	620	612	557
Cambridge City	697	636	620	612	557
Difference to As-Is					
Peterborough	(7)	(67)	(120)	(131)	(144)
Huntingdonshire - U1	(63)	44	148	168	212
Fenland	(237)	(272)	(300)	(320)	(315)
East Cambridgeshire	(153)	(191)	(206)	(227)	(219)
Huntingdonshire - U2	(296)	(343)	(361)	(384)	(376)
South Cambridgeshire	285	314	328	340	329
Cambridge City	164	240	283	321	314



* Disaggregated on the basis of population

Huntingdonshire - U1	65,378	36%
Huntingdonshire - U2	114,294	64%
Total	179,672	



Total	124,109	108,165	111,832	105,963	95,417
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Presented by



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LGR Economic analysis – alignment of economic policies against options

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Local Government Reorganisation - Economic analysis

1.1 Introduction

The Cambridgeshire and Peterborough local authorities are working together with the objective of submitting a detailed proposal for Local Government Reorganisation (LGR). To MHCLG by the end of November 2025.

Huntingdonshire District Council (HDC) along with Peterborough City Council (PCC) have appointed Local Partnerships to carry out a separate analysis and give an independent perspective on a short list of options being considered at the regional level.

These options are as follows:

Table 1. LGR Options being considered

Option A	Option B	Option C	Option D
<p><u>Unitary 1</u> Peterborough Fenland Huntingdonshire</p> <p><u>Unitary 2</u> East Cambridgeshire South Cambridgeshire Cambridge City</p>	<p><u>Unitary 1</u> Peterborough Fenland Huntingdonshire East Cambridgeshire</p> <p><u>Unitary 2</u> South Cambridgeshire Cambridge City</p>	<p><u>Unitary 1</u> Peterborough Fenland East Cambridgeshire</p> <p><u>Unitary 2</u> South Cambridgeshire Cambridge City Huntingdonshire</p>	<p><u>Unitary 1</u> Peterborough Huntingdonshire</p> <p><u>Unitary 2</u> Fenland East Cambridgeshire Huntingdonshire</p> <p><u>Unitary 3</u> South Cambridgeshire Cambridge City</p>

The first stage of work was a financial analysis of the four options (Financial Options Appraisal 04 August 2025). This second part of the work is an analysis of the economic implications of the different options, looking at the implications for Huntingdonshire and Peterborough separately, along with the region as a whole.

HDC has asked Local Partnerships to look in detail at the implications of HDC merging with Cambridge and South Cambridgeshire Councils (option C). PCC has asked Local Partnerships to consider the implications of forming a Greater Peterborough Council, with part of Huntingdonshire joining with PCC and part joining with Fenland and East Cambridgeshire Councils (option D). The specific criteria and more detailed questions that each council has asked Local Partnerships to consider are set out in detail below.

1.2 Links between the financial and economic analysis

The financial analysis advocates further investigation of options A and C. It advises caution with respect to option B, given its apparent financial divisiveness and the doubt it raises as to whether a unitary including two districts will deliver sufficient savings to pay back the transition costs over a satisfactory period. The analysis concludes that option D appears unworthy of further analysis, from a financial perspective, given the scale of transition costs relative to the savings in two of the three new councils proposed. The financial analysis acknowledges that finance represents one factor and that this economic analysis will need to be considered before drawing a final conclusion.

Although the economic implications of the options will consider different issues there will be some direct links between finance and economic implications. For example, the financial robustness of different options will impact on each authority's capacity to deliver



economic objectives and to prioritise economic development and growth alongside other services.

1.3 Methodology

We have divided our analysis into four stages

1. Scope the range of policies and strategies that will be used to provide the context for 'economic impact' and test the different options
2. Identify the critical success factors relating to LGR and the delivery of successful economic policies
3. Identify the evaluation criteria that the options will be tested against - to assess whether each option will deliver the critical success factors
4. Evaluate the different options

Section 1 of this report covers the scoping and identification of evaluation criteria (items 1 to 3). Section 2 is the analysis of the different options against the evaluation criteria. Section 3 summarises the analysis for each option.

The scoring could take into account opportunities for service redesign. This is not felt to be appropriate at this stage. Planning for redesign will take place either in the run up to LGR or after vesting, and these opportunities should be considered in the next stage of business case development. It is also understood that councils may be making changes to their organisation in advance of LGR. This has not been taken into account in this analysis.

1.4 Scoping the relevant policies

The first element of this work has been to define the main policy drivers that will be used to assess the LGR options.

We have considered policies at the following levels:

Table 2 - Policies being considered

Level	Policy Type
National	UK Government legislation, policies and strategies
Sub National	Infrastructure investment plans, Sub national plans including national transport plans
CA – Regional	Emerging Growth Plan, State of the Region, Infrastructure Delivery Pipeline, Investment pipeline, sector strategies
Local	Economic development strategies, Local Plans

Whilst the economic policies do reflect a clear direction of travel, the policies have been developed over several years by different organisations. The analysis of the options will therefore largely be based on judgment considering the relevance and status of different policies.

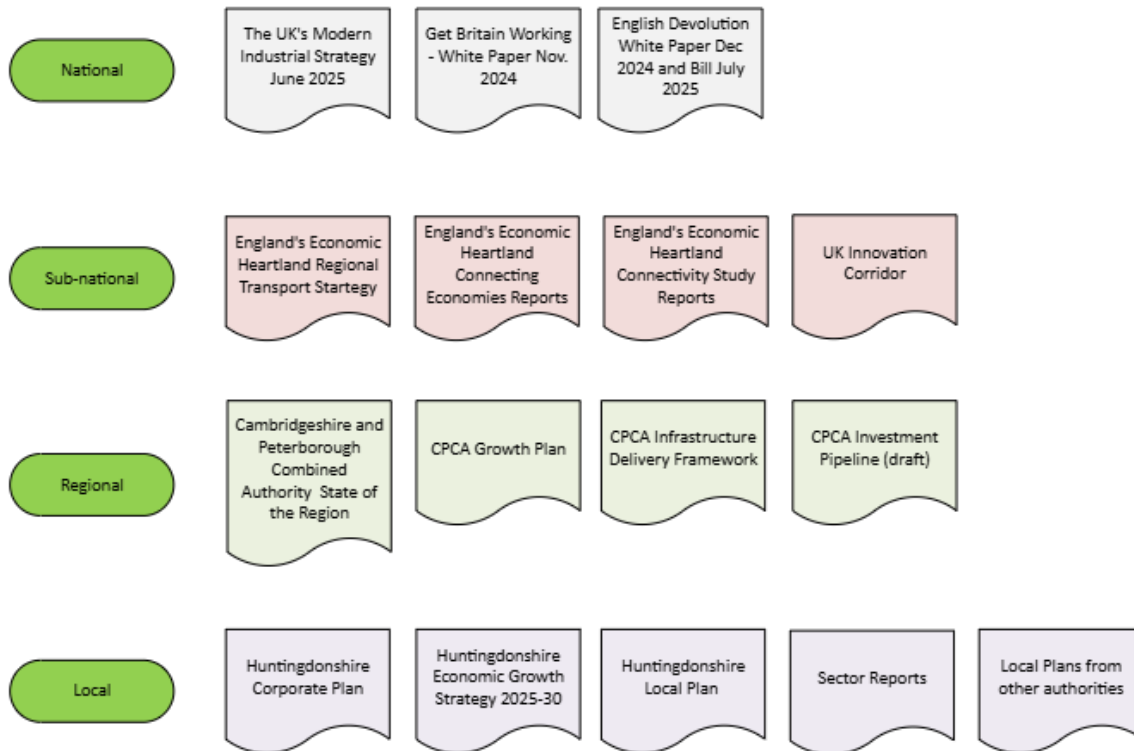
Judgement is also required to balance potentially contradictory elements of our work. There may be difference between what is in the interests of the existing councils and their residents and the best interest of the region as a whole.



1.5 Testing the alignment at the different geographies

Scoping the key policies that the options need to be tested against formed an initial stage of our work. Fig 1 below illustrates the main policy documents that we considered both to identify the assessment criteria and extent of alignment between options and policies.

