



Local Government Reorganisation

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 The 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 the 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 inter-connected 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 the 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 213,000 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 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:

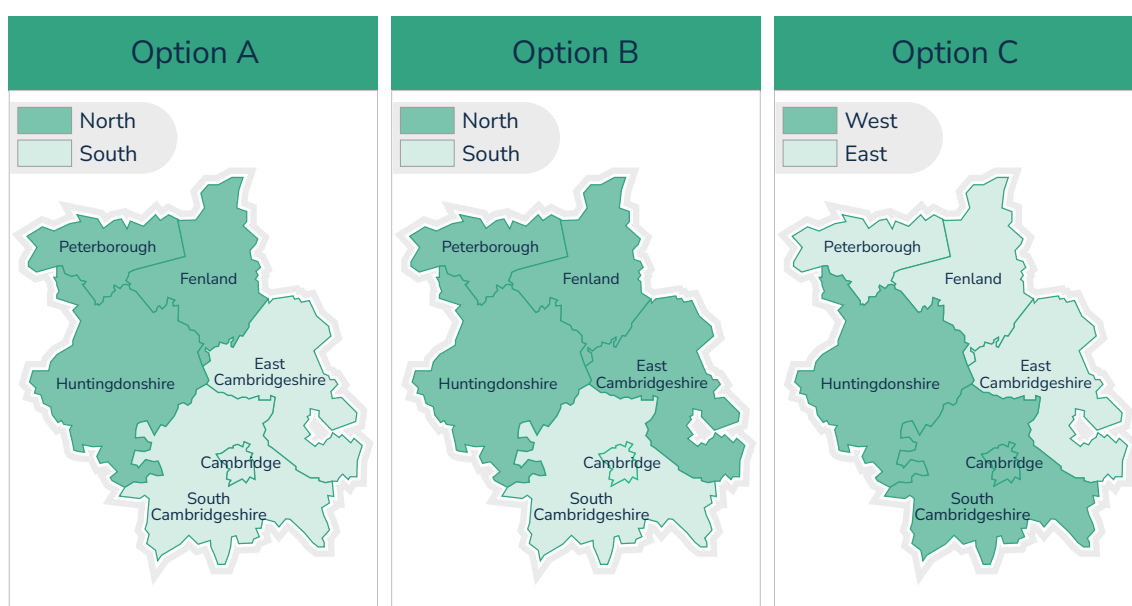
1. The creation of a single tier of local government for the whole area concerned.
2. New unitary councils that are of the right size to achieve efficiencies, improve capacity and withstand financial shocks.
3. New unitary councils that must prioritise the delivery of high quality and sustainable public 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 [English Devolution White Paper – GOV.UK](#)

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

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. 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 this proposal. In addition, a joint public engagement exercise was conducted, generating over 3,000 survey responses, alongside focus groups.⁵

³ [Newton Report](#)

⁴ [PIXEL report](#)

⁵ Survey reports: www.huntingdonshire.gov.uk/media/ia4bgnda/final-public-survey-report.pdf; www.huntingdonshire.gov.uk/media/h4eifwj1/stakeholder-survey.pdf

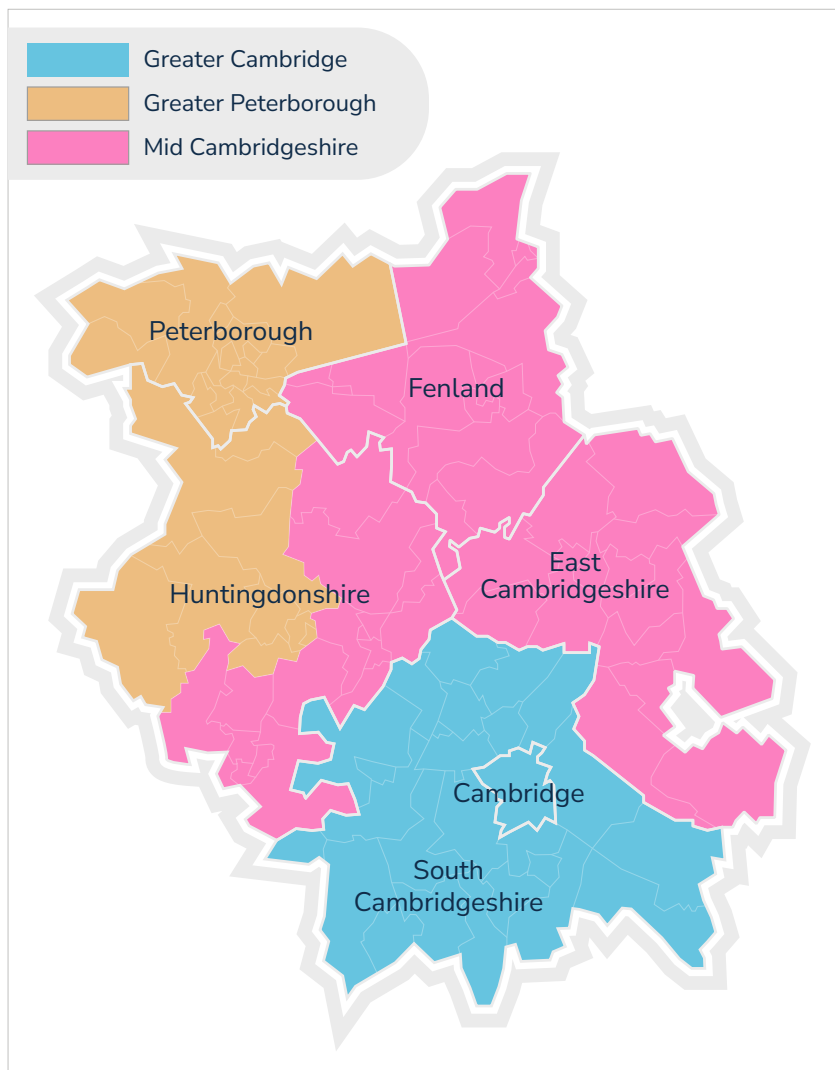


Figure 1: Three-unitary model suggested by Peterborough City Council.

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 developed by the authority for consideration by MHCLG.



*Figure 2:
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 the 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 the 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 Cambridgeshire & Peterborough Combined Authority (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

213,000 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.

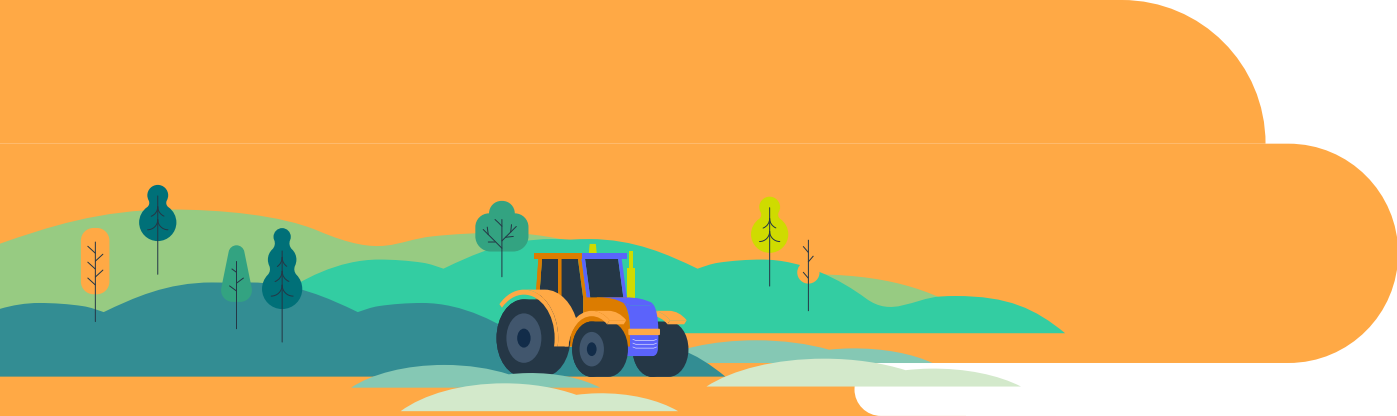
Option E also allows the benefits of localism to be fully realised by allowing the continuation of best practice in place-based decision-making with the creation of unitary authorities that are closer to residents. As mentioned later in the report, both the DCN⁷ and Localis have recently highlighted 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-England-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 the formal invitation to take part, and have been working at pace ever since to deliver a proposal that aligns with the criteria outlined by Government.

This move to unitarisation 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 Reorganisation 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 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 collaboration will serve us well in the later implementation phase.

For this proposal, the feedback given in May has been actively acknowledged, as has the initial guidance in the invitation letter by developing an option that ensures alignment with the existing Combined Authority, and the use of the

¹⁰ [Council funding requirement and funding gap – technical document | Local Government Association](#)

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 Commission,¹⁵ 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, communities to deliver prevention and local resilience – solving the long term, not just dealing with the here and now.

The Devolution White Paper's focus on neighbourhood empowerment and community decision making is recognised 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 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 – what does the region look like 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

¹⁶ [Cambridgeshire | England, Map, History, & Facts | Britannica](#)

¹⁷ [The History of Ely, Cambridgeshire](#)

¹⁸ [Huntingdonshire's Economic Strategy – Huntingdonshire.gov.uk](#)

Maxwell and JJ Thomson.¹⁹ 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.

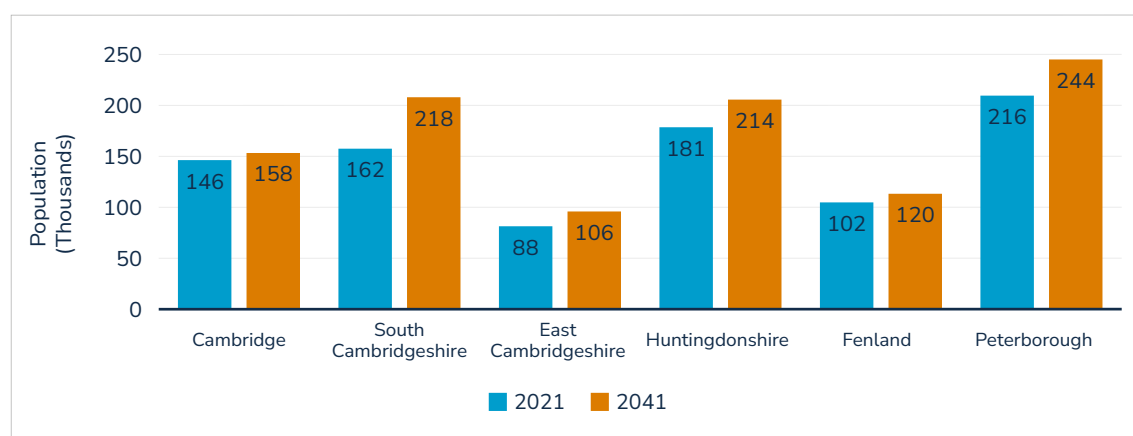
Cambridgeshire has also produced a number of notable historical figures. Oliver Cromwell, a controversial figure in British politics and the unification of Great Britain, was born in Huntingdon and studied in Cambridge. He also served as the MP for Huntingdon and later, Cambridge. The region was also 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. Its history is reflective of the 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 3: Census 2021 population estimates and Cambridgeshire County Council's 2023 – based population forecast for 2041 (thousands) by Local Authority Area²⁰ (CPCA, state of the region, 2025).



¹⁹ [Alumni](#)

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 the region, with urban and rural hubs existing alongside each other however the spatial distribution is in line with the national average.

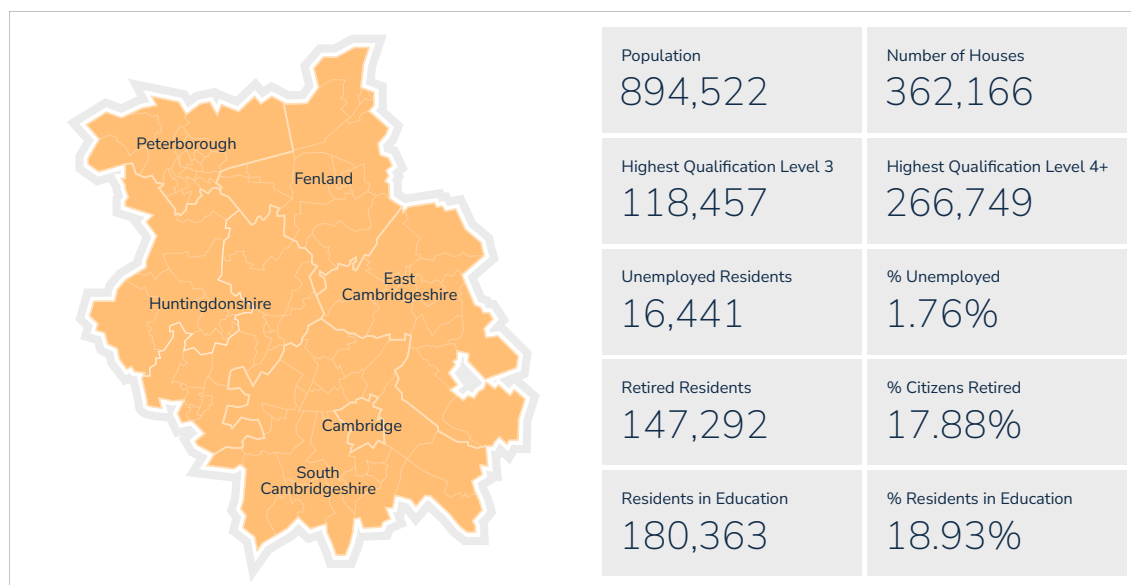
White ethnic groups comprise around 85% of C&P's population but clusters of ethnic diversity exist where 70% of the population identify as ethnic minorities. These are particularly located in Peterborough demonstrating the difference in demographics between the urban and the rural areas.

One of the major challenges that the region faces, particularly in terms of social care need, its ageing population. This is a challenge felt nationally, however due to the rurality of the district and the significant planned housing development, it is anticipated 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 1: 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 average)	18.6%	~23–26%

Figure 4: 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 the 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 2: 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 3: 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 the land is developed and 92% is non-developed. Agriculture plays a key land use role accounting for 79% of the 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

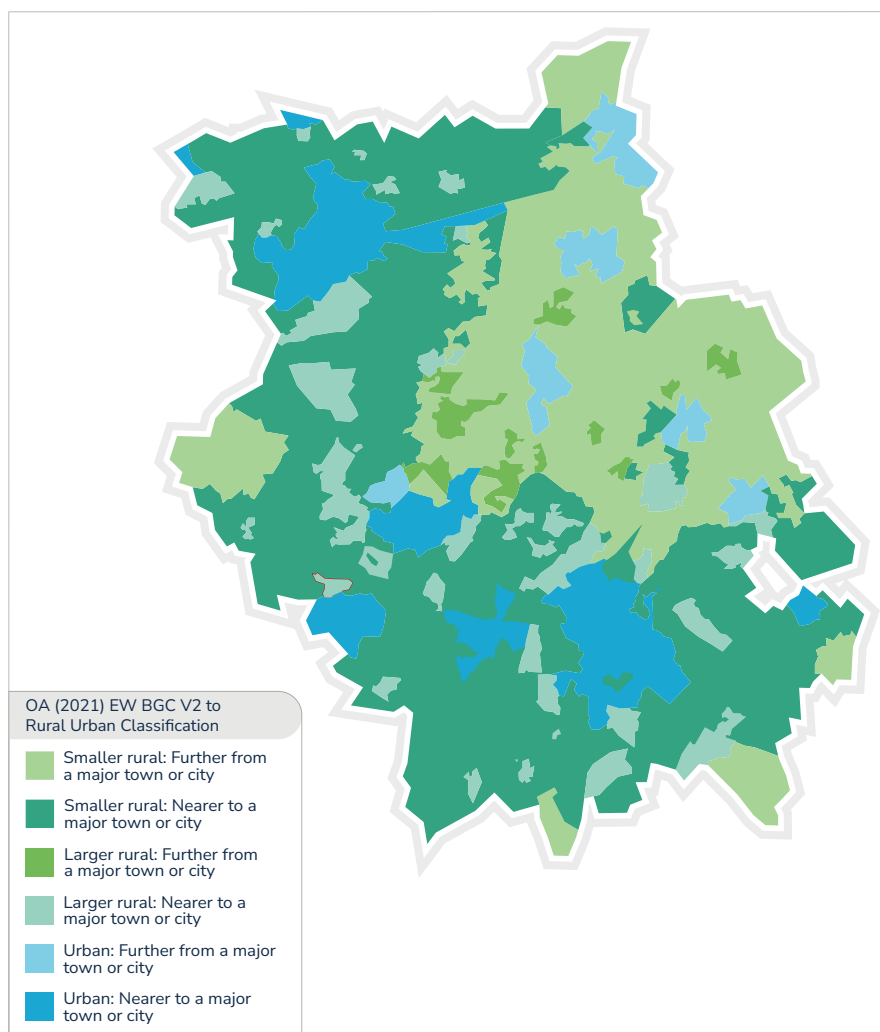


Figure 5: Rural urban classification.

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 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.