Fig 1- Policy and delivery context



1.6 Critical Success Factors and Evaluation Criteria

Outlined below are the Critical Success Factors (CSFs) that act as guiding principles in the consideration of emerging options. The CSFs are important individually, but also collectively in terms of assessing economic environment that is created after LGR and the perception that this gives to investors and infrastructure providers. This is relevant at the combined authority level as well as the unitary level. In all instances, investors and funders have choices about what to invest and where to invest. In choosing and developing the preferred option the chance of success is likely to be increased by ensuring that public sector decision making is as clear and simple to access as possible and that it provides as much consistency and certainty after the decision has been made.

The simplicity and consistency can be enabled by the appropriate structures being set up. Delivering success will require a well-planned transition, the development of new organisational cultures and working relationships and a collective understanding by the new unitaries and combined authority of how to prioritise and meet the competing challenges across the region.

To work as an economic area the new structure will need to be capable of creating a brand identity for businesses and investors – one that can also be used to lobby and



influence. This needs to be aligned to a more granular local identity, reflecting the rural and urban characteristics that are recognised by the local residents and communities.

Any option will need to:

- represent a functioning economic geography (based on the most up to date and authoritative data sources available)
- provide opportunities to maintain and optimise current and future growth potential
- be deliverable based on the collective risk appetite of all partners and the ability to balance existing accountabilities alongside implementation of LGR
- provide opportunities to increase the credibility and reputation with HM Government and national stakeholders and further influence long-term infrastructure planning and funding (via the MCA, Sub-national Transport Body and working directly with national infrastructure partners)
- ensure broad parity for all parties with no undue or significant economic advantage or disadvantage for any part of the area
- enable agreement on a shared economic vision for the area by building on existing cross-LA collaboration
- represent a publicly identifiable arrangement
- represent a solution which is acceptable politically.

In an analysis of this kind, it is easy to define objectives in terms of the of larger authorities or higher profile national policy positions. This could easily underplay the unique advantages that Huntingdonshire could leave as a legacy to the new authorities and combined authority. Any successful option should also:

- take advantage of the strong legacy that Huntingdonshire will leave, in terms of its clear and robust economic vision, its leadership role and ability to deliver a complementary offer contributing to the region’s economic ambition.

Table 3 – Evaluation criteria

Test area	Evaluation criteria – what will be measured
Overall economic growth and regeneration	<ul style="list-style-type: none"> • Option supports / maximises national growth ambition for the region • Option supports the subregional growth ambitions of existing councils • Option supports specific economic growth policies (i.e. Oxford Cambridge Corridor) • Balance of economic and housing opportunities within each area • Economic growth provides opportunity to reduce social – economic imbalance
Sector specific strategies	<ul style="list-style-type: none"> • Option aligns with the national sector strategies and clusters (e.g. Life science, medical science and defence) • Option aligns with strengths of different sub-economic areas
Transport policy other infrastructure	<ul style="list-style-type: none"> • Influence of transport strategy and funding (via MCA EEH and DfT) • Priorities that can align with Regional / sub national priorities. • Option aligns with planning areas adopted by other national infrastructure providers (Network Rail, Highways England, Water etc)
Delivery / implementation	<ul style="list-style-type: none"> • Option area aligns with operating area of a delivery vehicle/mechanism • Option provides necessary capacity and capability to prioritise economic growth alongside other high priority services • Option provides opportunity to reduce fragmentation of services (geographically and hierarchically) • Balanced housing and economic opportunities within authority area • Capacity of new councils to deliver efficient planning service • Extent of reduced fragmentation of planning for housing and infrastructure • Alignment with housing market areas and delivery mechanisms
Efficient movement / commuting	<p><i>Note: Drawing out specific elements for Huntingdonshire</i></p> <ul style="list-style-type: none"> • Option aligns with travel to work areas • Infrastructure aligns with movement patterns



Test area	Evaluation criteria – what will be measured
patterns supporting growth	<ul style="list-style-type: none"> Infrastructure and travel to work areas align with economic growth objectives and spatial strategies
Supports Peterborough City Centre regeneration and optimises HE opportunities	<p><i>Note: Drawing out specific elements for Peterborough</i></p> <ul style="list-style-type: none"> Ability to deliver / support with City Masterplan (emerging) Takes advantage of opportunity provided by Station Quarter Takes advantage of opportunities provided by growing HE sector

1.7 Role of the Combined Authority

Unlike many areas currently undergoing LGR, the Cambridgeshire and Peterborough area has an existing Mayoral Combined Authority. The authority’s area is underpinned and justified because it already represents a logical and functioning economic geography. As an organisation the Cambridgeshire & Peterborough Combined Authority has a fully operational structure for delivering economic policies across the region.

- It has strategic economic responsibilities, funding, and governance powers already in place.
- It aligns broad regional ambitions through strategies like the Local Industrial Strategy, LTCP, and Shared Ambition.
- It has mechanisms for delivery, including the Business Board and partnerships like the Strategic Place Partnership with Homes England.

All four options will have some disadvantages. The combined authority is in a position to mitigate risks and disadvantages that may be associated with the option that is taken forward.

Whichever option is taken forward, the existing councils should ensure that any conditions that are required to deliver economic and other priorities are reflected in both new council structures, resource plans and relationships with the Combined Authority.

1.8 Summary of Analysis

The table below is a summary table based on the more detailed analysis contained in section 3 of this report. The characteristics of each option were considered against their ability to meet the listed criteria. Five categories were used indicating the degree of alignment to the different category of criteria.

Low	= 1
Low – moderate	= 2
Moderate	= 3
Moderate – high	= 4
High	= 5

Table 5 – Scoring table

Criteria category	Evaluation criteria – what will be considered	Option A	Option B	Option C	Option D
Alignment with economic growth and regeneration ambitions and policies	• Option supports / maximises national growth ambition for the region	4	5	4	5
	• Option supports the subregional growth ambitions of existing councils				
	• Option supports specific economic growth policies (i.e. Oxford Cambridge Corridor)				
	• Balance of economic and housing opportunities within each area				



Criteria category	Evaluation criteria – what will be considered	Option A	Option B	Option C	Option D
	<ul style="list-style-type: none"> Economic growth provides opportunity to reduce social – economic imbalance 				
Sector specific strategies	<ul style="list-style-type: none"> Option aligns with the national sector strategies and clusters (e.g. Life science, medical science and defence) 	4	3	4	2
	<ul style="list-style-type: none"> Option aligns with strengths of different sub-economic areas 				
Transport policy other infrastructure	<ul style="list-style-type: none"> Influence of transport strategy and funding (via MCA EEH and DfT) 	4	4	4	2
	<ul style="list-style-type: none"> Priorities that can align with Regional / sub national priorities. 				
	<ul style="list-style-type: none"> Option aligns with planning areas adopted by other national infrastructure providers (Network Rail, Highways England, Water etc) 				
Delivery / implementation	<ul style="list-style-type: none"> Option aligned with existing local plan areas 	4	4	4	3
	<ul style="list-style-type: none"> Realistic opportunity of delivering housing targets 				
	<ul style="list-style-type: none"> Option area aligns with operating area of a delivery vehicle/mechanism or shared service 				
	<ul style="list-style-type: none"> Option provides necessary capacity and capability to prioritise economic growth alongside other high priority services 				
	<ul style="list-style-type: none"> Option provides opportunity to reduce fragmentation of services (geographically and hierarchically) 				
	<ul style="list-style-type: none"> Ability to develop a strong relationship with CA and Government etc – to influence strategy and funding decisions 				
Score		16	16	16	12
Efficient movement / commuting patterns supporting growth (See table in appendix 3)	<p><i>Note: Drawing out specific elements for Huntingdonshire</i></p> <ul style="list-style-type: none"> Option aligns with travel to work areas Infrastructure aligns with movement patterns Infrastructure and travel to work areas align with economic growth objectives and spatial strategies 	5	4	5	-

1.9 Conclusion

Options A, B and C are similar in terms of scores. At this stage it would be premature to discount any of these options because of this assessment. Option D scores lower and could be discounted at this stage. All options have the CPCA at the regional level and all will require the new councils to work together, developing new relationships and ways of working. All, with the exception of D, can be based on a two core city model with the Huntingdonshire area being a focus for the expansion of these growth areas. All, to some extent, are underpinned by assumptions around housing growth and the success of planning reforms.

Option A's two authorities are both large and capable of taking advantage of different regional economic opportunities. The northern authority could be focused on logistics and developing the area's strong industrial base. It could also take up identified opportunities relating to the defence sector, clean-tech and digital. In turn this would provide opportunities for continuing reduction in inequality ('levelling up') along with broader growth and regeneration.

The southern unitary, focused on Greater Cambridge, would be aligned to national growth policies around the Oxford to Cambridge Supercluster. It would be focused on



high value growth relating to the specialist sectors that are attracted to Cambridge, including life sciences, R and D, digital, AI and cyber.

The likely size and robustness of the two authorities will enable the appropriate de-risking of delivery issues. Whilst infrastructure is a constraint, the constraint applies at the regional level and applied to all options. Option A should provide the authorities with the opportunity to influence both the Combined Authority and other infrastructure providers and funders.

Risks could relate to the northern authority being disconnected from growth associated with the Supercluster and potential fragmentation along the M11 / A14 Innovation Corridor. Whilst all options rely on housing growth, this option relies on a smaller area.

Option A	
Unitary 1	Unitary 2
Growth prospect with clear differentiation. Necessary capacity	Strong growth focus centred on Cambridge. Questionable alignment in East Cambridgeshire

Option B includes two authorities of differing sizes. Both would be in the position to take advantage of their different economic opportunities. The northern authority focusing on similar sectors to Option A but also having to cover the opportunities associated with a larger rural area and smaller towns.

The scale of the northern authority provides the opportunity to counterbalance the globally significant Greater Cambridge and give some weight to dealing with the rural economic challenges.

The southern authority, covering Greater Cambridge, would be significantly smaller but with the opportunities aligned to the Supercluster and the sectors attracted to Cambridge. Prestige and global significance could overcome issues around scale. However there could be risks attached to this balance.

The difference in sectors would be greater compared to option A. On one hand this could be a benefit in terms of differentiation and focus. It could also reduce the growth opportunity and opportunity for 'levelling up' across the region as a whole.

The small size of the southern authority could bring with it the risk that economic growth is not prioritised to the same extent as a larger authority, because of competing high spend and risk service areas in the new council.

This option is reliant on an increase in the pace of housing delivery.

Option B	
Unitary 1	Unitary 2
Large authority with the likely capacity and capability to deal with growth opportunities and 'levelling up' challenge	Focus on growth but risks around delivery capacity

Option C's two authorities are both large with the largest being the southern authority. By including Huntingdonshire, the southern authority is financially stronger compared to



option A. The southern authority would be able to take advantage of the Cambridge opportunities strengthening the Innovation Corridor.

There is a risk that the dominance of the Greater Cambridge growth could overshadow Huntingdonshire focused growth. As an example, under the current HM Treasury methodology, investment in the Huntingdonshire area may not receive the same priority as Greater Cambridge, because of the likely lower benefit cost ratio (BCR) relating to investment values and outputs in the two parts of the new authority. Developing a methodology for prioritising projects across a diverse area would need to be a condition attached to this option and will need to be developed across the combined authority area which ever option is chosen.

The northern authority would not be as financially strong as in option A. There would be greater differentiation between the two authorities with the need of the northern authority to focus on logistical and industrial opportunities to ensure that economic inequalities are reduced. There is the risk that policies are fractured along the north south transport Corridors.

Option C	
Unitary 1	Unitary 2
Core city growth prospects potentially undermined by challenges of the wider area.	Growth prospect supported by complementary Huntingdonshire and Greater Cambridge strengths

Option D includes three small to medium sized authorities. Whilst this option has the ability to be aligned with the economic ambitions and challenges of the area, it is weaker in terms of delivery capacity and alignment with transport and sector policies. The economic positives of this option in part relate to the smaller size of the three authorities and their ability to be more responsive to the granular nature of economic opportunities and challenges to the east of Cambridge and Peterborough. Although the geography of the middle unitary aligns with specific rural and market town issues, the size of the authority and its significance in relationship to the other two, may mean that these issues are not prioritised at the regional level.

Despite policy alignment, there are additional risks relating to the middle authority. It has poor connectivity, relatively low wages and is like to to be affected to a greater extent than other areas by climate change including increasing flood risk.

Although under all options unitaries are created under the 500,000-population size, under option D none of the new authorities get anywhere near the optimum council size suggested by the Government. Whilst this analysis is not only focused on the Government’s criteria for LGR, the optimum size is a reflection on the features of a council that would make it financially robust; and ability to resource the councils’ priorities Experience from past LGR would suggest that three smaller councils would find it more difficult to deliver economic and growth priorities when compared to larger authorities with greater capacity and capability and influence.

A greater number of smaller authorities carries the risk that they will have less influence on prioritising policies and the investment being made by the combined authority, Government or national infrastructure providers.



Option D		
Unitary 1	Unitary 2	Unitary 3
Focus and capacity to deliver growth	Significant issues around connectivity and deprivation without capacity to deliver change	Focus on growth but risks around delivery capacity

2 Detailed analysis against evaluation criteria

2.1 Economic Analysis

The table below sets out the detailed analysis of each option against the evaluation criteria explained above. The assessment is reflected in Table 5 above.

Table 6 – Economic analysis by option

Economic Growth and Regeneration				
Evaluation Criteria	Option A	Option B	Option C	Option D
Option supports / maximises national growth ambition for the region	<p>Cambridge-led unit drives high-tech innovation, research, and knowledge-intensive growth.</p> <p>Northern unitary can focus on housing supply, local employment, and logistics.</p> <p>Risk that growth is focused on global science sector to detriment of others.</p>	<p>Northern unitary large enough to attract investment Cambridge unitary compact but misses East Cambridgeshire Corridor</p> <p>Southern unit (Cambridge + South Cambridgeshire) maximises high-tech and knowledge economy output.</p> <p>Aligns national innovation and regional development ambitions; potential for coordinated transport and infrastructure planning within the Supercluster.</p>	<p>Cambridge Corridor split Fragmented planning; the two unitaries split growth areas, weakening Corridor coherence.</p> <p>Cambridge innovation potential maintained, but northern unitary may struggle to compete nationally; growth benefits risk being uneven.</p>	<p>Dedicated Greater Cambridge authority aligns fully with Cambridge 2040</p> <p>Greater Peterborough supports Levelling Up - Rural unitary ensures inclusive delivery and potential growth across the whole region</p> <p>Separates Cambridge innovation hub, Peterborough/Levelling Up priorities, and rural housing, allowing tailored strategies and targeted investment.</p>
Option supports the subregional growth ambitions of existing council	- Cambridge unitary supports	- Northern unit can drive growth	- Eastern unit can focus on	- Greater Cambridge unit fully