²³ [Appendix F State of the Region 2025 Place draft version.pdf](#)

Connectivity is a challenge that's faced 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 4: 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 the position as an economic powerhouse but where do the strengths truly lie? The total turnover was £62.3bn in 2023/24,²⁶ 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 the strong market towns focus, as demonstrated by the CPCA's recent market-towns masterplans.²⁷ The region is defined by ensuring vibrancy and resilience in the 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 the 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](#)

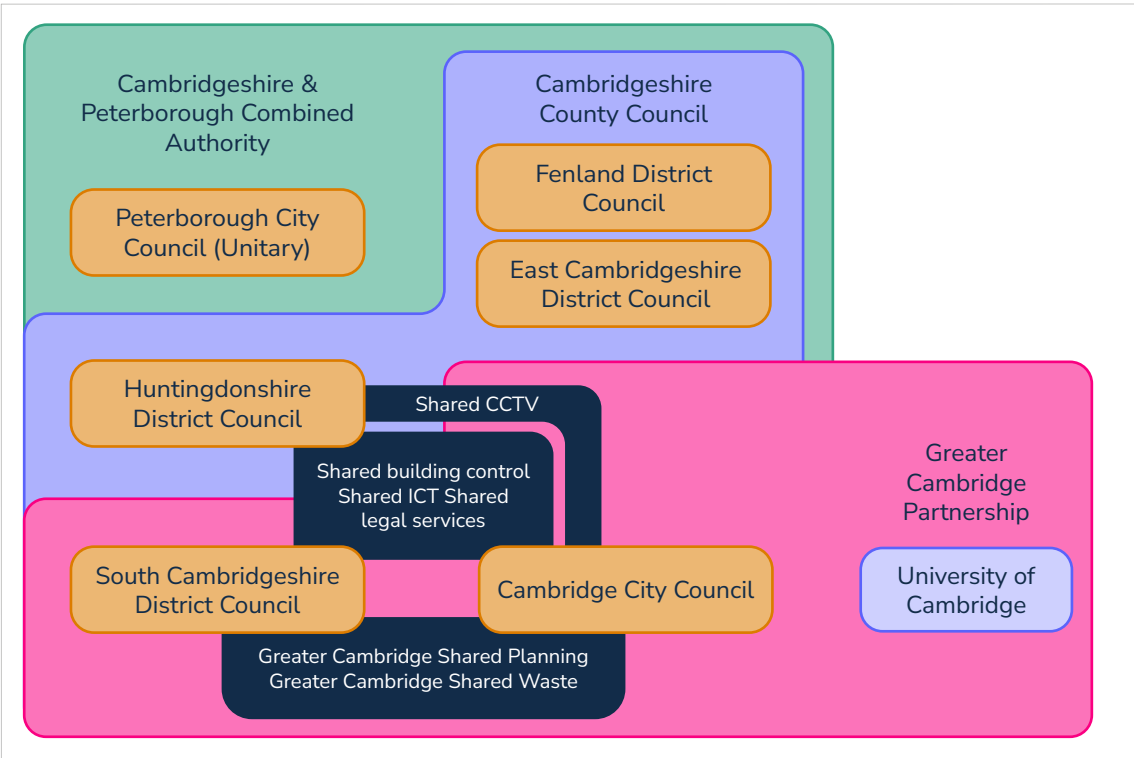
The additional options becoming available, specifically the guided busway, are creating more connections between district areas such as between Huntingdonshire and Cambridge City. However, many residents consistently face challenges when trying to travel between other district areas on public transport. 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 6: 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

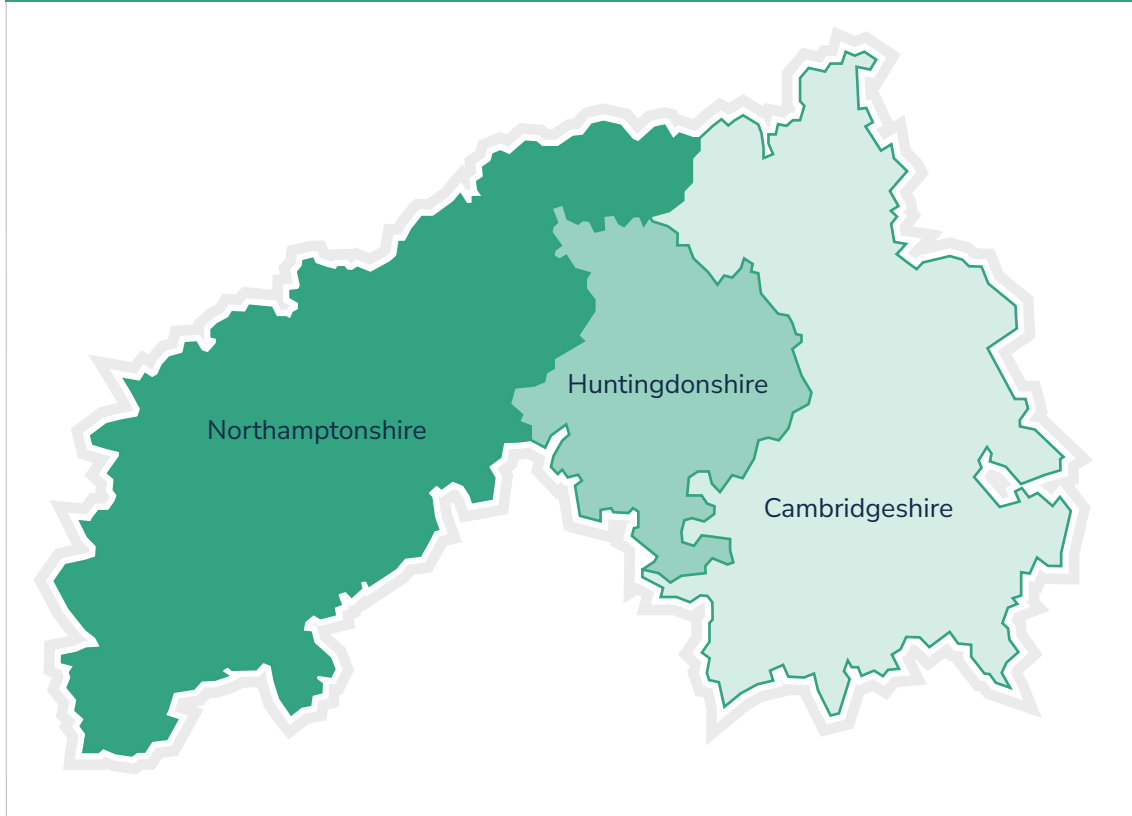


Figure 7: Ceremonial County boundaries in 1888.

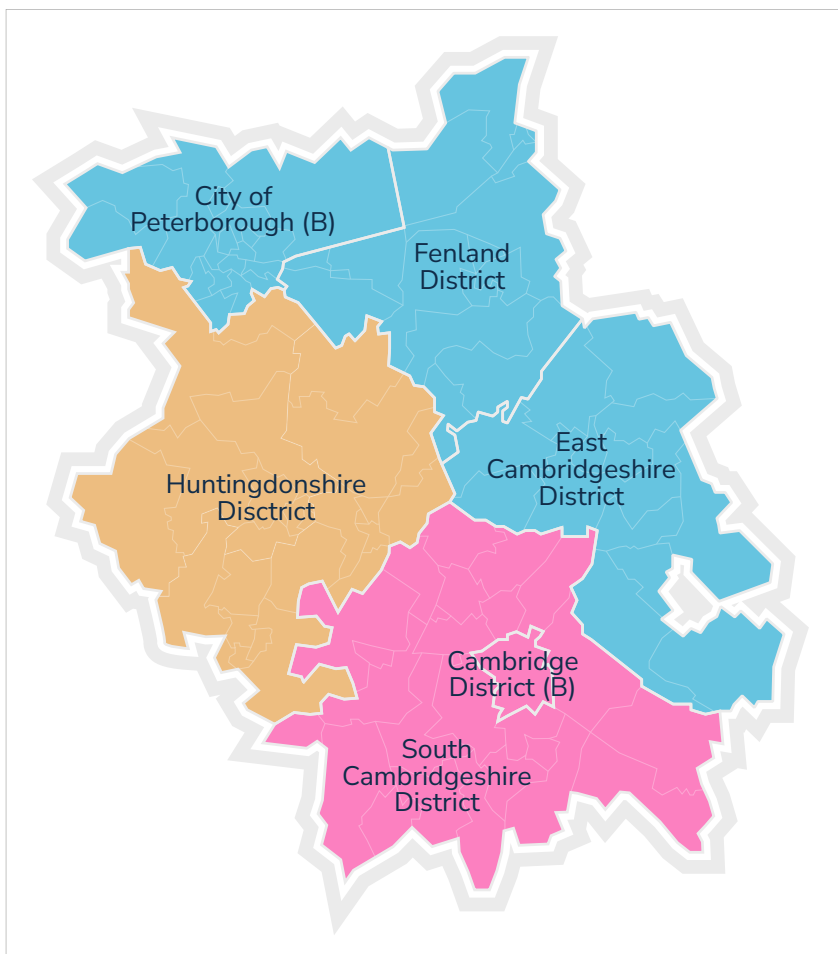
In 1965, the Council merged with the Isle of Ely County Council and later with Huntingdon & Peterborough in 1974 to form the non-metropolitan county of Cambridgeshire.

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 8: Current boundaries in relationship to option E.



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 CPCA 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 – 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 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 on 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)	17 (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 on 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

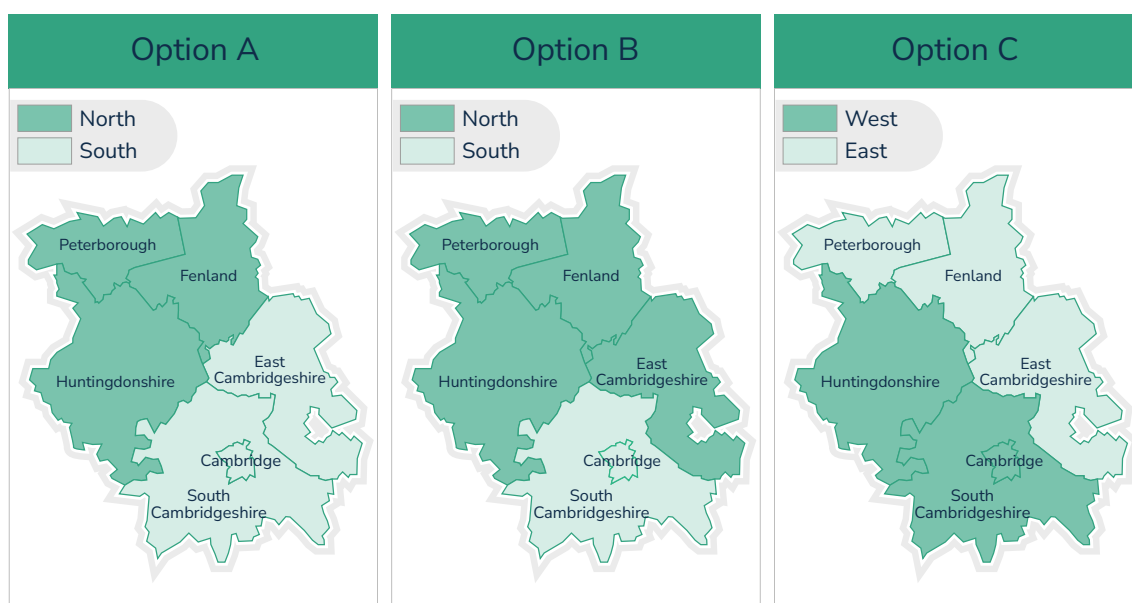
Option B

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

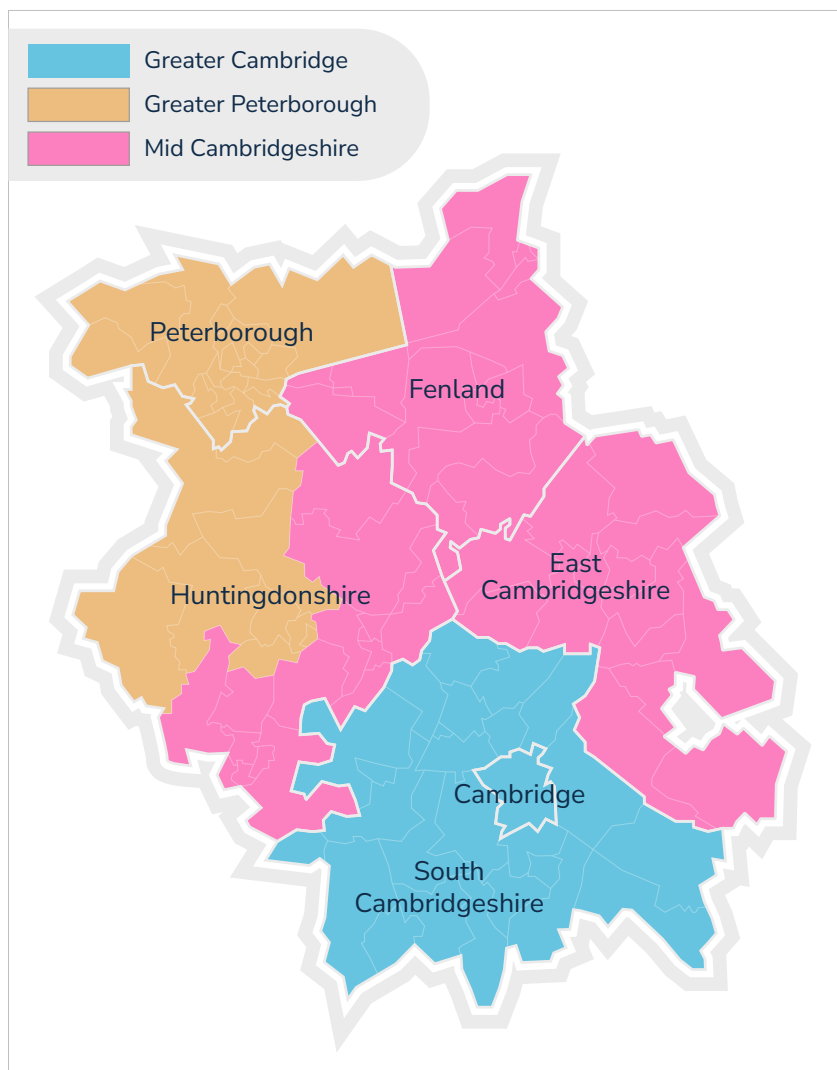
The below map highlights the options:



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 9: 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 10: 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 213,000 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
Economy and housing – local economic priorities; facilitates investment; sensible geography that increases housing supply. (Analysis informed by Local Partnerships)	2 – Meets the priorities of the two urban centres but the ‘mid’ option sees issues around connectivity with little capacity for delivery.	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.
Financial sustainability – long-term viability, financial resilience; savings and transition costs; right size to achieve efficiencies.	3 – Payback of transition costs for two of the three councils should be possible within a medium term, five-year window but the third may struggle to produce sufficient savings to do so.	3 – The two smaller councils are unlikely to generate sufficient savings to recover transition costs within a medium term, five-year window and, at least one, may be left with a recurring cost pressure but this should not impact long term viability.

MHCLG criteria for LGR	Option D: Split Huntingdonshire (GP, MC, GC) – 3x3	Option E: Stand-alone Huntingdonshire – 3x2
Better service delivery – integrated services, prevention, and improved outcomes.	2 – Disaggregation to three unitary authorities, rather than two, would greatly increase transition costs and affect service delivery.	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.
Supports local needs and place identity – stakeholder and resident support; maintenance of local identity and cultural importance.	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.	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.
Devolution – complements devolution, Population, Identity & Economic areas	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.	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.

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

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
Economy and housing – local economic priorities; facilitates investment; sensible geography that increases housing supply. (Analysis informed by Local Partnerships).	1 – Fails to meet the needs of Peterborough's growth. Un-even in scale for investment.	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.	4 – Meets criteria but the South faces risks around delivery capacity due to smaller scale. Imbalance of geography.	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.
Financial sustainability – long-term viability, financial resilience; savings and transition costs; right size to achieve efficiencies.	2 – Fails to address Peterborough financial sustainability or achieve any efficiencies.	5 – Well-balanced with the right scale to achieve efficiencies and resilience.	4 – Imbalance of scale with financially diverse Councils. The smaller scale of C could struggle to produce savings to cover transition costs in a five-year window but still ultimately viable.	5 – Well-balanced with the right scale to achieve efficiencies and resilience.

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
Better service delivery – integrated services, prevention, and improved outcomes.	2 – Would not meet the right scale for Peterborough to implement improvements.	4 – Right balance and scale to achieve efficiencies. Would require the disaggregation of shared services in the South.	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.	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.
Supports local needs and place identity – stakeholder and resident support; maintenance of local identity and cultural importance.	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.	4 – Strong stakeholder and resident support but potentially loses Huntingdonshire's connection to Cambridge and Fenland's connection to Ely in the North.	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.	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.
Devolution – complements devolution, Population, Identity & Economic areas.	2 – Imbalance of economic areas and population.	4 – Balance of economic areas although the South's 'economic identity' is undermined by the severance of Huntingdonshire from Cambridge.	3 – Imbalance in economic areas with no clear identity for the North.	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.

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
Community engagement and empowerment – unlocks community engagement and strengthens existing work. 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.	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
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
Criteria 3: Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.	4	3	4	2	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

	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	Note: Drawing out specific elements for Huntingdonshire 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	–	

3.2 In-depth options appraisal

Option A – Total score: 26/30

Criteria	Score	Rationale
Economy and Housing	4	- 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	- 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	- 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	- 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	- 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	- 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	- 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	- 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	- 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	- 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	- 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	- 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	• 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	• 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	• 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	- 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	- 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	- 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	- 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	- 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	2	- 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	- 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	- 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	- 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	- 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	- 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	- 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.⁴⁹ - Adds complexity to the shared service model for IT/Legal/Building Control that would need resolution.
Local support & place identity	4	- 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.

49 [Newton Report](#)

Criteria	Score	Rationale
Devolution	3	- 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	- 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.



4. A 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.

A vision for the future

The below sections outline the 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 the 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 the 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 213,000 by 2040).

The unitary authorities at a glance

	Unitary 1 – Northern: Peterborough / Fenland / East Cambridgeshire	Unitary 2 – Huntingdonshire	Unitary 3 – Southern: South Cambridgeshire / Cambridge
Current population	424,864	185,750	319,815
2040 population estimate	476,900	213,000	386,545
Current working age population (20-64)	57%	58%	62%
Current young population (0-19)	24%	22%	23%
Current older population (65+)	19%	21%	16%
Geographical area (hectares)	149,400 hectares	91,225 hectares	94,170 hectares
Population density (2025), per sq km	284.38 per sq km	203.61 per sq km	339.61 per sq km
Forecast dwelling growth rate	21%	18%	26%
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	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	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)	392	428	424
Average employment rate (2023 data)	76.53%	85.6%	78.30%
Number of education settings	178 Early Years Settings 121 Primary Schools 48 Secondary Schools 18 SEND Schools	92 Early Years Settings 63 Primary Schools 11 Secondary Schools 4 SEND Schools	172 Early Years Settings 91 Primary Schools 40 Secondary Schools 12 SEND Schools
Highest Level of qualification	9% Level 1 11% Level 2 12% Level 3 20% Level 4+ 5% Apprenticeship	9% Level 1 12% Level 2 14% Level 3 27% Level 4+ 4% Apprenticeship	5% Level 1 7% Level 2 13% Level 3 41% Level 4+ 3% Apprenticeship

The above table provides 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 213k. 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

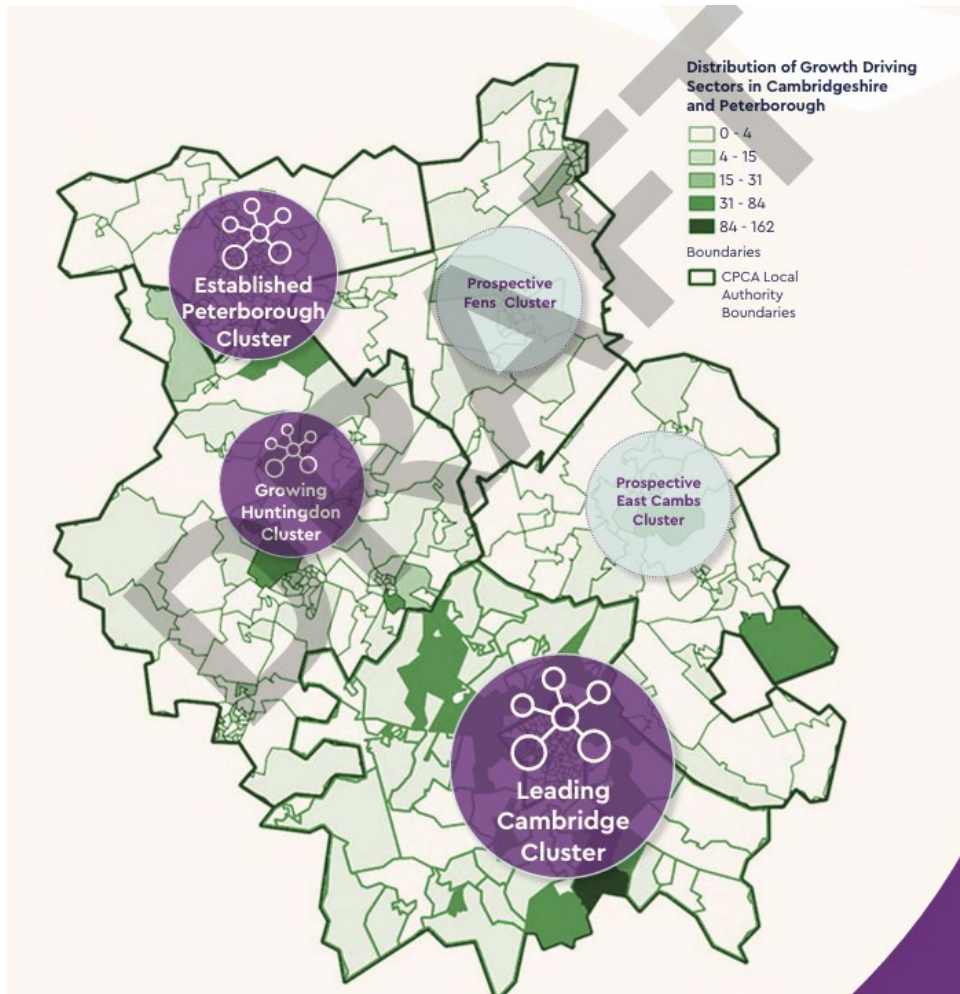
Economic landscape

The Cambridgeshire & Peterborough region has a particularly strong economic significance, contributing approximately £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.

Figure 11 below (taken from the emerging Local Growth Plan October 2025) illustrates that growth opportunities and sectors are present across the region.

Figure 11: Distribution of growth driving sectors (Source: 'Draft' CPCA Local Growth Plan).



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 12 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 five counties, with the opportunity of adding over £110bn in GVA to the economy.

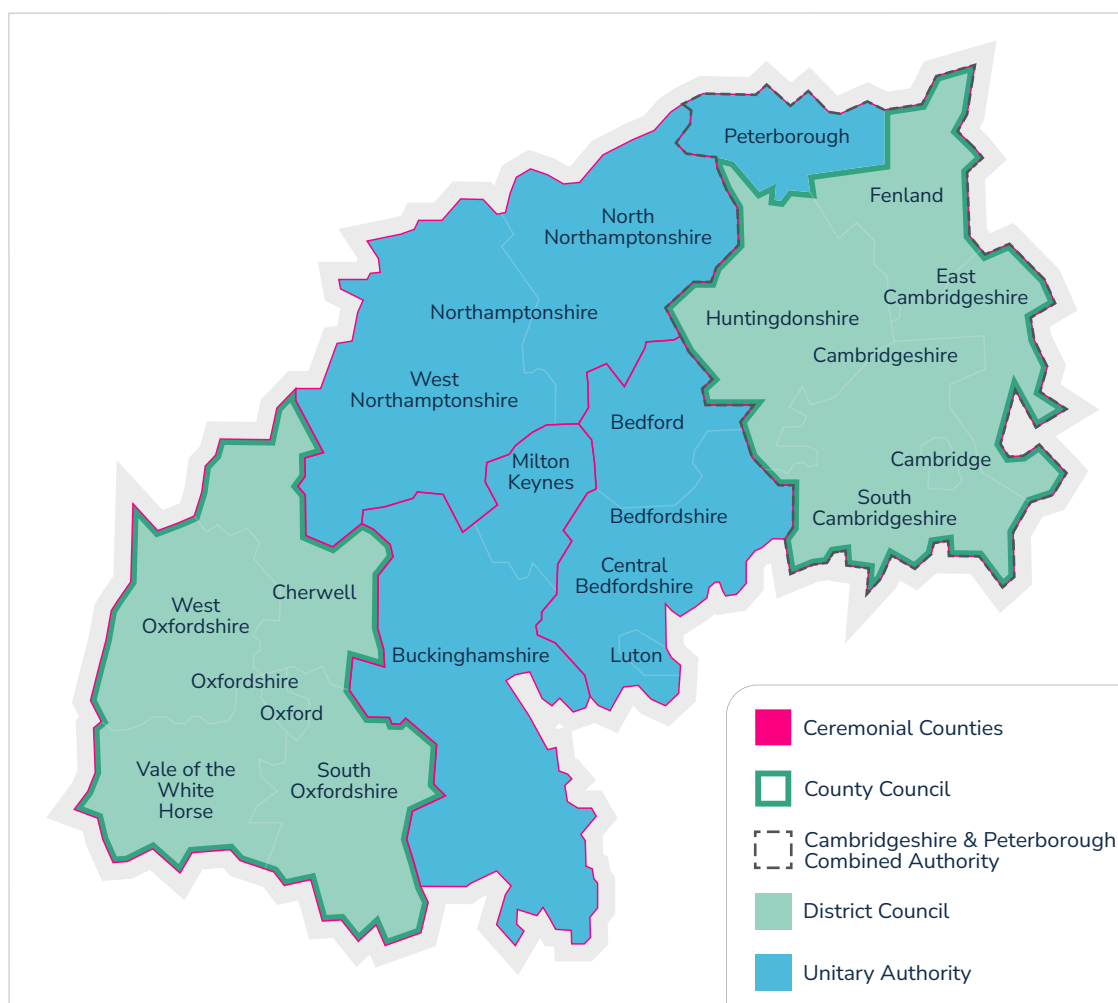


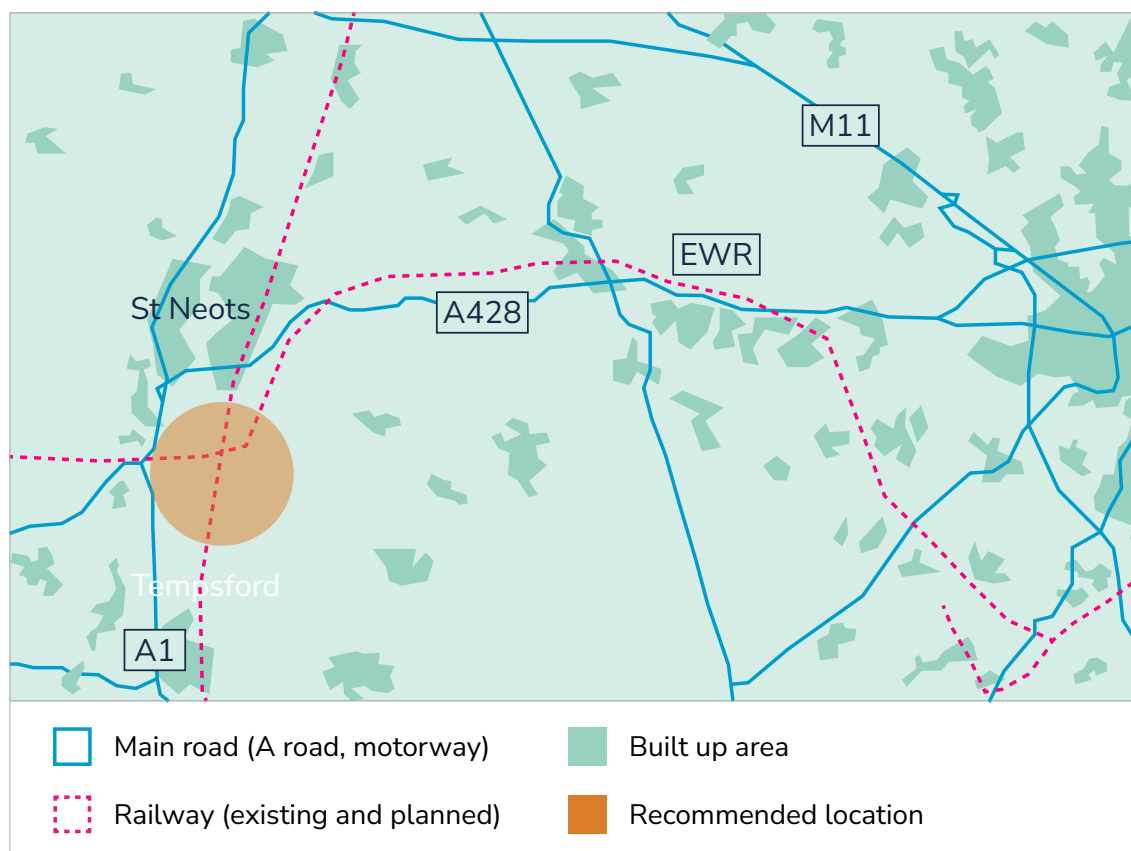
Figure 12: Oxford-Cambridge Growth Corridor geographical area.

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 Report⁵⁰ (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.

⁵⁰ [New Towns Taskforce: final report](#)

Figure 13: Tempsford New Town (Source: New Towns Taskforce Final report).



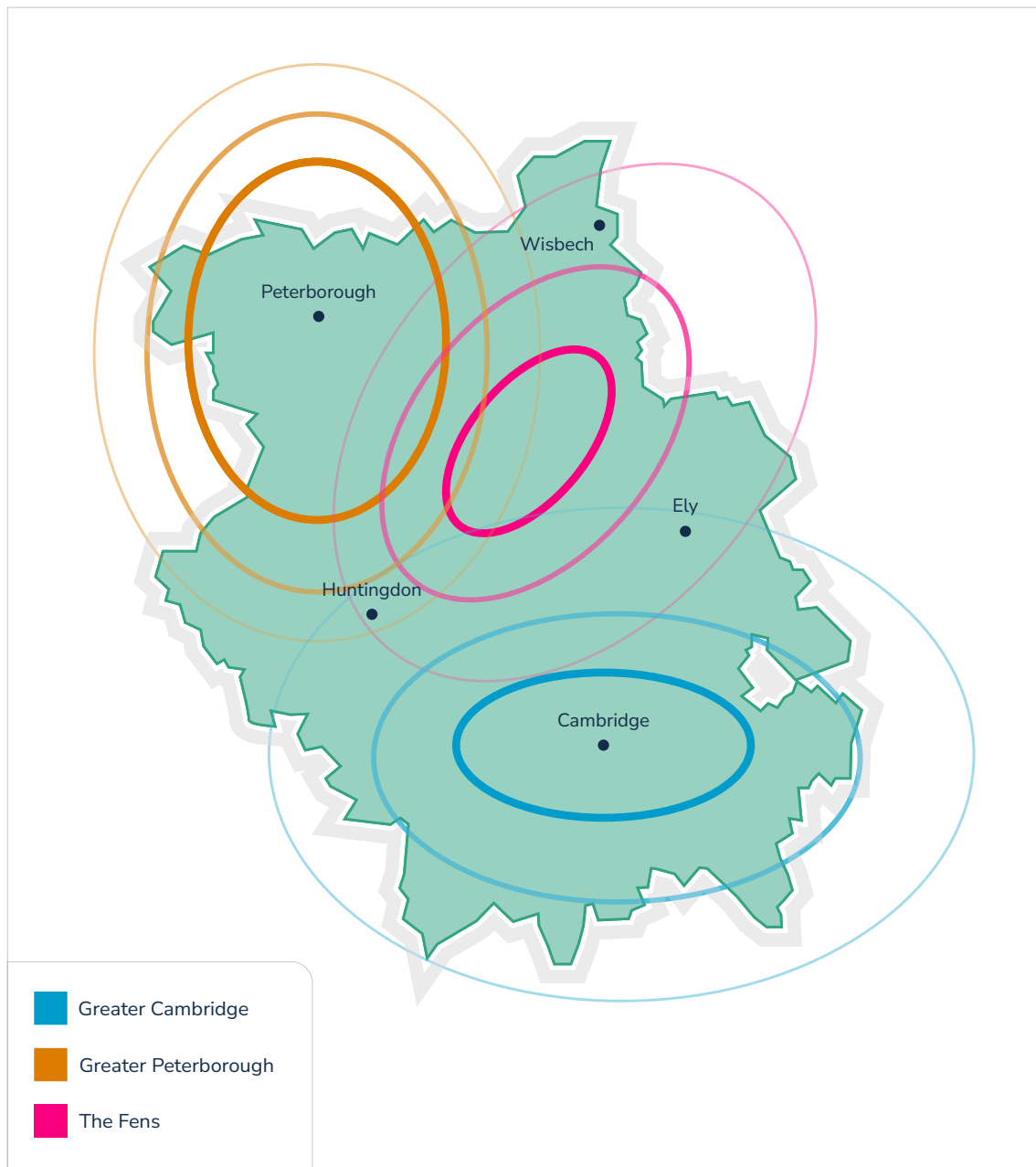
“A new settlement in Tempsford, Bedfordshire; to maximise the benefits of East West Rail, building a sustainable, well-connected new town in the heart of the Oxford Cambridge Growth Corridor.”

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-economies⁵¹ – Greater Cambridge, Greater Peterborough including the Fens and the Central Huntingdonshire area.

⁵¹ www.gov.uk/government/publications/oxford-cambridge-arc-local-industrial-strategies/cambridgeshire-and-peterborough-local-industrial-strategy

Figure 14: 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 unhalted.

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.

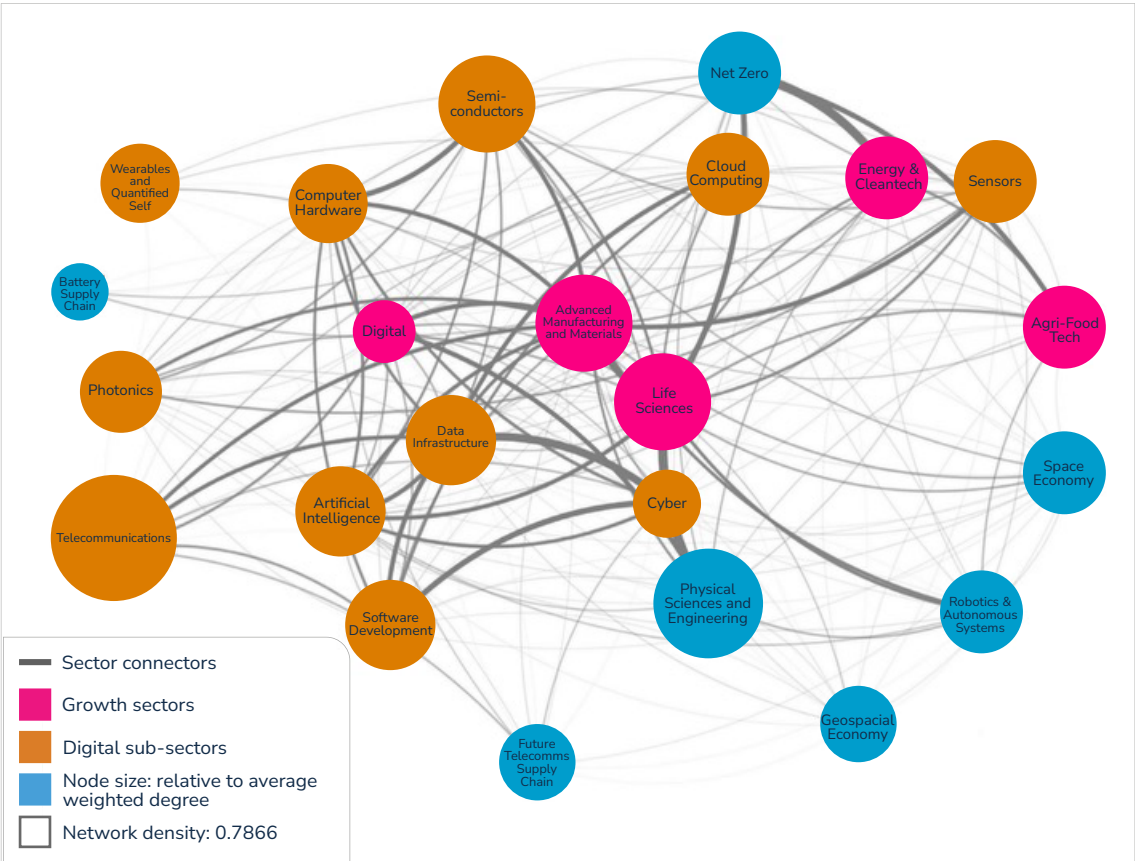
Whilst the regional economy can be divided in to sub areas, focused on the different sectors, there are links which underpin the Cambridgeshire & Peterborough economic area as a whole. With growth in one area and sector providing benefit across the region. The diagram below shows the large network of 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

Paragraph – 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.⁵²

Figure 15: Sector Relationship Network – CA Local Growth Plan.