Economic Growth and Regeneration				
Evaluation Criteria	Option A	Option B	Option C	Option D
	Cambridge 2040 and South Cambridgeshire growth ambitions - Peterborough unitary allows focus on local housing & infrastructure targets	across multiple northern councils' plans - Southern unit delivers Cambridge 2040 targets	Peterborough & East Cambridgeshire housing growth - Western unit supports Cambridge and South Cambridgeshire ambitions with Huntingdonshire's sector focus complimenting Greater Cambridge.	aligned with Cambridge 2040 / South Cambridgeshire housing & transport ambitions - Greater Peterborough supports local economic growth and housing targets - Rural unit preserves subregional rural growth plans
Option supports specific economic growth policies (i.e. Oxford Cambridge Corridor)	- Cambridge City + South Cambridgeshire + East Cambridgeshire form a coherent part of the Cambridge hub in the Arc - Northern unit can promote local economic growth in Peterborough, Fenland, and Huntingdonshire	- Northern unit (Peterborough + Huntingdonshire + Fenland + East Cambridgeshire) can coordinate regional logistics, transport, and business investment for Supercluster connectivity - Southern unit (Cambridge City + South Cambridgeshire) focused on high-tech growth	- Eastern unit can support Peterborough + Fenland economic policies - Western unit supports Cambridge City + South Cambridgeshire innovation policies	- Greater Cambridge unit can fully deliver Supercluster science/tech objectives (housing, innovation campuses, transport links) - Greater Peterborough unit strengthens northern logistics, green energy, and business growth - Rural Mid-Cambridgeshire can focus on agriculture, water, and supporting infrastructure
Balance of economic and housing opportunities within the authority area	- Cambridge unit can drive high-value tech, life sciences, and innovation economy while delivering South Cambridgeshire and East Cambridgeshire housing targets - Peterborough unit can focus on local economic development and market town housing	- Northern unit integrates Peterborough, Huntingdonshire, Fenland, and East Cambridgeshire: can plan housing, industrial estates, and transport together - Southern unit focuses on Cambridge hub economic growth and associated housing	- Eastern unit: Peterborough + Fenland + East Cambridgeshire housing growth supported but economic coordination limited - Western unit: Cambridge City + South Cambridgeshire economic growth supported	- Greater Cambridge: concentrated economic growth and housing delivery for Cambridge City + South Cambridgeshire - Greater Peterborough: integrates housing, logistics, and business development - Rural Mid-Cambridgeshire: can manage rural housing and infrastructure, supporting economic spread
Economic growth provides opportunity to reduce social – economic imbalance	- Cambridge unit delivers high-value jobs, housing, and infrastructure - Northern unit (Peterborough, Huntingdonshire, Fenland) can target local employment and regeneration	- Northern unit combines Peterborough + Huntingdonshire + Fenland + East Cambridgeshire: scope for coordinated investment in logistics, skills, and housing to uplift lower-income communities - Southern unit (Cambridge + South Cambridgeshire) generates high-value jobs	- Eastern unit (Peterborough + East Cambridgeshire + Fenland) can support local housing and some employment schemes - Western unit (Cambridge + South Cambridgeshire + Huntingdonshire) delivers high-tech jobs	- Greater Cambridge focuses innovation-driven growth and housing - Greater Peterborough addresses northern urban/rural inequality through integrated housing, transport, and jobs - Rural Mid-Cambridgeshire targets agricultural/rural employment, connectivity, and services



Economic Growth and Regeneration				
Evaluation Criteria	Option A	Option B	Option C	Option D
Verdict	Moderate to high	High	Moderate to high	High

2.2 Sector Strategies

The table below sets out the detailed analysis of each option against the sector evaluation criteria explained above. The assessment is reflected in Table 5 above.

Table 7 - Sector analysis by option

Sector specific strategies (Please refer to sector specific maps extracted from DSIT Innovation Clusters Map and EEH Connecting Economies report – annexed to this report)				
Evaluation Criteria	Option A	Option B	Option C	Option D
Option aligns with the national sector strategies and clusters (e.g. Life science, medical science and defence)	Strong alignment in U2 option with Agriculture, Food Technology, Telecommunications and Artificial Intelligence Sector Clusters	U2 option aligns with Sector Clusters found in Cambridge City and South Cambridgeshire but fails to acknowledge sectoral clusters covering northern local authorities (e.g. via Life Sciences and Net Zero Sector Clusters)	Life Sciences Sector Cluster covers geographies in both U1 and U2 options. Strong alignment in U2 option with Advanced Materials, Advanced Manufacturing, Photonics, Quantum, Medical Technologies, Pharmaceutical and Omics (branch of Biology) Option U2 broadly reflects the Innovate UK boundary of investment across South Cambridgeshire, Cambridge City and Huntingdonshire.	Option U2 does not reflect current sector clusters. U3 aligns with Sector Clusters found in Cambridge City and South Cambridgeshire.

Sector specific strategies (Please refer to sector specific maps extracted from DSIT Innovation Clusters Map and EEH Connecting Economies report – annexed to this report)				
Evaluation Criteria	Option A	Option B	Option C	Option D
Option aligns with strengths of different sub-economic areas	<p>Option U1 acknowledges the connecting economies between Peterborough, Fenland and Huntingdonshire (in particular, the prime sectors of Logistics and Freight, Circular Economy, Agricultural Food and Advanced Physics and Engineering identified by EEH).</p> <p>Option U1 retains integrity of North Huntingdonshire Supercluster/Growth Cluster (focus on Defence)</p> <p>Option U2 does not acknowledge the connecting economies Huntingdonshire has with South Cambridgeshire and Cambridge City</p>	<p>Option U1 reflects the connected economies Peterborough has with Fenland (including the prime sectors of Logistics and Freight and Circular Economy).</p> <p>Option U1 retains integrity of North Huntingdonshire Supercluster/Growth Cluster (focus on Defence)</p> <p>Option U2 aligns with Cambridge and Cambourne connecting economies albeit in a tightly defined geography. Fails to acknowledge South Cambridgeshire and Cambridge City sectoral footprint evident across Huntingdonshire,</p>	<p>Option U1 acknowledges connecting economies between Peterborough, Fenland and East Cambridgeshire (including the prime sectors of Logistics and Freight, Agricultural Food and Circular Economy). Aligns with enabling sectors identified by EEH including Chemical and Materials and Wood Products (found across Fenland)</p> <p>Option U2 acknowledges connecting economies with Cambridge/Cambridgeshire. Aligns with foundation sectors identified by EEH including Business Support Services and Public Administration.</p> <p>Option U2 retains North Huntingdonshire Supercluster/Growth Cluster (focus on Defence)</p>	<p>Option U1 acknowledges Peterborough and Fenland connecting economies.</p> <p>Options U2 fails to acknowledge connecting economies between Peterborough to the North and Cambridge/Cambridgeshire to the South.</p> <p>Options U1 and U2, risk the integrity of North Huntingdonshire Supercluster/Growth Cluster (focus on Defence) if location is split.</p>
Verdict	<p>Moderate to High</p> <p>Option U1 demonstrates current sectoral clusters in the north especially between Peterborough and Fenland but fails to acknowledge the overlapping of current sectoral cluster patterns found across Huntingdonshire, South Cambridgeshire and parts of East Cambridgeshire.</p>	<p>Moderate</p> <p>Option U2 fails to reflect the sectoral clusters patters outside the core of Cambridge City and South Cambridgeshire.</p>	<p>Moderate to High</p> <p>Option U1 and U2 closely align with current sector concentrations and connecting economies at the sub-regional level in particular the sectoral footprints of Cambridge City and South Cambridgeshire across Huntingdonshire. Both Options U1 and U2 highlight similarities in prime, enabling and foundation sectors.</p>	<p>Low to Moderate</p> <p>Options are too small, with a potential North/South division, to adequately reflect current sectoral cluster patterns.</p>



2.3 Transport and infrastructure strategies

The table below sets out the detailed analysis of each option against the transport evaluation criteria explained above. The assessment is reflected in Table 5 above.

Table 8 – Transport and infrastructure analysis by option

Transport and infrastructure strategies – please refer to LP Analysis of CPCA Pipeline				
Evaluation Criteria	Option A	Option B	Option C	Option D
<ul style="list-style-type: none"> Influence of transport strategy and funding (via MCA EEH and DfT) 	<p>Cambridgeshire and Peterborough Mayoral Combined Authority responsibility for strategic transport (e.g. Very Light Rail, AVs, Bus Rapid Network, Freight, Strategic Road Network and Strategic Rail) and infrastructure remains unchanged under this option. Equally, sub-national transport body role remains unchanged.</p> <p>Significant infrastructure projects would remain on CPCA pipeline and submission of business cases seeking central government funds would continue to go via CPCA for endorsement and oversight.</p> <p>Strategic engagement with National Highways, Network Rail, Homes England and National Wealth Fund would need to continue in partnerships with CPCA via existing governance arrangements.</p>	<p>Cambridgeshire and Peterborough Mayoral Combined Authority responsibility for strategic transport and infrastructure remains unchanged under this option. Equally, sub-national transport body role remains unchanged.</p> <p>Significant infrastructure projects would remain on CPCA pipeline and submission of business cases seeking central government funds would continue to go via CPCA for endorsement and oversight.</p> <p>Strategic engagement with National Highways, Network Rail, Homes England and National Wealth Fund would need to continue in partnerships with CPCA via existing governance arrangements.</p>	<p>Cambridgeshire and Peterborough Mayoral Combined Authority responsibility for strategic transport and infrastructure remains unchanged under this option. Equally, sub-national transport body role remains unchanged.</p> <p>Significant infrastructure projects would remain on CPCA pipeline and submission of business cases seeking central government funds would continue to go via CPCA for endorsement and oversight.</p> <p>Strategic engagement with National Highways, Network Rail, Homes England and National Wealth Fund would need to continue in partnerships with CPCA via existing governance arrangements.</p>	<p>Cambridgeshire and Peterborough Mayoral Combined Authority responsibility for strategic transport and infrastructure remains unchanged under this option. Equally, sub-national transport body role remains unchanged.</p> <p>Significant infrastructure projects would remain on CPCA pipeline and submission of business cases seeking central government funds would continue to go via CPCA for endorsement and oversight.</p> <p>Strategic engagement with National Highways, Network Rail, Homes England and National Wealth Fund would need to continue in partnerships with CPCA via existing governance arrangements.</p>
<ul style="list-style-type: none"> Priorities that can align with Regional / sub national priorities. 	Split of current CPCA pipeline projects by options (excludes multiple cross-LA projects)	Split of current CPCA pipeline projects by options (excludes multiple cross-LA projects)	Split of current CPCA pipeline projects by options (excludes multiple cross-LA projects)	Split of current CPCA pipeline projects by options (excludes multiple cross-LA projects)

Transport and infrastructure strategies – please refer to LP Analysis of CPCA Pipeline

Evaluation Criteria	Option A	Option B	Option C	Option D
	<p>Option U1: 60% of pipeline projects; 52% total jobs; 94% total floor space; 51% of dwellings; 78% of project value (£)</p> <p>Infrastructure projects: 29</p> <p>Option U2: 40% of pipeline projects; 48% total jobs; 6% total floor space; 49% of dwellings; 22% of project value (£)</p> <p>Infrastructure projects: 16</p>	<p>Option U1: 70% of pipeline projects; 52% total jobs; 94% total floor space; 54% of dwellings; 79% of project value (£)</p> <p>Infrastructure projects: 34</p> <p>Option U2: 30% of pipeline projects; 48% total jobs; 6% total floor space; 46% of dwellings; 21% of project value (£)</p> <p>Infrastructure projects: 11</p>	<p>Option U1: 51% of pipeline projects; 0% total jobs; 3% total floor space; 24% of dwellings; 77% of project value (£)</p> <p>Infrastructure projects: 27</p> <p>Option U2: 49% of pipeline projects; 100% total jobs; 97% total floor space; 76% of dwellings; 23% of project value (£)</p> <p>Infrastructure projects: 18</p>	<p>Option U1: 34% of pipeline projects; 21% total jobs; 31% total floor space; 32% of dwellings; 4% of project value (£)</p> <p>Infrastructure projects: 19</p> <p>Option U2: 31% of pipeline projects; 21% total jobs; 33% total floor space; 15% of dwellings; 75% of project value (£)</p> <p>Infrastructure projects: 15</p> <p>Option U3: 35% of pipeline projects; 58% total jobs; 35% total floor space; 53% of dwellings; 21% of project value (£)</p> <p>Infrastructure projects: 14</p>
Verdict	<p>Moderate to High</p> <p>Justification and strategic alignment of existing and proposed local and strategic transport projects remains irrespective of option configuration.</p> <p>LA-specific and cross-LA transport and infrastructure projects are included in CPCA pipeline tracker. Prioritisation of projects based on any option configuration will be required based on the risk appetite and available resources, capacity and capability of new local government arrangement and the desire to progress a significant</p>	<p>Moderate to High</p> <p>Justification and strategic alignment of existing and proposed local and strategic transport projects remains irrespective of option configuration.</p> <p>LA-specific and cross-LA transport and infrastructure projects are included in CPCA pipeline tracker. Prioritisation of projects based on any option configuration will be required based on the risk appetite and available resources, capacity and capability of new local government arrangement and the desire to progress a significant</p>	<p>Moderate to High</p> <p>Justification and strategic alignment of existing and proposed local and strategic transport projects remains irrespective of option configuration.</p> <p>LA-specific and cross-LA transport and infrastructure projects are included in CPCA pipeline tracker. Prioritisation of projects based on any option configuration will be required based on the risk appetite and available resources, capacity and capability of new local government arrangement and the desire to progress a significant</p>	<p>Low to Moderate</p> <p>Justification and strategic alignment of existing and proposed local and strategic transport projects remains irrespective of option configuration.</p> <p>LA-specific and cross-LA transport and infrastructure projects are included in CPCA pipeline tracker. Prioritisation of projects based on any option configuration will be required based on the risk appetite and available resources, capacity and capability of new local government arrangement and the desire to progress a significant</p>

Transport and infrastructure strategies – please refer to LP Analysis of CPCA Pipeline

Evaluation Criteria	Option A	Option B	Option C	Option D
	number of projects at early/concept development stage.	number of projects at early/concept development stage.	number of projects at early/concept development stage.	number of projects at early/concept development stage.

2.4 Delivery and Implementation

The table below sets out the detailed analysis of each option against the delivery evaluation criteria explained above. The assessment is reflected in Table 5 above.

Table 9 - Delivery analysis by option

Delivery and implementation				
Evaluation Criteria	Option A	Option B	Option C	Option D
<ul style="list-style-type: none"> Option aligned with existing local plan areas 	<p>Moderate to High</p> <p>New unitary boundaries align with existing local plan areas.</p> <p>There will be a long-term requirement to align policies and programmes as this brings together three local plans in one unitary and two in the southern unitary.</p>	<p>High</p> <p>New unitary boundaries align with the existing local plan areas.</p> <p>The southern unitary area is coterminous with that of the emerging Greater Cambridge local plan and shared planning service</p> <p>For the other unitary There will be a long-term requirement to align policies and review programmes of the 4 separate local plans</p>	<p>Moderate to High</p> <p>New unitary boundaries align with existing local plan areas.</p> <p>There will be a long-term requirement to align policies and programmes as this brings together three local plans in one unitary and two in the southern unitary.</p>	<p>Low to medium</p> <p>The southern unitary area is coterminous with that of the emerging Greater Cambridge local plan and shared planning service</p> <p>The other two unitary councils will each contain part of the Huntingdonshire. This is likely to require more complex disaggregation of supporting evidence and any work currently underway in Huntingdonshire. This may also lead to abortive work.</p>
<ul style="list-style-type: none"> Realistic opportunity of delivering housing targets (completions 23/24 compared to new method target) Note: For option D in Huntingdonshire completions and targets were divided by 2. 	<p>Moderate to High</p> <p>For U1 the difference between completions and the new method target is low (211 units)</p>	<p>Moderate to High</p> <p>For U1 the difference between completions and the new method target is low (230 units)</p>	<p>Moderate to high</p> <p>For U1 the difference between completions and the new method target is low (336 units)</p>	<p>Low to moderate</p> <p>For U1 completions exceeded the target (+19)</p>