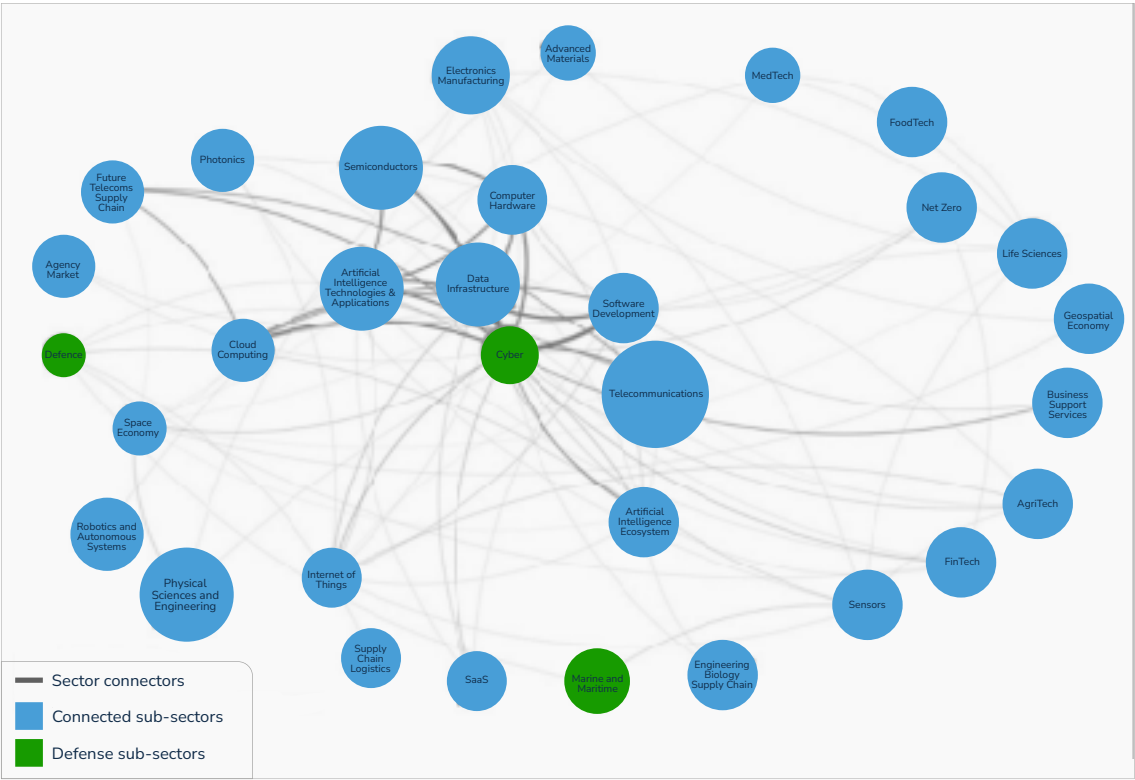


52 [C220817 CPCA Prospectus](#)

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 16: Defence sector relationship Network – CPCA Local Growth Plan.



Defence: The 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 17: 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 Ahead⁵³ 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

⁵³ [Cambridge Ahead Statement on Local Government Reorganisation – Cambridge Ahead](#)

will be able to identify a focused set of consistent and self-reinforcing priorities underpinning a clear vision and corporate strategy. The distinctiveness 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,⁵⁴ 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

⁵⁴ www.ft.com/content/57286a31-9a56-4a1c-a253-2a3ea7178519

to Cambridge Corridor and contributes to the government's housing targets – specifically by helping to enable and accelerate the Tempsford New Town.

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.⁵⁵ 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.

CPCA 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.

⁵⁵ [Mace Group | A14 Cambridge to Huntingdon Improvement Scheme](#)

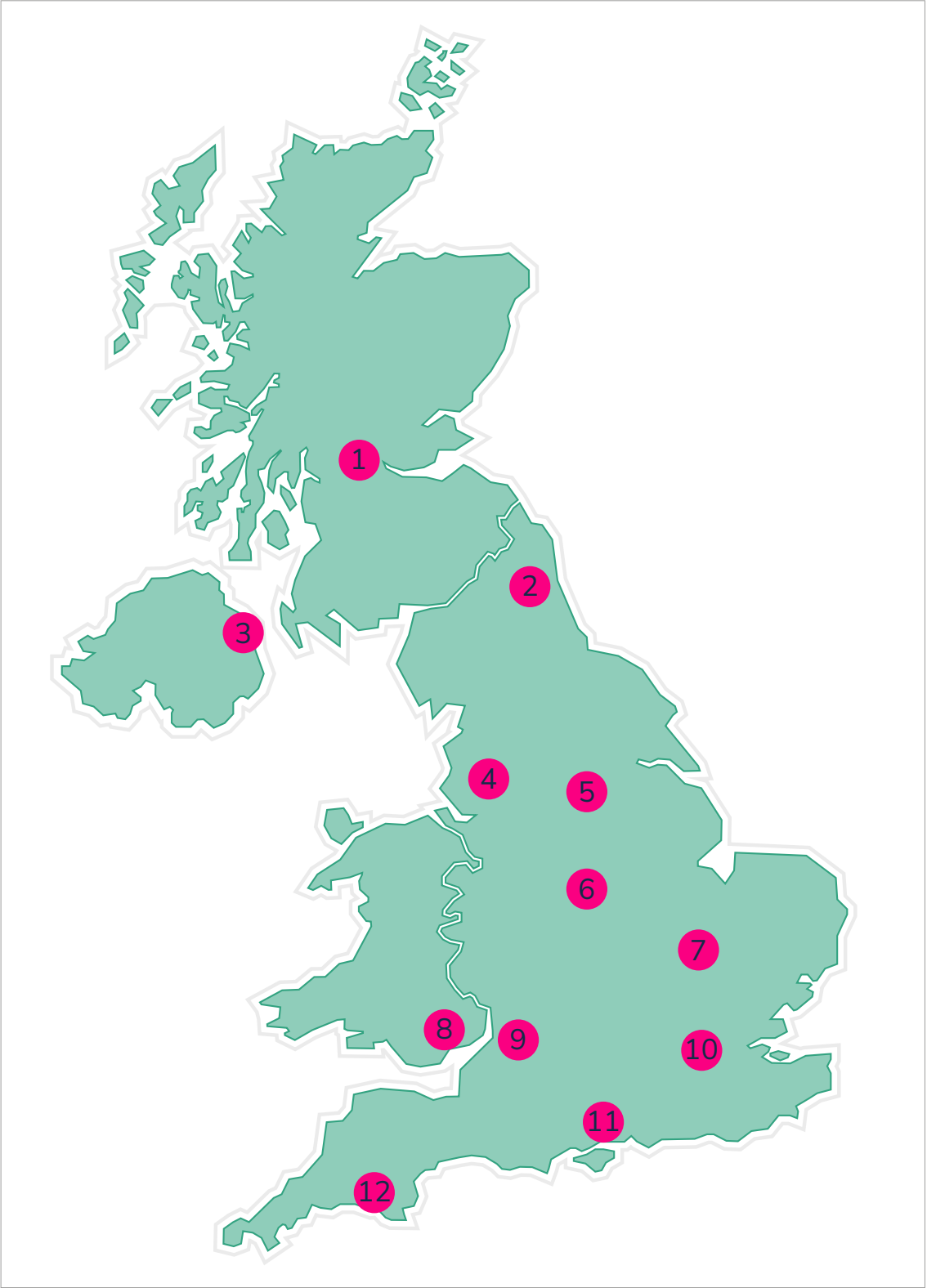
It is the defence sector that distinguishes Huntingdonshire from Greater Peterborough and Cambridge, and which supports a third Central unitary council. Although Cambridge's role is nationally important and has a global footprint the potential role of the Central authority could have the same impact 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 Strategy'⁵⁶ and 'Huntingdonshire: Supporting defence and Accelerating Economic Growth'⁵⁷ 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.

⁵⁶ [Defence Industrial Strategy: Making Defence an Engine for Growth](#)

⁵⁷ [huntingdonshire-defence-opportunities.pdf](#)

Figure 18: 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 5: IUK funding⁵⁸ (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 proposed governance arrangement. Major investment in

⁵⁸ [DSIT research and development \(R&D\) allocations for 2025/2026 – GOV.UK](#)

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 Plan⁵⁹ 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 the 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 to economic growth, with the Strategic Defence Review directly stating that 'Defence... has a significant untapped potential to be a new engine for growth.'

⁵⁹ [Cambridgeshire-and-Peterborough-Local-Skills-Improvement-Plan.pdf](#)



*Figure 19:
Alconbury Weald.*

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 Council's 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 three FEMA's (Greater Peterborough, Greater Cambridge and the Fenlands) This has already been alluded to in the CPCA Local Growth Plan which identifies four 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 October 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 CPCA 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) 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 CPCA 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 6: 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% with-in U1
Distribution of infrastructure projects by total	29	16	34	11	27	18	19	15	14	7 with-in 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 unitarisation 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 outside existing boundaries

This proposal has explored an option for Local Government Reorganisation 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 Report⁶⁰ 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.

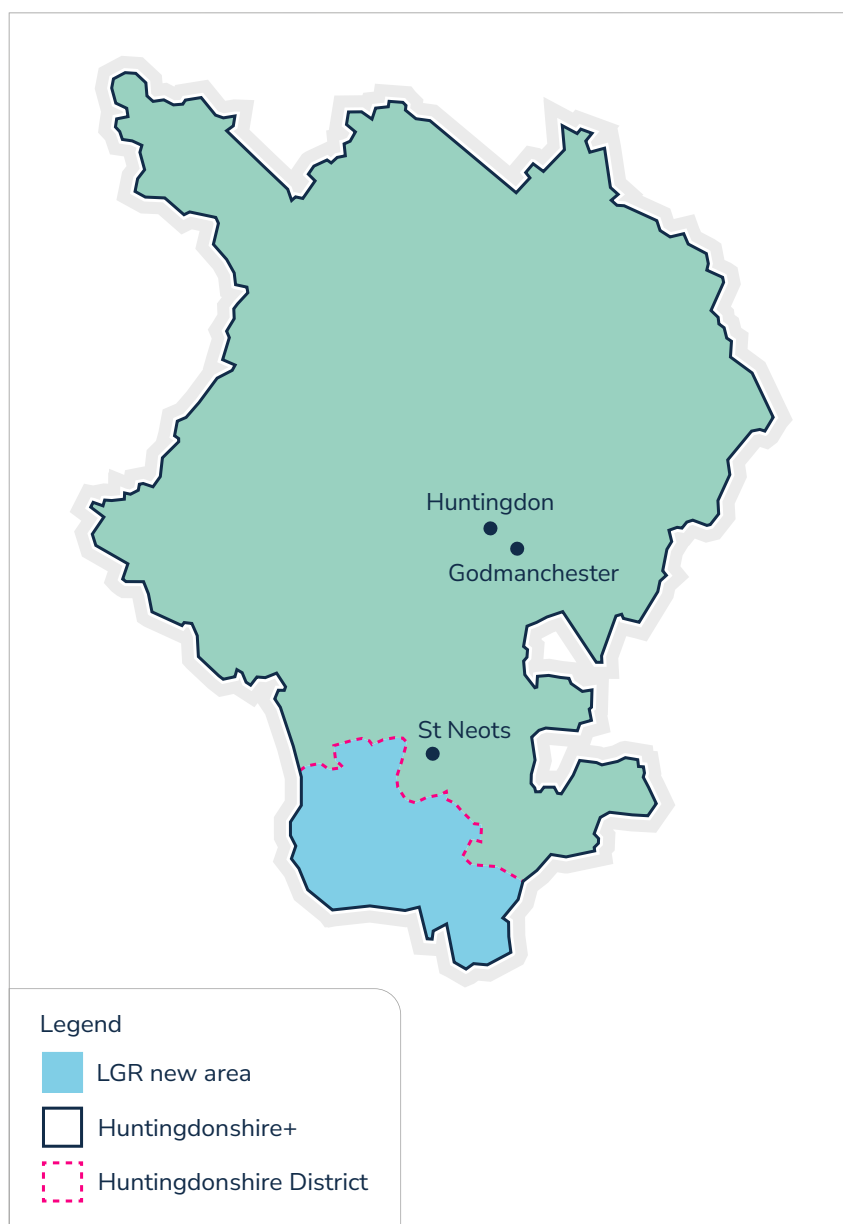
Currently, the taskforce report has not provided any specific boundaries for this new development however, the below outlines an indicative boundary based off current significant development proposals, including locations in Tempsford, Little Barford and Denybrook.

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.

⁶⁰ [New Towns Taskforce: final report](#)

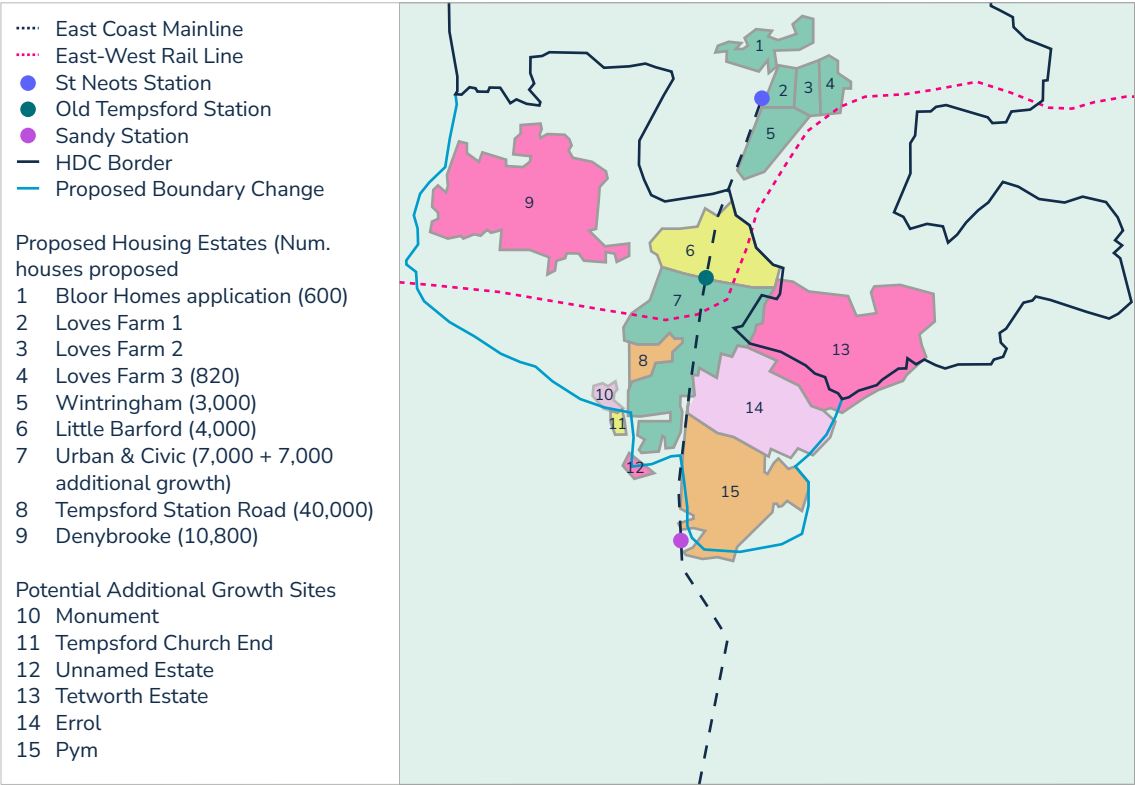
Proposed new developments	Number of new homes
Tempsford	7,000
Little Barford	4,000
Denybrook	7,500-10,150
Total	18,500-21,150
Government estimate	40,000

Figure 20: 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.⁶¹ It highlights the area that could be incorporated into the Huntingdonshire unitary based off the 40,000 homes estimate.

Figure 21: 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.

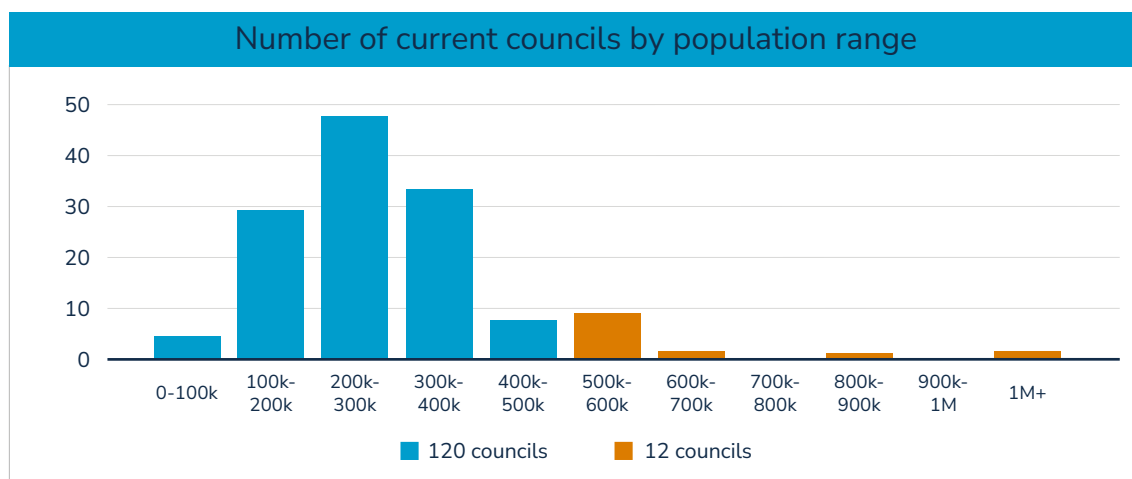
61 committees.parliament.uk/writtenevidence/141291/html/

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 ⁶²
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.⁶³ Most unitary authorities sit within the 200-300k population mark, also highlighting that positive public service outcomes are achievable within that scale.