Delivery and implementation				
Evaluation Criteria	Option A	Option B	Option C	Option D
	For U2 the difference is moderate at 681 units	For U2 the difference is moderate at 642 units	For U2 the difference is moderate at 606 units	For U2 and U3 the difference was large considering the smaller size of each authority (627 and 624)
<ul style="list-style-type: none"> Option area aligns with operating area of a delivery vehicle/mechanism/shared service (including specific housing delivery vehicles) 	<p>Moderate to high</p> <p>Homes England CPCA Strategic Place Partnership aligns with all options.</p> <p>Angle Developments (East) Ltd aligns with all options.</p> <p>U2 shared planning service would need to be adapted to cover larger area. C3 (shared services) may need to be disaggregated or amended</p> <p>Homes England's Cambridge Growth Company aligned with U2 area.</p>	<p>Moderate to high</p> <p>Homes England CPCA Strategic Place Partnership aligns with all options</p> <p>Angle Developments (East) Ltd aligns with all options.</p> <p>U2 planning service coterminous with area. C3 would need to be disaggregated or amended</p>	<p>Moderate to high</p> <p>Homes England CPCA Strategic Place Partnership aligns with all options</p> <p>Angle Developments (East) Ltd aligns with all options.</p> <p>U2 shared planning service would need to be adapted to cover larger area</p> <p>U2 aligns with 3C providing building control and other support services</p>	<p>Moderate to high</p> <p>Homes England CPCA Strategic Place Partnership aligns with all options</p> <p>Angle Developments (East) Ltd aligns with all options.</p> <p>U3 planning service coterminous with area. C3 would need to be disaggregated or amended</p> <p>Homes England's Cambridge Growth Company aligned with U3 area.</p>
<ul style="list-style-type: none"> Option provides necessary capacity and capability to prioritise economic growth planning and delivery alongside other high priority services 	<p>This option has two large authorities. The size and financial robustness of both should ensure that they have the inherent and inherited capacity to deliver economic, growth and delivery functions alongside their other high priority and big spend services.</p> <p>The two authorities are likely to have a degree of resilience to respond to opportunities and potential threats.</p>	<p>U1 is a large authority of a size well over the LGR figure. This authority is likely to have the robustness, resilience to prioritise economic and growth ambitions alongside its other services.</p> <p>U2 is significantly smaller than the size included in the LGR guidance. There is a risk relating to prioritisation, resourcing and availability of senior leadership time that other service areas will be prioritised above economic and growth ambitions.</p>	<p>This option has two large authorities. The size and financial robustness of both should ensure that they have the inherent and inherited capacity to deliver economic, growth and delivery functions alongside their other high priority and big spend services.</p> <p>The two authorities are likely to have a degree of resilience and ability to respond to opportunities and potential threats.</p>	<p>U1 is relatively large authority but smaller than that included in the LGR guidance</p> <p>Authorities U2 and U3 is significantly smaller than the size included in the LGR guidance. There is a risk relating to prioritisation, resourcing and availability of senior leadership time that other service areas in these two authorities could be prioritised above economic and growth ambitions.</p>
<ul style="list-style-type: none"> Extent of reduced fragmentation of planning for housing and infrastructure 	<p>This option brings together two tiers of government and planning across a large area.</p>	<p>This option brings together two tiers of government and planning across a large area</p>	<p>This option brings together two tiers of government and planning across a large area</p>	<p>This option brings together different tiers in terms of spatial and infrastructure planning. Geographically, because there are three council areas this option does</p>



Delivery and implementation				
Evaluation Criteria	Option A	Option B	Option C	Option D
				not deliver the same benefit as the other two options.
<ul style="list-style-type: none"> Ability to develop a strong relationship with CA and Government etc – to influence strategy and funding decisions 	<p>This option with 2 large constituent unitary authorities has the ability to influence the CPCA, Government and infrastructure providers and funders.</p>	<p>This option with 2 constituent unitary authorities has the ability to influence the CPCA, Government and infrastructure providers and funders.</p> <p>The size of one of the authorities comes with a risk that less resource could be put into engagement. This is a risk that can be easily mitigated</p>	<p>This option with 2 large constituent unitary authorities has the ability to influence the CPCA, Government and infrastructure providers and funders.</p>	<p>It would be difficult for three smaller authorities to engage with and have as much influence with the CA and Government when compared to two larger authorities.</p> <p>It would be more difficult for these authorities to ensure that their priorities are reflected at the regional and national level.</p>

3 Detailed economic commentary

3.1 Option A

Unitary 1 – Peterborough, Fenland, Huntingdonshire population 509,112:

Strong industrial base with opportunities around logistics linked to its transport corridors.

Unitary 2 – East Cambridgeshire, South Cambridgeshire, Cambridge City population 409,970: Focused on high value sectors attracted to Greater Cambridge. Nationally important growth area linked to the Oxford to Cambridge Supercluster.

Unitary 1: This provides an industrial base with significant housing potential. Peterborough has an industrial and logistics hub. Northwest Cambridgeshire has smaller towns and a mixed rural economy. This option supports industrial/logistics sectors and the regional workforce. Maximising economic opportunities is dependent on co-ordinated delivery of housing, skills and industrial growth. Compared to other options there would be less flexibility to tailor growth strategies for Fenland/East Cambridgeshire separately. The northwest unitary sits just outside the core of the Supercluster but can benefit through improved transport connectivity. Needs co-ordination to ensure linkage with the Supercluster.

Unitary 2: Significant opportunity with Cambridge as a world-leading knowledge economy, centred on innovation and life sciences, AI, high tech clusters. Cambridge City and South Cambridgeshire are at the heart of the Supercluster, supporting government ambitions for growth. East Cambridgeshire is a small, rural district, which could benefit from being incorporated with the other two; this base is kept intact with surrounding areas to make a strong place for national science and innovation. There is the opportunity to develop the Oxford- Cambridge Supercluster boosting economic opportunity in less prosperous areas such as East Cambridgeshire.

High value innovation concentrated here aligns with national goals. Ensuring housing and infrastructure support for economic expansion. SE Cambridgeshire: suburban/rural support for Cambridge innovation. Impact on national ambition: Concentrates high-value growth in Cambridge. Housing constraints may limit workforce expansion. There is land for housing growth which allows Cambridge to be paired with nearby areas to absorb housing pressures which are important for expansion

3.2 Option B

Unitary 1 - Peterborough, Huntingdonshire, Fenland, East Cambridgeshire

population 600,578: Focus: Levelling Up, logistics, agriculture, manufacturing, and housing delivery.

Unitary 2 - Cambridge City, South Cambridgeshire population 318,504: Focus: Innovation, research, high-tech, and knowledge economy at the heart of the Oxford–Cambridge Supercluster.

Unitary 1 – this creates a relatively large unitary focused on Peterborough’s sectors in terms of logistics, industrial, and manufacturing hubs. Linked with Fenland and Huntingdonshire the area can provide housing and industrial growth capacity. It supports workforce supply for high-value jobs in the south and provides space for industrial

expansion, infrastructure, and housing to sustain Corridor growth. This option helps could regional inequalities along with the ability to create growth Corridors.

Unitary 2 - South Cambridgeshire & Cambridge City: complementary to Unitary 1 being very focused on the innovation aspect and economic growth with less distraction than other options: Cambridge: globally significant innovation cluster (AI, life sciences, research). South Cambridgeshire: supports Cambridge's innovation economy with suburban housing and office/industrial land. With a concentration on high-value economic growth, it provides the opportunity to maintain international competitiveness and driving innovation along the Supercluster and Innovation corridor. This option will require careful management to ensure Cambridge's growth agenda stays central to the southern unitary and that the unitaries complement one other.

3.3 Option C

Western Unitary - Cambridge City, South Cambridgeshire, Huntingdonshire population 504,570: Focus: High-tech growth, innovation, and Oxford–Cambridge Supercluster Corridor links. This is just under the Government target but has global significance.

Eastern Unitary - Peterborough, East Cambridgeshire, Fenland population 414,512: Focus: Levelling Up, housing delivery, logistics, and agri-tech. Also below the target, so may have questionable long-term resilience but provides strong housing capacity.

The western unitary anchors the UK's innovation and R&D economy, fully aligned with the Oxford–Cambridge Supercluster ambitions. Cambridge provides a globally recognised hub for science and high-tech.

The eastern unitary fits well with the focus on urban regeneration, housing delivery, logistics, and agri-tech. Cambridge provides global R&D strength, Huntingdonshire provides land for housing and business parks. There is opportunity to expand innovation-led growth into Huntingdonshire if transport (A14, East-West Rail) is enhanced

However, this fragments the Supercluster growth Corridor. Cambridge (West) and Peterborough (East) are separated into different units, weakening the strategic case for joined-up planning and investment across the Corridor. National government may see this as creating two mismatched authorities, one highly prosperous and one more deprived, without a balancing mechanism.

Fragmented Economic Narrative: West unitary will be seen as “wealthy Cambridge-led,” East unit as “Levelling Up dependent.” This could exacerbate inequalities rather than reduce them. Eastern unitary is below the Government preference, potentially lacking capacity to deliver major infrastructure projects. Growth of Cambridge (West) may not be matched by housing delivery in the East unless strong cross-boundary agreements are made.

3.4 Option D

Greater Cambridge Unitary - Cambridge City + South Cambridgeshire population 318,504. Focus: Science, innovation, and high-tech growth (core of the Oxford–Cambridge Supercluster).