Figure 22: Number of unitary authorities in the UK by population range (Source: LG Inform).



⁶² [Huntingdonshire \(E07000011\) – ONS](#)

⁶³ 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 relationships go 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 the 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.⁶⁴ 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

⁶⁴ 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.⁶⁵

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.

⁶⁵ 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.

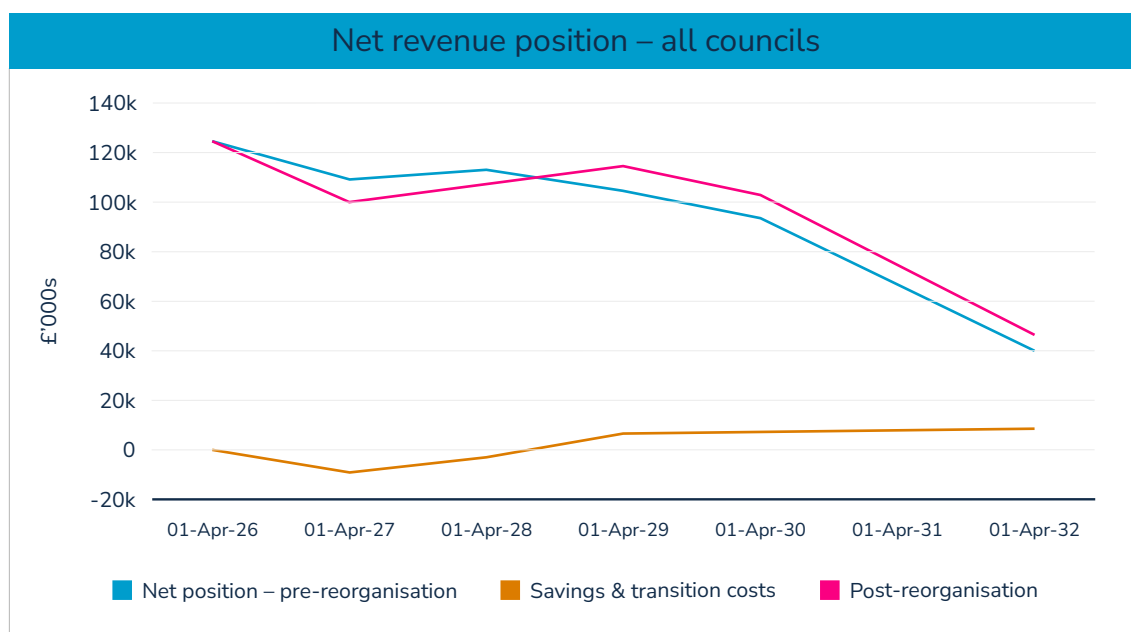
Table 7: Summary profile of projected savings and transition costs.

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.

Figure 23: 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 8: Disaggregation costs.

Element	Financial implications
Workforce	- 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. 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.⁶⁶ - 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. It is expected that the South-West Unitary will inherit the administering authority responsibility for the pension scheme.
Systems	- 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	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	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.⁶⁷

⁶⁶ bcpcouncil.gov.uk/news-hub/news-articles/trade-unions-accept-new-proposal-on-new-pay-structure-for-bcp-council-staff

⁶⁷ 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

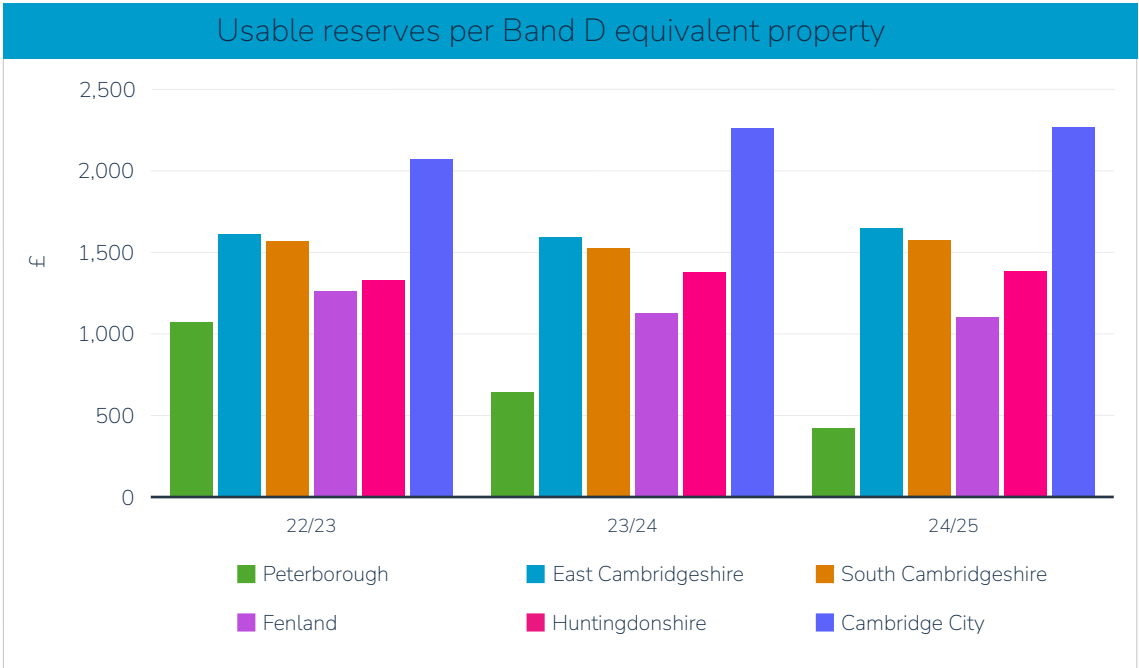
The published usable reserves position for each council, excluding, where applicable, the reserves ring-fenced in housing revenue accounts is shown in the table below for the last three years.

Table 9: 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.

Figure 24: Usable reserves position per Band D equivalent property.



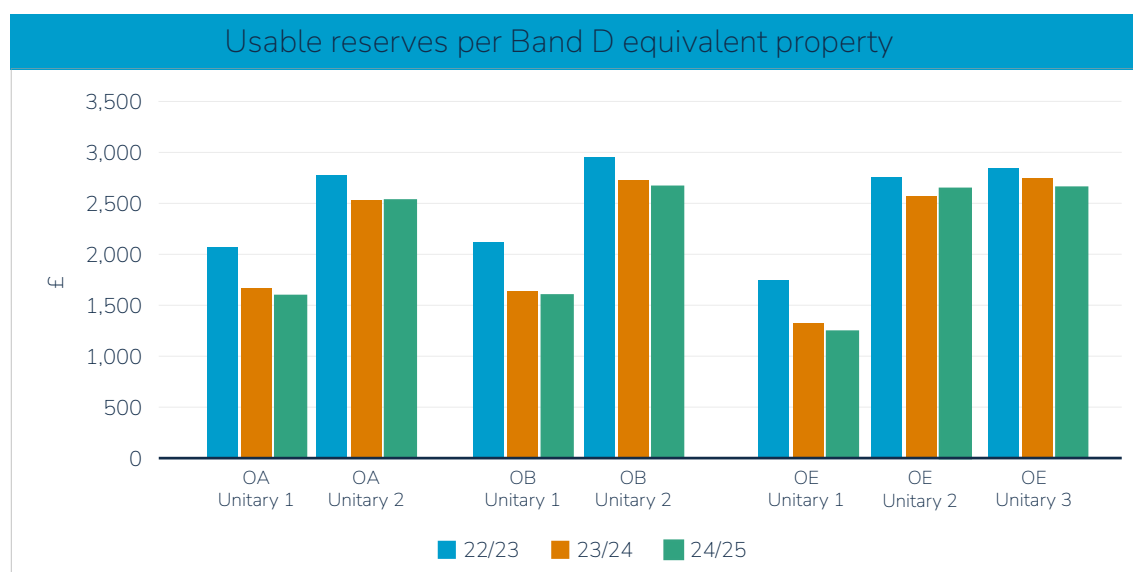
The values above reflect funds retained for general fund activity and, as part of which, help achieve the annual balance required. It also includes funds for capital activity, generated through either capital grants, capital receipts or development activity i.e. via Section 106 agreements or community 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 10: 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.

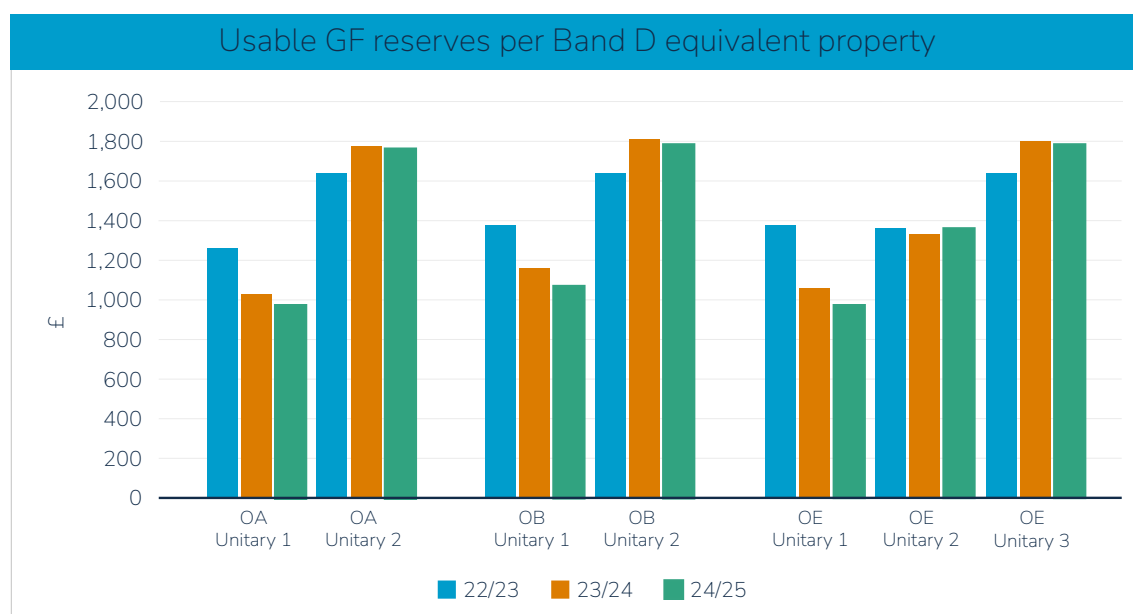
Figure 25: Usable reserves position per Band D equivalent property for LGR options.



	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	2,090	2,870	1,750	2,748	2,870
2023/24	1,685	2,532	1,742	2,680	1,313	2,573	2,680
2024/25	1,609	2,504	1,697	2,616	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.

Figure 26: Usable revenue 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	1,293	1,668	1,367	1,651	1,369	1,364	1,651
2023/24	1,044	1,768	1,130	1,816	1,055	1,303	1,816
2024/25	960	1,762	1,085	1,782	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 11: 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.

Figure 27: Five year historic CFR/CSP trajectories.

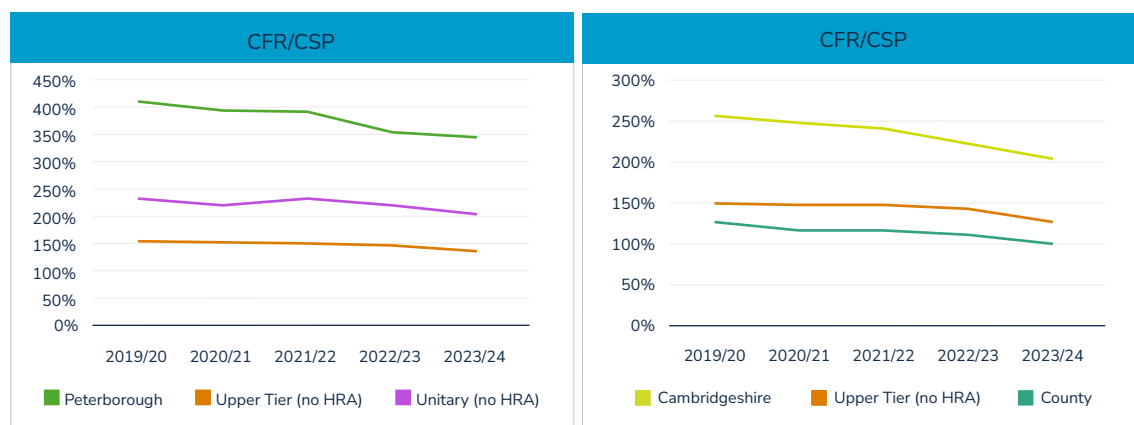
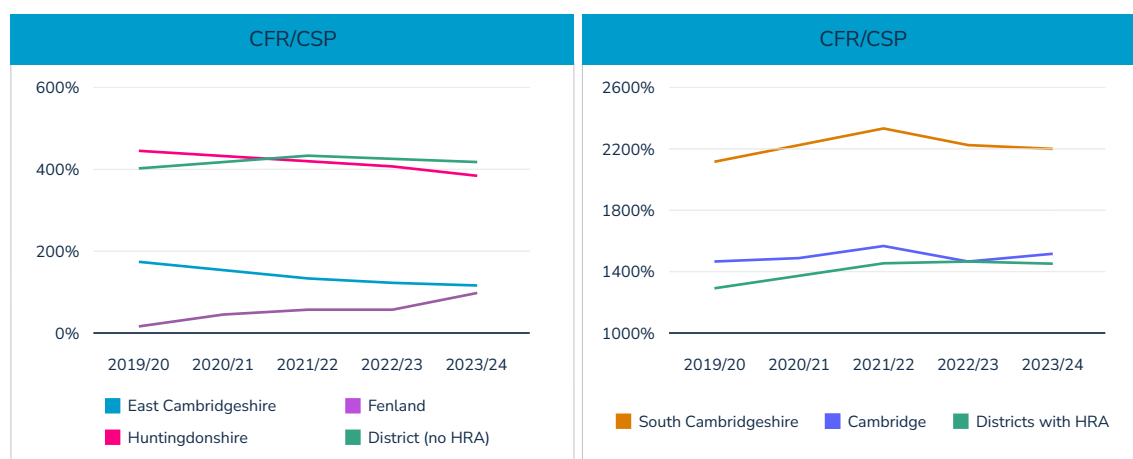


Figure 27: Five year historic CFR/CSP trajectories (continued).



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.

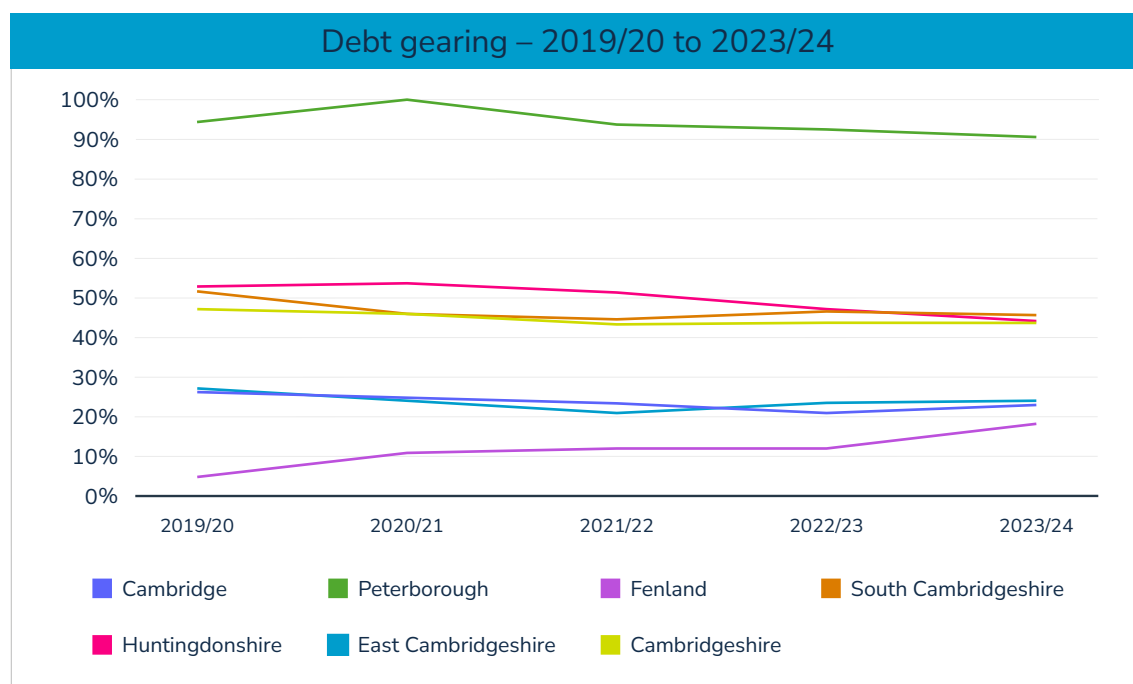
Debt gearing is also important to consider as it is a measure of the level of debt to equity and provides additional context in respect of capital health. Councils with high debt gearing have a higher proportion of assets underpinned by borrowing and will likely have debt financing costs over a longer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

Table 12: 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 12. However, as Figure 28 below shows, for each of these councils, the trajectory is either stable or declining based on the last five years of data.

Figure 28: 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.