Greater Peterborough Unitary - Peterborough + part of Huntingdonshire
population 287,214: Focus: Levelling Up, skills, jobs, housing growth, logistics, and agri-tech.

Mid-Cambridgeshire Unitary - Part of Huntingdonshire + East Cambridgeshire + Fenland
population 313,364: Focus: Rural housing, market towns, balanced growth, transport Corridors.

Each unitary is smaller than the government's preferred 500k+ range, but:

Greater Cambridge is justified by its global significance in innovation and the Oxford–Cambridge Supercluster while Greater Peterborough aligns with Levelling Up and could attract government support.

Because of their size, resilience must still be determined for both of these as well as Mid-Cambridgeshire.

Greater Cambridge: anchors the UK's innovation economy (life sciences, AI, green tech). Directly supports the Oxford–Cambridge Supercluster and government ambitions to grow global R&D hubs.

Greater Peterborough: aligns with Levelling Up by focusing on urban regeneration, housing delivery, skills development, and agri-tech/logistics industries.

Mid-Cambridgeshire: provides housing capacity and market town renewal, supporting balanced regional growth.

There is innovation & productivity growth (Cambridge cluster) driving UK productivity; attracting global investment. Potential to expand into East Cambridgeshire/Fenland if planned housing/infrastructure supports growth. Potential to release land for housing, easing pressure on Cambridge. It supports sustainable development if transport Corridors (A14, A10, East-West Rail) are improved. However there are risks of fragmentation of Economic Strategy. Without strong cross-unitary coordination, the region may struggle to present a single voice to Whitehall or investors. Also may struggle to finance major infrastructure projects without combined structures and that Cambridge focused policies overshadow Peterborough or rural priorities, unless governance ensures balance.

Appendix 1 - DSIT Innovation Clusters Map -
Attached to the email

Appendix 2 - Analysis of CPCA pipeline – attached to email

Appendix 3 - Cambridgeshire and Peterborough Commuting Patterns

CAMBRIDGESHIRE AND PETERBOROUGH COMMUTING PATTERNS						
Criteria	Option A		Option B		Option C	
	U1	U2	U1	U2	U1	U2
Internal containment rate %	77.5	81.0	79.4	80.7	75.2	79.7
Job self-sufficiency rate %	77.9	67.9	72.9	61.2	66.0	68.5
Internal daily commuters	107,919	75,746	155,013	56,952	111,227	93,911
Outbound daily commuters	31,279	17,730	40,129	13,603	36,657	23,902
Top outbound destinations	South Cambridgeshire 4,590 Cambridge 4,386 South Kesteven 2,505 North Northamptonshire 2,354 Bedford 2,239	West Suffolk 4,197 Huntingdonshire 2,718 North Hertfordshire 1,505 Uttlesford 1,342 Peterborough 975	South Cambridgeshire 12,860 West Suffolk 3,745 South Kesteven 2,566 King's Lynn and West Norfolk 2,522 North Northamptonshire 2,418	Huntingdonshire 2,207 West Suffolk 1,472 North Hertfordshire 1,421 East Cambridgeshire 1,352 Uttlesford 1,146	South Cambridgeshire 9,384 Huntingdonshire 7,574 West Suffolk 3,595 King's Lynn and West Norfolk 2,457 South Kesteven 2,430	Peterborough 4,648 Bedford 2,313 North Hertfordshire 1,812 East Cambridgeshire 1,740 West Suffolk 1,622
Top inbound sources	South Kesteven 5,690 South Holland 4,430 King's Lynn and West Norfolk 3,592 North Northamptonshire 3,274 South Cambridgeshire 2,026	West Suffolk 8,943 Huntingdonshire 7,208 Fenland 2,866 North Hertfordshire 2,148 Uttlesford 1,881	South Cambridgeshire 16,881 West Suffolk 6,081 South Kesteven 5,745 King's Lynn and West Norfolk 5,025 South Holland 4,488	Huntingdonshire 6,820 West Suffolk 6,782 East Cambridgeshire 6,720 North Hertfordshire 2,132 Uttlesford 1,830	South Cambridgeshire 15,204 Huntingdonshire 8,280 West Suffolk 5,946 South Kesteven 5,312 King's Lynn and West Norfolk 4,877	East Cambridgeshire 7,231 West Suffolk 6,917 Peterborough 5,231 Fenland 3,458 North Hertfordshire 2,280



CAMBRIDGESHIRE AND PETERBOROUGH COMMUTING PATTERNS

Summary	<ul style="list-style-type: none"> • Excellent internal integration - most residents work within the Unitary area • Moderate job self-sufficiency • Multiple external employment relationships - may indicate fragmented economy 	<ul style="list-style-type: none"> • Excellent internal integration - most residents work within the Unitary area • Moderate job self-sufficiency • Multiple external employment relationships - may indicate fragmented economy 	<ul style="list-style-type: none"> • Excellent internal integration - most residents work within the Unitary area • Moderate job self-sufficiency • Multiple external employment relationships - may indicate fragmented economy
Conclusion	<ul style="list-style-type: none"> • Highest containment rate across the two authorities • Highest job self-sufficiency across the two authorities 	<ul style="list-style-type: none"> • Least balanced because of different population and areas of U1 and U2 	<ul style="list-style-type: none"> • Highest internal daily commuters • Middle in terms of internal containment rate and job self sufficiency

Appendix 4 – Data sources

- **DSIT Innovation Clusters Map**
 - Data : <https://www.innovationclusters.dsit.gov.uk>
 - Methodology: <https://www.gov.uk/government/publications/identifying-and-describing-uk-innovation-clusters>
- **EEH Connecting Economies report**
 - Data : <https://eehdata.com/data-explorer>
 - Reports : <https://englandseconomicheartland.com/publications-and-papers/publications>
- **Population**
 - Data : <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates>
 - Data : https://www.nomisweb.co.uk/sources/census_2021
- **CPCA Pipeline**
 - Data : Provided by participating councils
- **Commuting Patterns**
 - Report : <https://www.ons.gov.uk/visualisations/censusorigindestination/>
 - Data : https://www.nomisweb.co.uk/sources/census_2021_od
 - Methodology : <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/methodologies/traveltoworkqualityinformationforcensus2021>
 - Year : 2020/21
- **GIS boundaries**
 - Data: <https://geoportal.statistics.gov.uk/>
- **Additional Information:**
 - Data: <https://www.ons.gov.uk/explore-local-statistics/areas/E47000008-cambridgeshire-and-peterborough>

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Service area	Transformation – Local Government Re-Organisation
Date of assessment	30/10/2025
Name of policy/service to be assessed	Local Government Re-Organisation
Is this a new or existing policy/service?	New process
Name of manager responsible for new or amended policy/service	Michelle Sacks
Names of people conducting the assessment	Bethany Grey
Step 1 – Description of new or amended policy/service	
Describe the aims; objectives and purpose of the new or amended policy/service (include how it fits in to wider aims or strategic objectives).	<p>Local government reorganisation is the process in which the structure and responsibilities of local authorities are reconfigured. The government asked the local authorities within Cambridgeshire (including the neighbouring Peterborough City Council) to propose option(s) for a single tier of unitary authorities across the area. A unitary council is a type of local authority in England that is responsible for all local government services within its area, combining the functions of both county and district councils.</p> <p>The aim is to submit a proposal for new unitary authorities in the Cambridgeshire and Peterborough region, moving away from a two-tier system of governance to a single-tier.</p>



The Equality Act 2010 requires the Council to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations, the Council also needs to demonstrate its compliance with the Equality Duty. The Council therefore needs to understand how its decisions and activities impact on different people. An Equality Impact Assessment is the current method by which the Council can assess and keep a record of the impact of new or amended strategies, policies, functions or services.
The council retains these duties even when outsourcing services or providing shared services.

Definition of Adverse Impact - occurs when a decision, practice, or Policy has a disproportionately negative effect on a protected group. Adverse Impact may be unintentional.