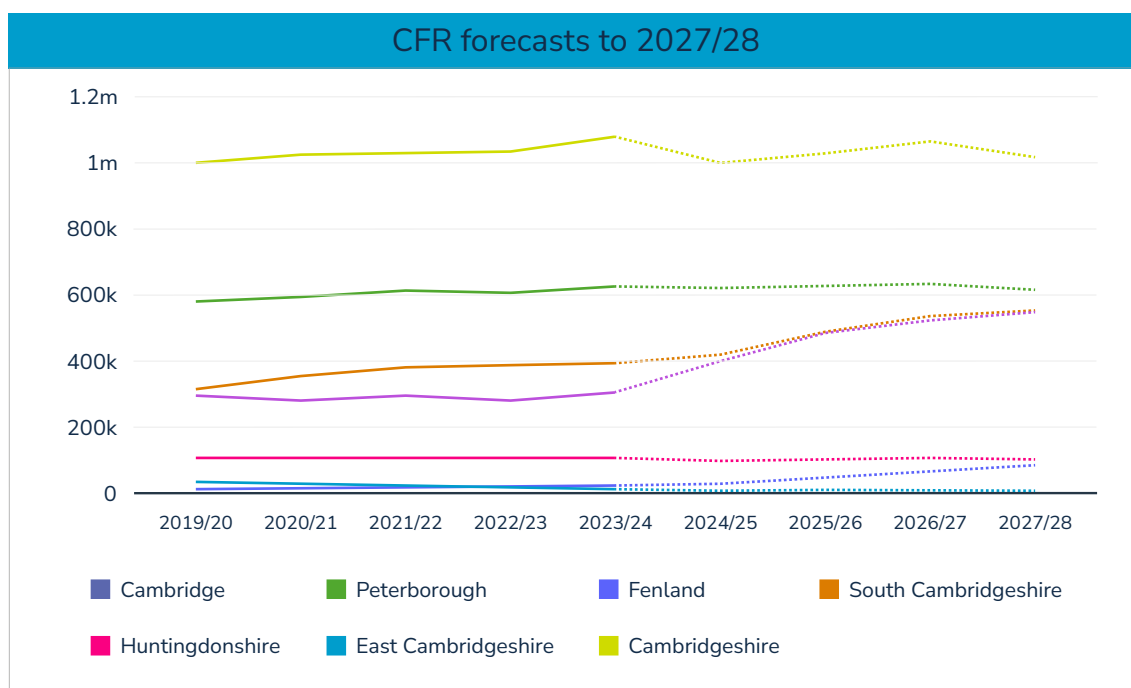
So as a gauge for debt affordability, debt financing costs and incomes from assets should be considered together as set out in the analysis in Table 13 below.

Table 13: 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.

Figure 29: 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 14: Analysis of council tax bases.⁶⁸

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%

⁶⁸ 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 15: 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 16 below.

Table 16: 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 8 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 Figure 23 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 reorganisation i.e. baseline plus savings and transition costs.

Figure 30: Net revenue position for each unitary authority under Option E.

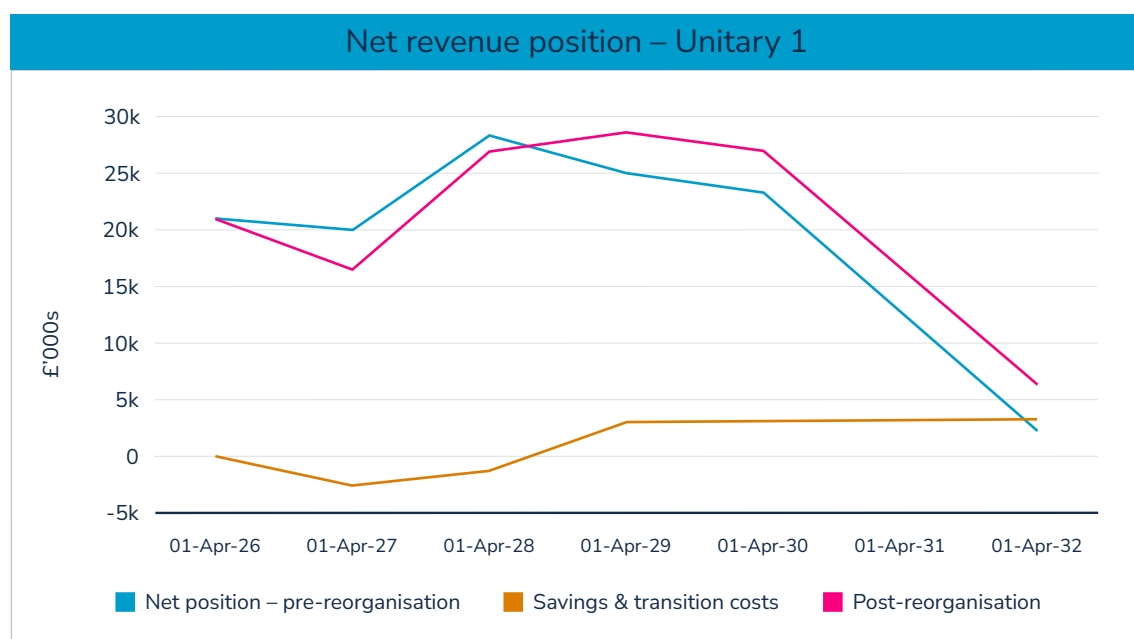
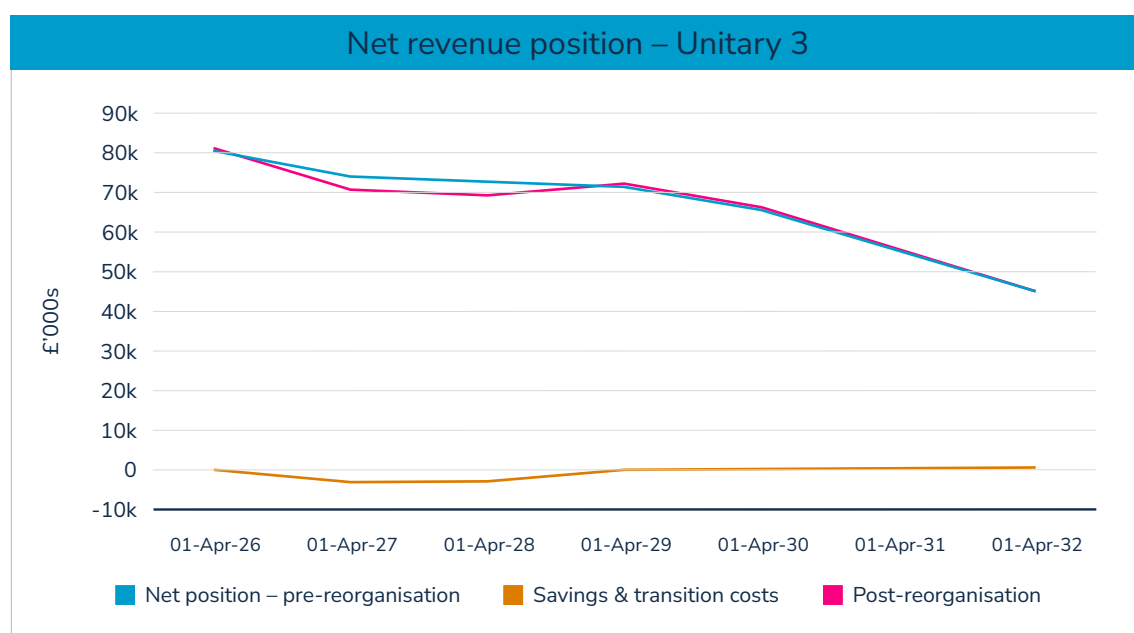
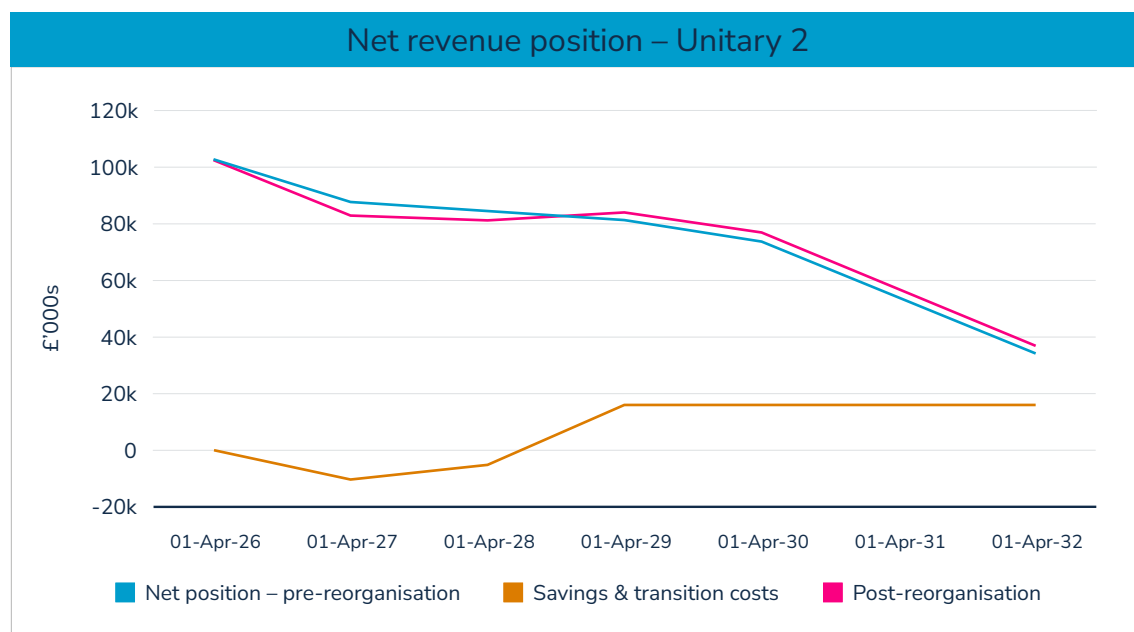


Figure 30: Net revenue position for each unitary authority under Option E (continued).



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

This section demonstrates 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 report⁶⁹ 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 SEND⁷⁰ 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 Hartlepool⁷¹ and Rutland⁷²).

⁶⁹ Local Government Reorganisation DCN Briefing, October 2025

⁷⁰ Special Educational Needs: support in England

⁷¹ [Overall summary – Care Quality Commission](#)

⁷² [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.

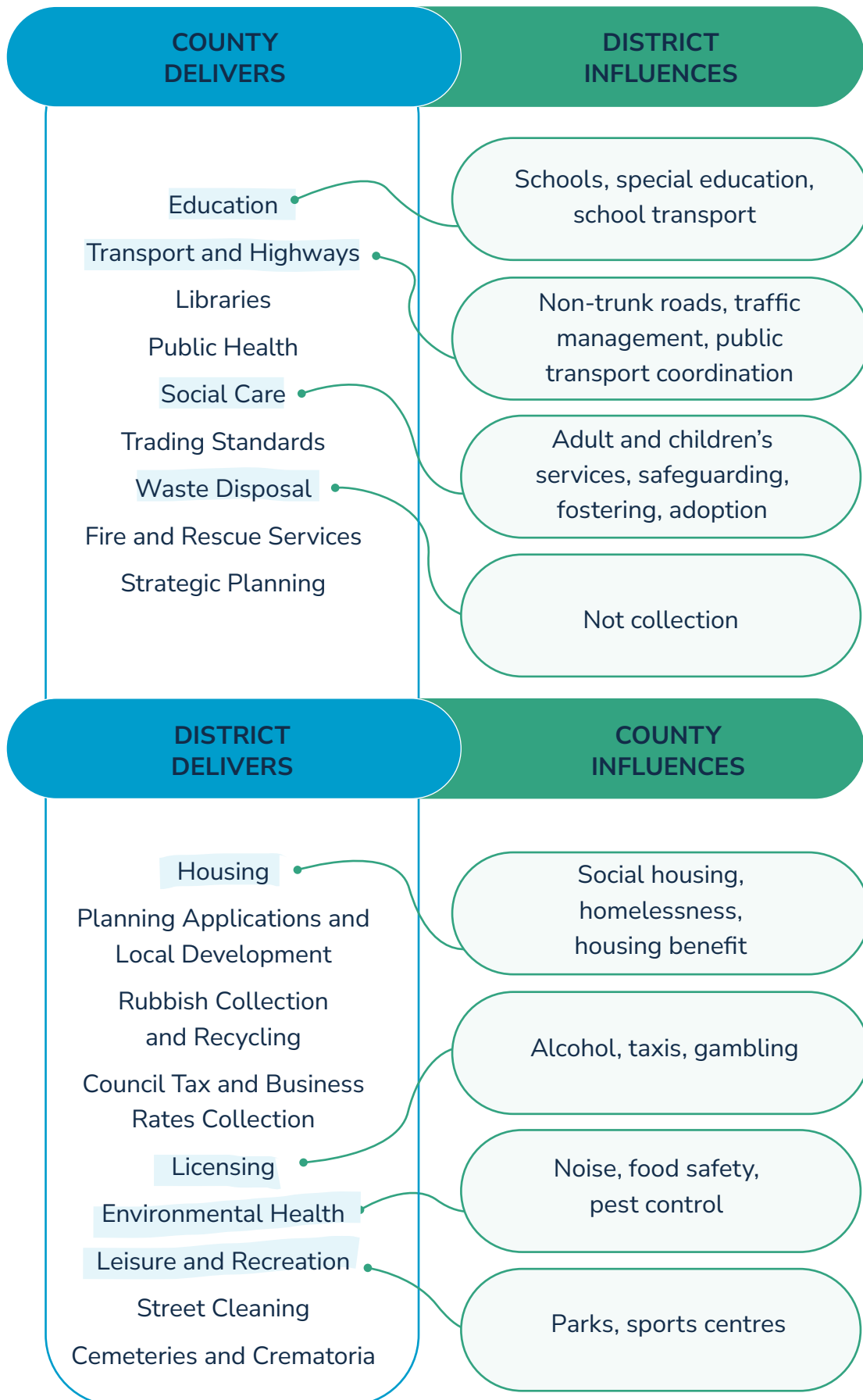
Strategic thinking

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.

Table 17: 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.

Table 18: Estimated spend per resident in ASC in Option E (Newton).

	2025			2040			Growth		
Total spend per resident (£ pa)	U1	U2	U3	U1	U2	U3	U1	U2	U3
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 below.⁷³ 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.

Table 19: 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	

⁷³ [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 31: Active for Health.



Figure 32: Falls Prevention.

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.

Children's 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 20: 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	• 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.	• 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 21: 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

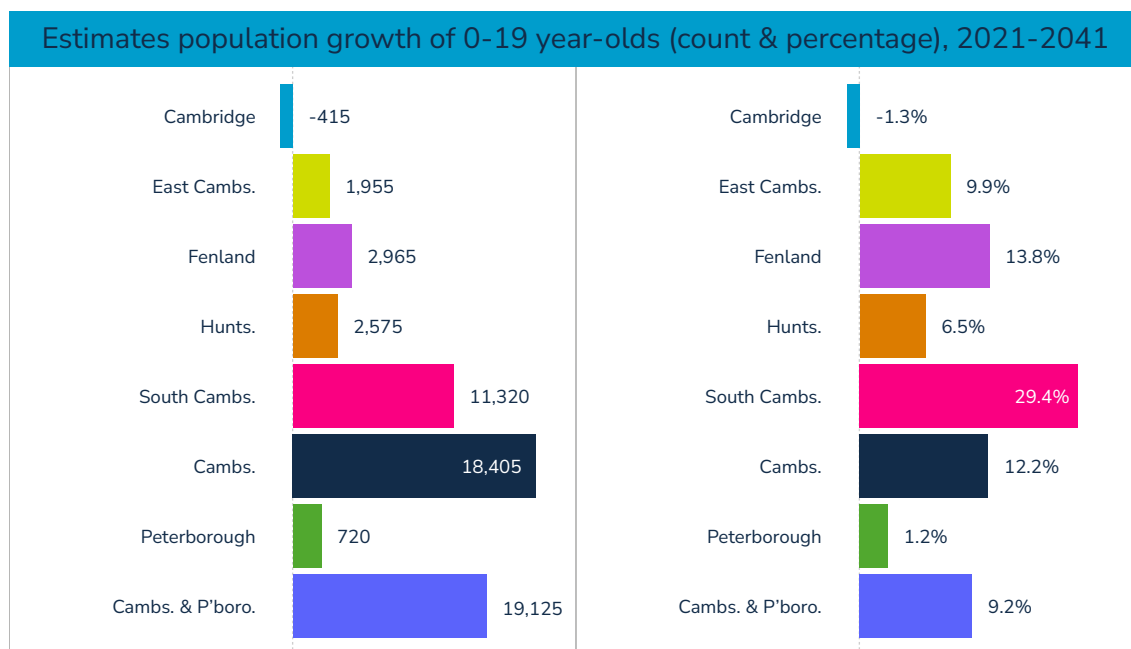
The table below shows how the expected spend per resident is expected to grow across each of the proposed unitaries over the next 15 years.

Table 22: Estimated spend per resident in CSC in Option E (Newton).

	2025			2040			Growth		
Total spend per resident (£ pa)	U1	U2	U3	U1	U2	U3	U1	U2	U3
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 33: 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 how health and social care, district and County services align 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.⁷⁴

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 23: Estimated spend per resident in SEND under Option E (Newton).

	2025			2040			Growth		
Total spend per resident (£ pa)	U1	U2	U3	U1	U2	U3	U1	U2	U3
SEND	220	178	183	734	515	507	234%	189%	177%

⁷⁴ [Local area dashboard: Special educational needs and disabilities \(SEND\) in England](#) [Local area dashboard: Special educational needs and disabilities \(SEND\) in England](#)

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.

Figure 34: Cambridgeshire County Council.

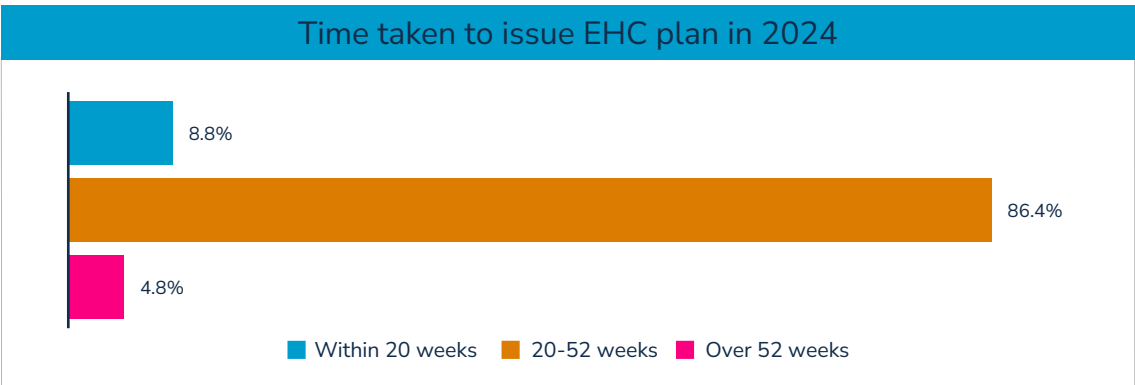
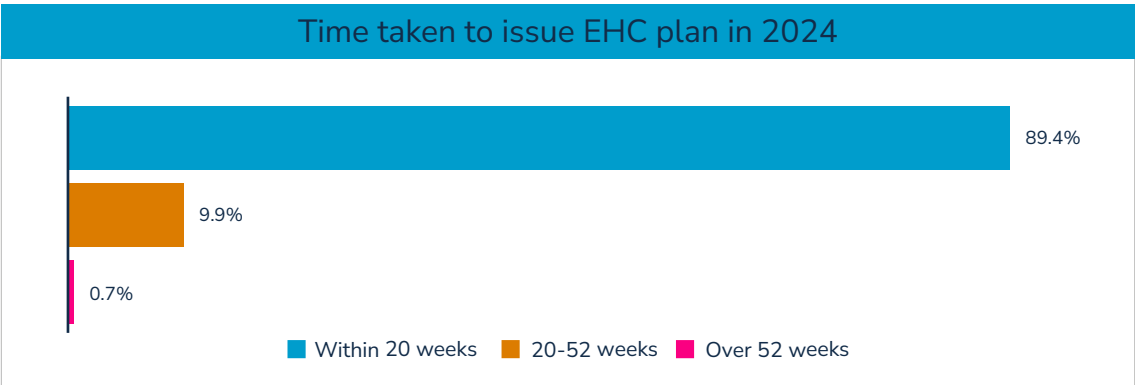


Figure 35: Peterborough City Council.



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

Table 24: 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 performance is fine overall, inequalities persist due to geographic and demographic diversity.

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 25: 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 Partnership⁷⁵** – 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 Outreach⁷⁶** – 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 36: 'Off the Streets' project.

⁷⁵ cambridgeshireinsight.org.uk/wp-content/uploads/2020/08/Cambridgeshire-Homeless-Transformation-project-Main-Report-June20.pdf

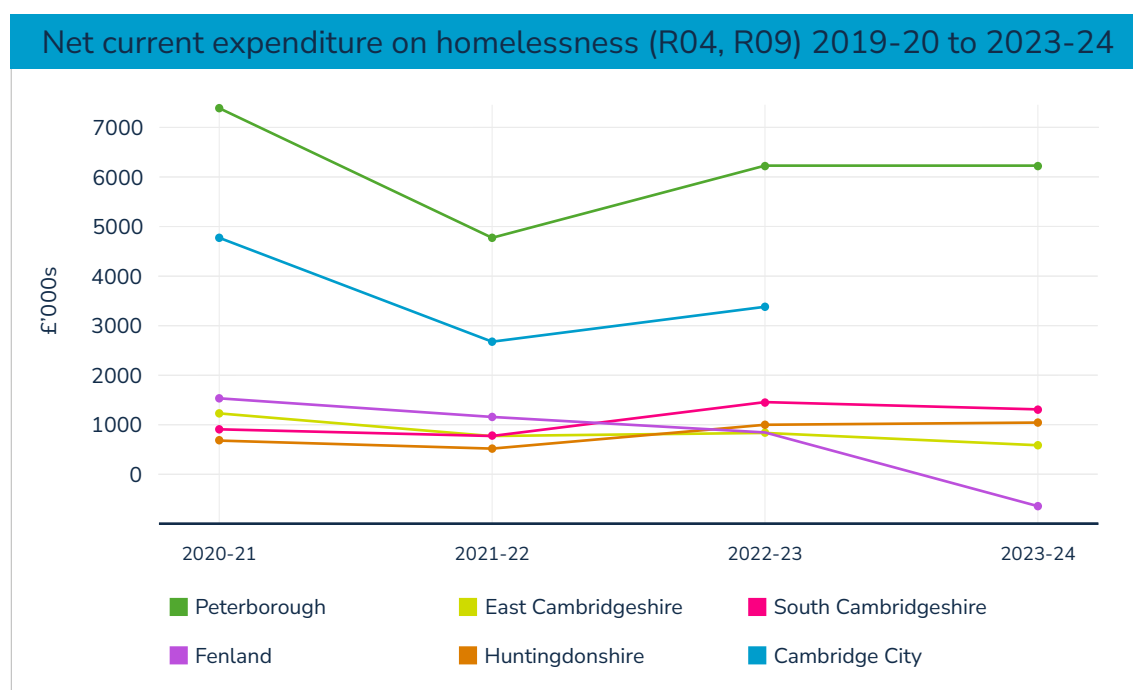
⁷⁶ [P3 Cambridgeshire Street Outreach | P3 Charity](#)

The following are examples of individual council led schemes to deal with rough sleeping and homelessness, **‘Housing First’ initiatives**⁷⁷ – 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**⁷⁸ – 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.

Figure 37: New current expenditure on Homelessness.



⁷⁷ [Housing First In Cambridge – Interim Report.pdf](#)

⁷⁸ [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 26: 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

Although the services outlined by Government as ‘high-risk’ have been explored, 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. an outline of how LGR and the adoption of Option E can exploit opportunities for improving and transforming public services has been outlined.

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 are envisaged 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 27: 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 resident-facing services whilst also improving the way that information is internally managed 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 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. The 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.

By harnessing this strong communication, it enables proactivity and allows for better 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 will be a focus on outcomes – not harnessing technology for the sake of technology but rather to deliver for 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 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 LGBCE.⁷⁹ 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:

⁷⁹ Electoral Arrangements Paper

Table 28. 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.

Table 29: 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 30: 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 31: 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 the 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 32: 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.

The 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.⁸⁰

- 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.

⁸⁰ [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 councils.⁸¹ 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 Council⁸² 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

⁸¹ councils.coop/case-study/salford-poverty-truth-commission/

⁸² [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'⁸³ 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.⁸⁴ 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 initiative⁸⁵ 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 Cornwall⁸⁶ – 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.

⁸³ [Waltham Forest Young Advisors](#)

⁸⁴ [A new era unity in Cambridge | Gather Movement](#)

⁸⁵ [Towns Fund: supplementary guidance for Town Deal Boards – GOV.UK](#)

⁸⁶ [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 the 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.⁸⁷

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.⁸⁸ 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.

⁸⁷ [Home | SNNE](#)

⁸⁸ [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 forum⁸⁹ 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 unitarisation 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.⁹⁰ 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)⁹¹ 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.

⁸⁹ [Town and Parish Council Forum | Let's Talk Huntingdonshire](#)

⁹⁰ [Committee details – Parish Council Liaison Meeting | Peterborough City Council](#)

⁹¹ [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.⁹²



*Figure 38:
Community
Infrastructure
Levy.*

⁹² 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.⁹³

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.

⁹³ [Huntingdonshire Community Health and Wealth Building Strategy – Huntingdonshire.gov.uk](https://www.huntingdonshire.gov.uk/Community-Health-and-Wealth-Building-Strategy)

4.4.5 Local identity

As outlined in the guidance by government, 'proposals should consider issues of local identity and cultural and historic importance.' Option E works to preserve local identity by strengthening existing community ties and building on historical patterns of behaviour.

Historically, the elected county councils in 1888 were as follows:

- The County of the Isle of Ely
- The County of Huntingdon
- The County of Cambridge
- The Soke of Peterborough (self-governing within the County of Northamptonshire)

Traditionally, the County of Cambridge has been smaller and relatively self-governing, with multiple attempts to become a unitary or County borough in 1912, 1946 and 1960. Cambridge City and South Cambridgeshire are areas steeped in rich history, with Cambridge historically serving as a market and cultural hub for surrounding villages and colleges in the University of Cambridge frequently owning land in South Cambridgeshire or holding ecclesiastical and civic roles in villages. The 'Greater Cambridge' place is already well established currently through shared service delivery, but it also reflects existing patterns of behaviour and connection.

This is exemplified by the existing Greater Cambridge Partnership,⁹⁴ an organisation tasked with 'securing Greater Cambridge as a successful city region' by delivering improvements to infrastructure, housing and skills in the Greater Cambridge region. The Case for Cities report also identifies South Cambridgeshire and Cambridge City as a recognised place, highlighting its role as an innovation hub.⁹⁵ Option E allows this strong connection to be built upon whilst retaining historic connections elsewhere in the region.

Huntingdonshire is also a district with a rich and enduring history, shaped by its vibrant market towns, agricultural heritage, and deep-rooted sense of community. The area has a strong legacy including connections to national figures such as Oliver Cromwell and Samuel Pepys, showing the region's strong connection to national politics, further highlighted by the Oliver Cromwell statue placed outside Westminster, the home of UK government. Its market towns – Huntingdon, St. Ives, St Neots and Ramsay – have long served as centres of commerce and local identity.

⁹⁴ [Greater Cambridge Partnership](#)

⁹⁵ [Case+for+Cities+Report+-+Inner+Circle+Consulting.pdf](#)



Figure 39: Oliver Cromwell.

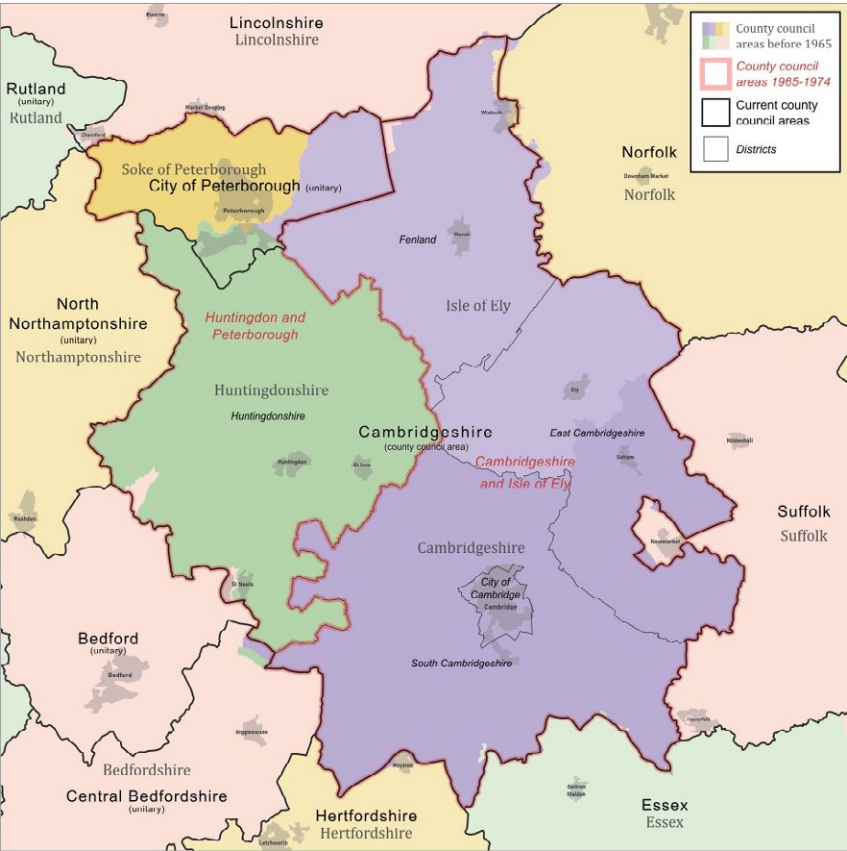
The district has existed as a stand-alone county, demonstrating a history of self-governance up to 1974 – albeit its boundaries stretch back to the Anglo-Saxon era and are largely unchanged today with the geography forming one of the largest Districts. The geographical change over time is exemplified in the below images, demonstrating that Huntingdonshire's boundaries have been largely unchanged since before 1965. The districts eagerness to strengthen local identity is highlighted through its place strategy, which seeks to improve local market areas and boost the region's profile as a hub for tourism with a stronger place brand.⁹⁶ Option E allows this existing work to be strengthened, recognising residents' strong connections to their local area whilst allowing Huntingdonshire to strengthen its identity through future projected growth and innovation regionally, but also contributing to national growth. Option E is unique, in comparison to other options presented in the region, in that it retains this strong historic identity.

⁹⁶ Journey 1: Pride in Place

Figure 40: Cambridgeshire's boundaries, 1607.⁹⁷



Figure 41: Cambridgeshire's boundaries before 1965 – current.



⁹⁷ [Cambridgeshire Maps Archives – Welland Antique Maps](#)

Peterborough, Fenland and East Cambridgeshire also have rich histories and strong local identities. Peterborough is a historically industrial city, with rapid expansion occurring in the 19th century following the arrival of the railway. By contrast, Fenland and East Cambridgeshire have a strong rural identity with the two areas placed as major agricultural hubs. The two areas have a strong connection in this sense, with their focus on agriculture and nature preservation complementing each other. East Cambridgeshire is also home to the historic city of Ely, home to Ely Cathedral, a landmark of significant national importance. The city serves as an important hub for the surrounding villages.

Option E allows the North-Eastern unitaries rural identity to be maintained by keeping the Fens connected. This maintenance of rurality allows market towns and villages to remain as rural hubs with the new unitaries being able to focus on strengthening local agriculture. This also directly addresses some of the concerns raised in the resident engagement survey, with residents in Fenland and East Cambridgeshire showing high concern for being over-looked in new unitary authorities (80%/79% respectively). Keeping rural districts together, and respecting Peterborough's identity as a high-growth region with the need for further space, respects the needs of residents and existing strong connections between districts.

Figure 42: Option E.



Option E successfully builds off historical patterns of behaviour and governance by maintaining the strong place identity of Huntingdonshire at the heart of the region, strengthening the Greater Cambridge region in the south, and maintaining rurality in the east and north whilst allowing Peterborough's growth potential to be unlocked and its identity to be boosted.

Option E is the most balanced and respectful restructuring of the region in so far as recognising history and place identity is concerned.

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 CPCA 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 and 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 the 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.⁹⁸

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 E and its alignment with devolution is therefore not about creating a new organisation but about strengthening the existing relationship 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 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

⁹⁸ [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 33: GVA distribution by district.⁹⁹

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

⁹⁹ [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 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.¹⁰⁰

The two surveys were intended to inform the creation of this proposal and their feedback has effectively shaped the argument for Option E. There has been dedicated work to accurately reflect their aspirations and priorities for

¹⁰⁰ Survey reports

the area as well as to address any concerns they may have about the process of reorganisation. Their option preferences have been taken into account alongside their view on what can be improved in the current structure to inform the 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 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 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 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 43: Size preferences in survey responses for Unitary 1 – Northern.

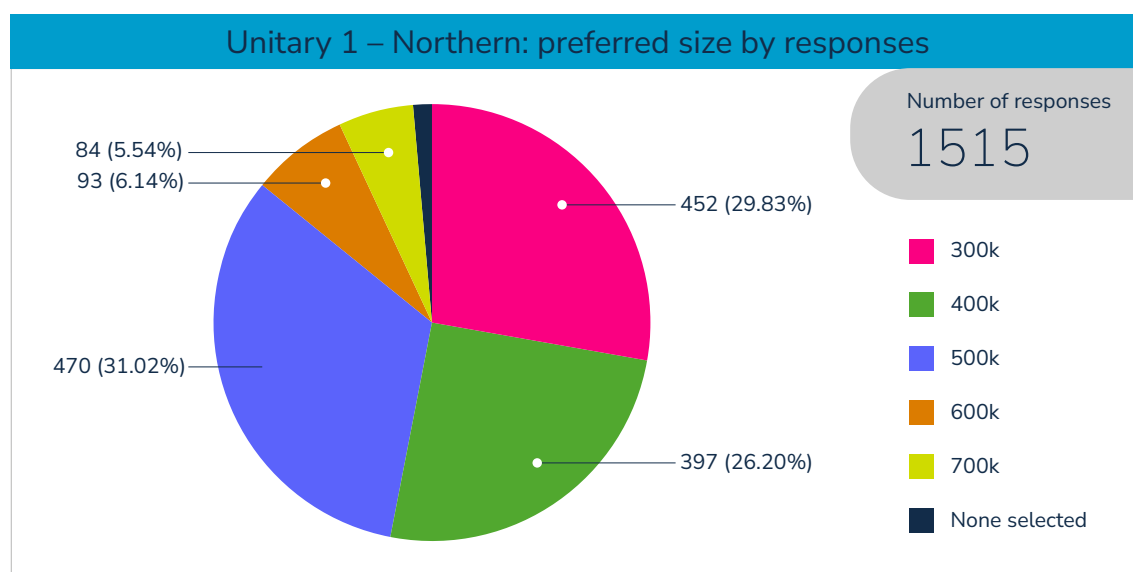


Figure 44: Size preferences in survey responses for Unitary 2 – Huntingdonshire.