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<p>Are there any (existing) equality objectives of the new/amended policy/service</p>	<p>The proposal sets forward an ambition to deliver LGR safely and legally, mitigating against any adverse impacts of the disaggregation of county services and the aggregation of district services. There is a strong commitment to ensure no disruption for service users – particularly, vulnerable residents who are reliant on support or care.</p>
<p>Who is intended to benefit from the new/amended policy/service and in what way?</p>	<p>All residents are expected to benefit from the LGR process for a number of reasons:</p> <ul style="list-style-type: none"> • Simplification of service delivery with one council to contact for all services allowing easier and simpler access • Efficiencies generated through consolidation allowing additional resources to be gained, thus allowing greater investment in service delivery • Joint-up services providing a holistic view of residents, allowing improved public service outcomes and quicker responses to residents in need. There is the potential for a ‘wrap-around’ service for residents with less fragmentation.
<p>What are the intended outcomes of this new/amended policy/service?</p>	<p>The above benefits are intended to be outcomes of the process. Ultimately, the submission of the proposal document is to provide an option for government in the configuration of the new unitary authorities in</p>



	<p>the area with the outcome being new authorities replacing the current district and upper-tier councils.</p>
<p>Step 2 – Data</p>	
<p>What baseline quantitative data (statistics) do you have about the function relating to equalities groups (e.g. monitoring data on proportions of service users compared to proportions in the population), relevant to this new/amended policy/service? Huntingdonshire Statistics</p>	<p>As part of the proposal data used, a shared data-set was commissioned in the region to explore the impacts of LGR on high-risk services, including Adults, Childrens, SEND and Homelessness. This data outlines service demand and need across the district councils and within the unitary configurations and has been used to inform the proposals put forward.</p> <p>This data has just been used for the submission of the proposal and additional analysis will be required to assess the impacts of implementation once an option is chosen. No significant negative impacts were identified for the proposals.</p>
<p>What qualitative data (opinions etc) do you have on different groups (e.g. comments from previous consumer satisfaction surveys/consultation, feedback exercises, or evidence from other authorities undertaking similar work), relevant to this new/amended policy/service?</p>	<p>An engagement survey was carried out as part of the proposal process but this was not specifically tailored to individual groups and did not target specific service users.</p> <p>Previous LGR submissions have also been used to assess the potential impact of re-organisations on specific groups. This includes examples where new service delivery models have been used and have/haven't been successful. This has been used to inform the content of the proposal being put forward. No significant negative impacts were identified for the proposals.</p>
<p>The Consultation and Engagement Strategy Accessibility Guidance may be helpful when thinking about the potential impact of a policy/service on people with different protected characteristics.</p>	



<p>Age – this refers to the protected characteristic of age. A person belonging to a particular age (for example 32-year olds) or range of ages (for example 18 to 30-year olds).</p> <p>Are there concerns that the new policy/service could have a differential impact on individuals with this protected characteristic?</p> <p>Are there any concerns that the policy/service amendments could have differential impact on individuals with this protected characteristic?</p> <p>For some services this should include consideration of impact in terms of safeguarding young people.</p> <p>What evidence do you have for your answer?</p>	<p>Local Government Re-Organisation may have an impact on those who are more reliant on social care services, if implementation is not carried out safely and legally. This includes older people who are more likely to need adult social care or young people in social care/education or with SEND.</p> <p>It is vital that implementation prioritises safe and legal delivery, above all else, to mitigate against the impacts of these groups. However the proposal submission in itself will not have a direct impact on residents, according to their age.</p>
<p>Disability – this refers the protected characteristic of disability. A person has a disability if they have a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities.</p> <p>Are there concerns that the new policy/service could have a differential impact on individuals with this protected characteristic.</p> <p>Are there any concerns that the policy/service amendments could have differential impact on individuals with this protected characteristic?</p> <p>What evidence do you have for your answer?</p>	<p>See above – the LGR process may adversely impact those relying on care but the submission itself will not.</p>
<p>Gender reassignment – gender reassignment discrimination occurs when a person is treated differently because they are trans*.</p>	<p>See above.</p>



<p>Are there concerns that the new policy/service could have a differential impact on individuals with this protected characteristic.</p> <p>Are there any concerns that the policy/service amendments could have differential impact on individuals with this protected characteristic? What evidence do you have for your answer? *although the term gender reassignment and transsexual is in the Equality Act 2010, it is accepted that the preferred term is trans.</p>	
<p>Marriage and civil partnership in the workplace; this refers the protected characteristic of marriage and civil partnership which is a union between a man and a woman or between a same-sex couple. Civil partnership is between partners of the same sex. Discrimination is when a person is treated differently at work because a person is married or in a civil partnership.</p> <p>Are there concerns that the new policy/service could have a differential impact on individuals with this protected characteristic.</p> <p>Are there any concerns that the policy/service amendments could have differential impact on individuals with this protected characteristic?</p> <p>What evidence do you have for your answer?</p>	<p>N/A</p>
<p>Are there concerns that the function could have a differential impact in terms of pregnancy and maternity in the workplace (e.g. pregnant or breast-feeding women). Pregnancy is the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth and is linked to maternity leave in the employment context. In the non-work</p>	<p>During the implementation process, it will be important to note the impacts that TUPE and workforce disruption may have on individuals in the workplace. This is unlikely to have a differential impact in terms of pregnancy and maternity but general risk for the workforce will have to be mitigated.</p>



<p>context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavourably because she is breastfeeding.</p> <p>Are there concerns that the new policy/service could have a differential impact on individuals with this protected characteristic.</p> <p>Are there any concerns that the policy/service amendments could have differential impact on individuals with this protected characteristic?</p> <p>What evidence do you have for your answer?</p>	<p>The submission itself has no impact.</p>
<p>Race – this refers to the protected characteristic of race. It refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins. Gypsy/Travellers are distinct group within this category</p> <p>Are there concerns that the new policy/service could have a differential impact on individuals with this protected characteristic.</p> <p>Are there any concerns that the policy/service amendments could have differential impact on individuals with this protected characteristic?</p> <p>What evidence do you have for your answer?</p>	<p>N/A</p>
<p>Religion and Belief in the workplace - refers to any religion, including a lack of religion. Belief refers to any religious or philosophical belief and includes a lack of belief.</p>	<p>N/A</p>



<p>Are there concerns that the new policy/service could have a differential impact on individuals with this protected characteristic.</p> <p>Are there any concerns that the policy/service amendments could have differential impact on individuals with this protected characteristic?</p> <p>What evidence do you have for your answer?</p>	
<p>Sex - this refers to the protected characteristic of sex which can mean either male or female, or a group of people like men or boys, or women or girls.</p> <p>Are there concerns that the new policy/service could have a differential impact on individuals with this protected characteristic.</p> <p>Are there any concerns that the policy/service amendments could have differential impact on individuals with this protected characteristic?</p> <p>What evidence do you have for your answer?</p>	N/A
<p>Sexual orientation – this relates to whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.</p> <p>Are there concerns that the new policy/service could have a differential impact on individuals with this protected characteristic.</p> <p>Are there any concerns that the policy/service amendments could have differential impact on individuals with this protected characteristic?</p> <p>What evidence do you have for your answer?</p>	N/A



<p>Are there concerns that the function could have a differential impact on part time/full time employees? What evidence do you have for your answer?</p>	<p>During the implementation process, it will be important to note the impacts that TUPE and workforce disruption may have on individuals in the workplace. Work will need to be carried out to harmonise terms and conditions when transferring to the new unitary – without knowing what this will look like, it is hard to determine what the impact may be.</p> <p>However, as noted above, the submission will not directly impact part/full time employees.</p>
<p>Are there concerns that the function could have a differential impact in terms of specific characteristics of Huntingdonshire e.g. Rural isolation</p>	<p>The submission itself will not have an impact on specific characteristics however, dependent on which proposal gets chosen, there may be a different impact on residents. Each LGR proposal poses different ideas for geographic boundaries and configurations which may have different impacts on growth or delivery of infrastructure. This is yet to be determined fully.</p>

Findings

The LGR submission is deemed not to have any adverse impacts on the groups outlined above. Whilst the process of LGR may have differing impacts, the submission itself does not.

Recommendations

To submit the LGR proposals, noting the findings above, and clarifying any future adverse impacts to members in the process.