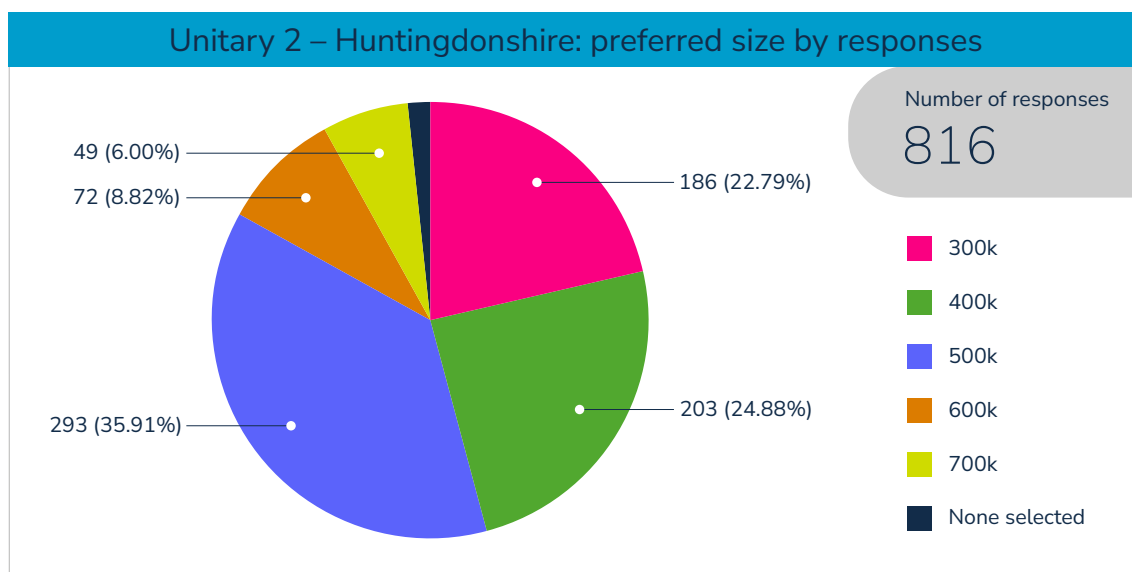
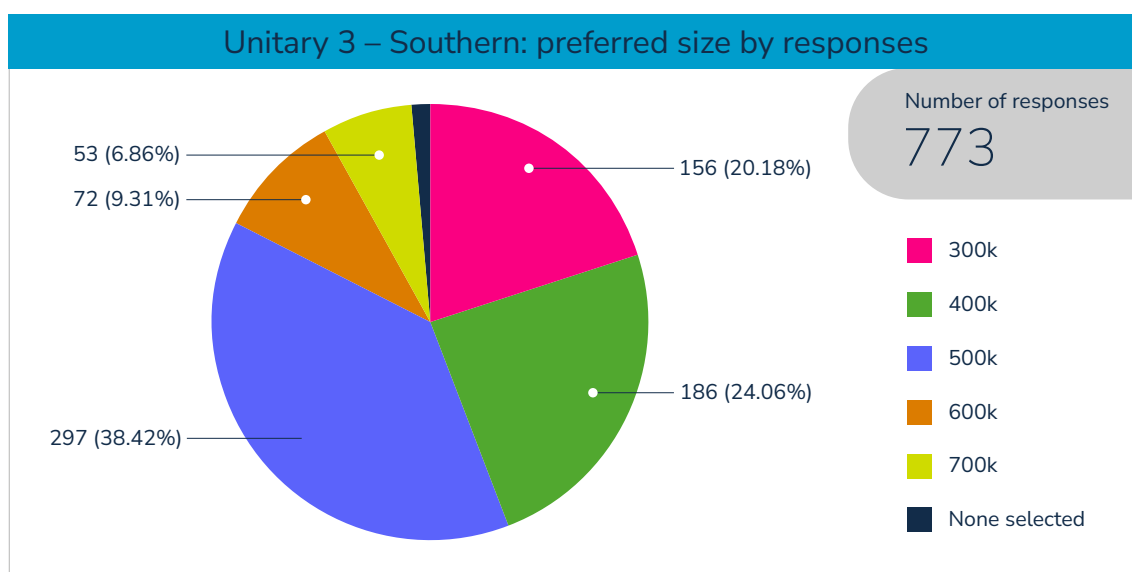


Figure 45: Size preferences in survey responses for Unitary 3 – Southern.



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 46: Travel patterns in survey responses for Unitary 1 – Northern.

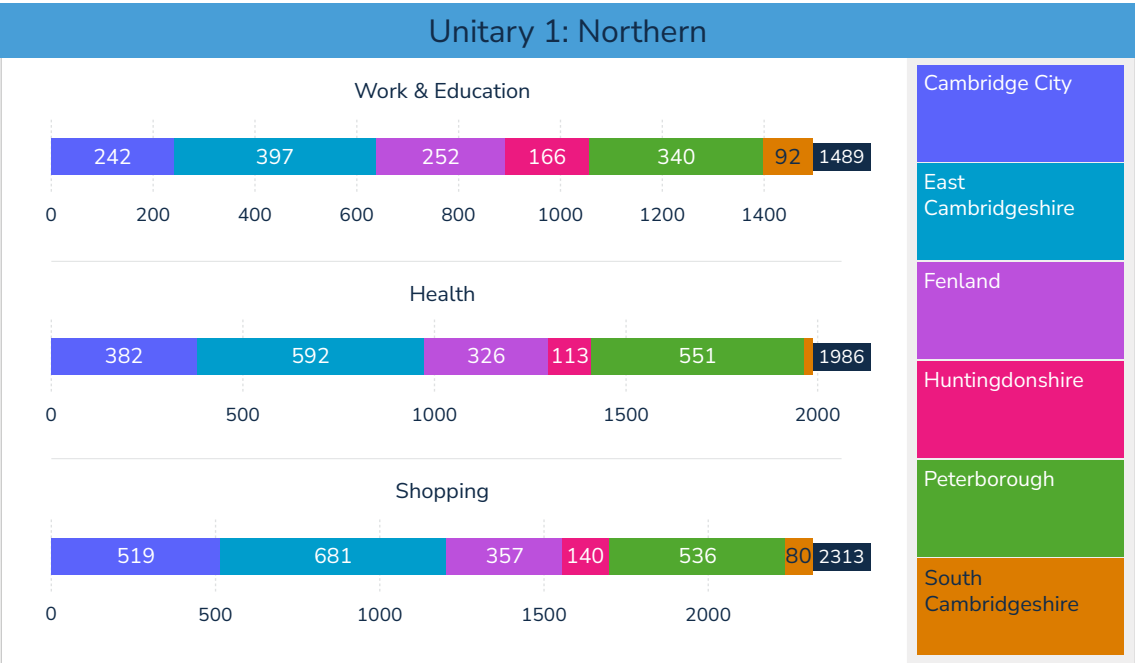


Figure 47: Travel patterns in survey responses for Unitary 2 – Huntingdonshire.

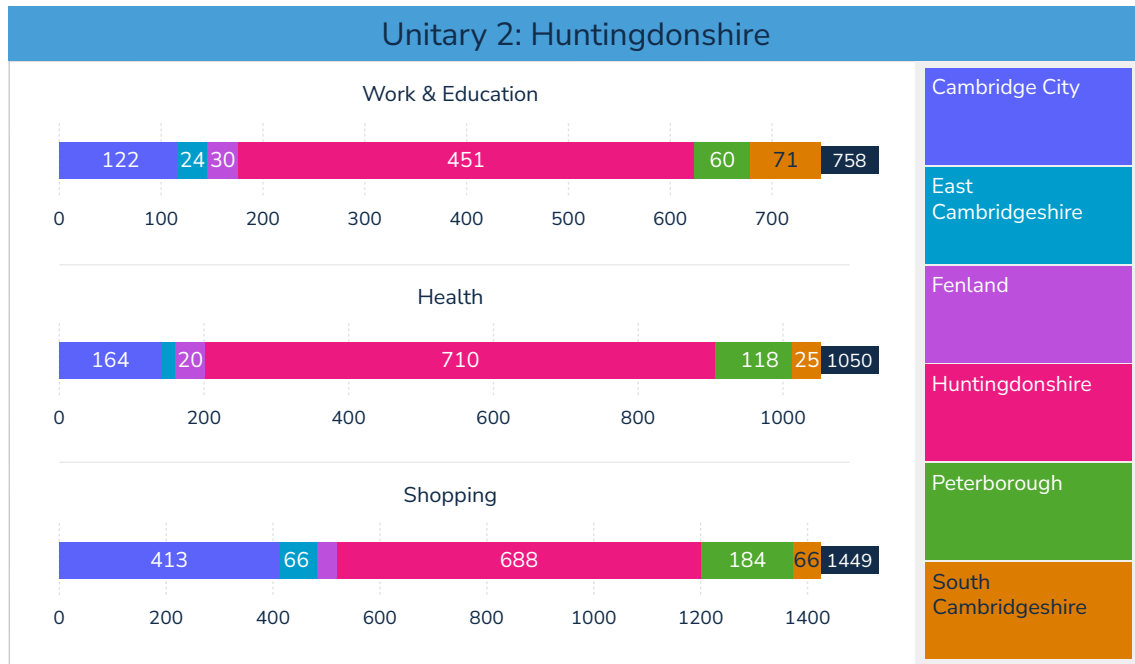
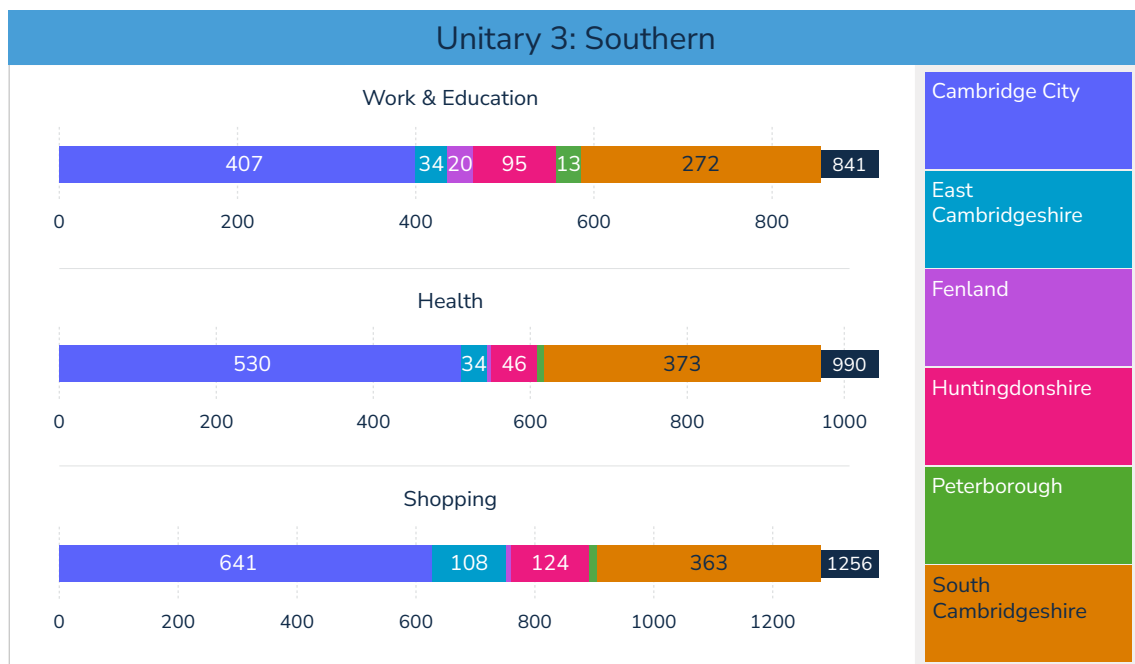


Figure 48: Travel patterns in survey responses for Unitary 3 – Southern.



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 communications and engagement strategy and the risk management framework across the transition period.

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.

There are a number of statutory duties that the new authorities will be responsible for adhering to with regard to place-based services, including waste collection and disposal duties, related to processing 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 the new authorities to remain focused on maintaining local delivery, giving us time to harmonise systems and organisational structures. The priority will be to establish 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 safe and legal requirements for service delivery on vesting day are recognised. 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 will also be on cleansing the 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 the data is in good shape, then the disaggregation and aggregation of systems will be simplified and existing platforms can continue to be utilised.

The following will be effectively prioritised 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.

The implementation plan is therefore focused on delivering the above Day 1 requirements, with transformation coming later. There will be work undertaken to harmonise priority systems early whilst ensuring that staff have access to what they need to deliver services. It is recognised 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

A high-level timeline is set out below for implementation. It outlines the following phases:

Phase 1 – Pre-decision mobilisation (June 2025 – July 2026)

Phase 2 – Post-decision and joint committees (July 2026 – May 2027)

Phase 3 – Shadow authorities (May 2027 – Vesting Day in April 2028)

Phase 4 – Transition post shadow authorities (April 2028 – April 2029)

Phase 5 – Delivering on longer-term ambitions (April 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 and 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 and beyond

PHASE 5: Delivering on longer term ambitions

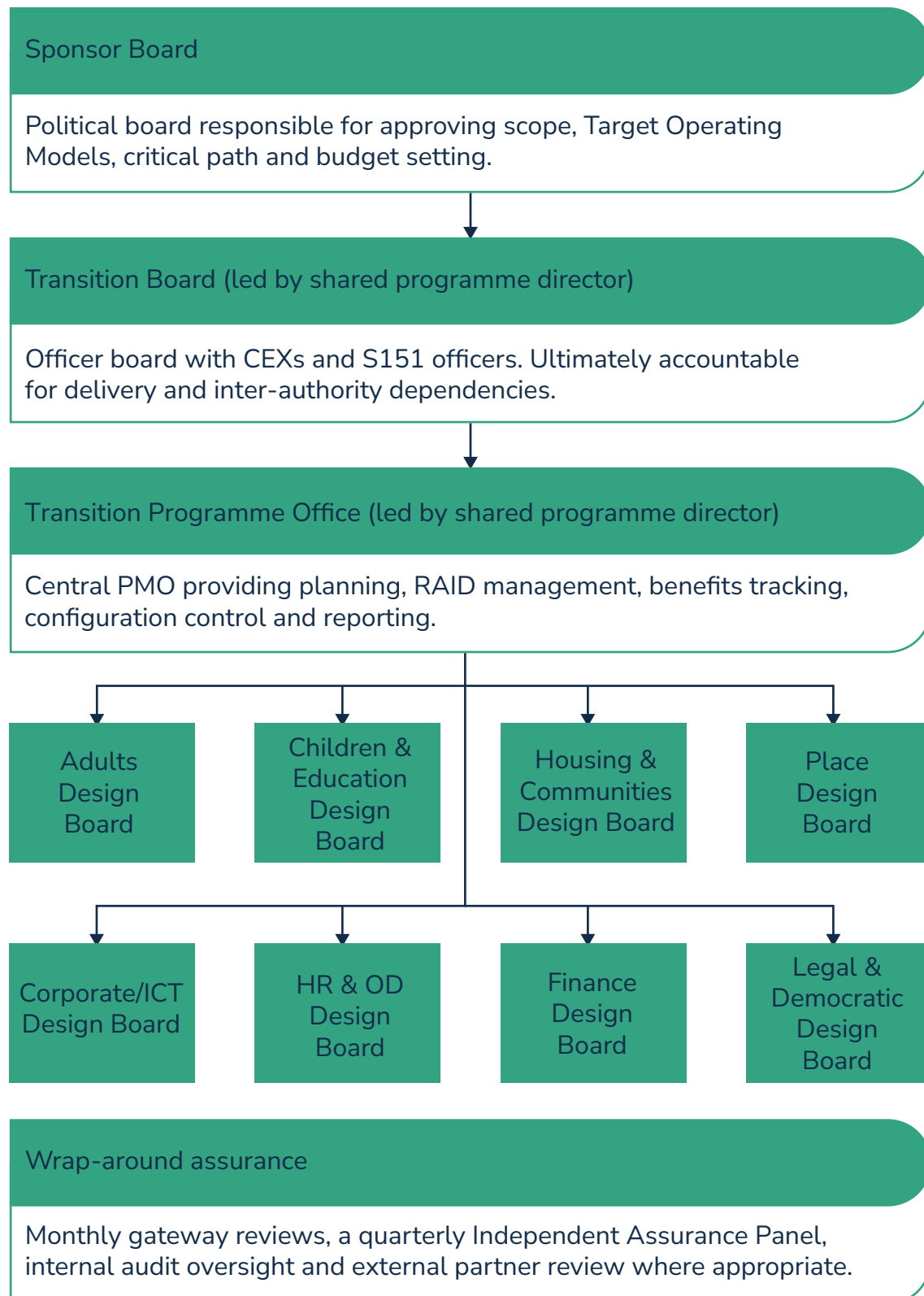
Focus: early stage public-service reform and innovation in delivery. Trialling new service delivery models.

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 that are suggested 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
Governance, Democracy and Legal Reports to Legal and Democratic Design Board	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.	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.	Ensuring legal compliance on Day 1 and post.
Finance, Commercial and Assets Reports to Finance Design Board	Identify current baselines and forecasting models, create LGR cost pressure model, mapping of commercial assets, contract novation strategy, transfer of debt and procurement pipeline.	Creation of MTFP, reserves strategy, council tax equalisation trajectory, fees and charges approach, ensure single balance sheet, ensure Day 1 readiness and compliance.	Carry out council tax harmonisation over time, assess income growth models.

Workstream	Deliverable during Joint Committees	Deliverable during Shadow Authority	Deliverable post Vesting
People and Culture Reports to HR and OD Design Board	Pay and grading road-map, TUPE and staffing models, continuous communications to staff and equality impacts.	Organisational development, culture plan, leadership development, TUPE of all staff, terms and conditions.	Ensure continuous culture and strong values. Ensure TUPE carried out safe and legally on Day 1.
Customer, Digital and Data Reports to Corporate/ICT Design Board	CRM and case management approach, develop digital design principles, data migration, integration and retention schedules. Establish phased or big bang approach for delivery.	Contact model, plan new websites and branding, cyber posture, identity and access management.	Ensure prioritised IT and customer contact is in place for vesting. Ensure alignment of systems continues for those that haven't already.
Service Alignment, Continuity and Delivery Reports to service-specific design board (Place, Childrens, Adults and Housing and Communities)	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.
Partnerships, Locality and Communication Reports to Housing and Communities Design Board and/or Legal and Democratic	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.

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)	• 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	• 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	• 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	• ‘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	• 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	• 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

The approach outlined in Section 4.3 to service delivery 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, including mitigations are addressed. 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, some of the key programme-level risks are outlined 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 emerging risks are monitored.

The above outlines the approach going forward, but so far it has also been collaborative. As part of the proposal phase, a democracy, governance and risk workstream was set up, 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
Effective leadership – ensuring clarity of leadership and decision-making processes to keep implementation activities on track with effective oversight.	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.
Service continuity – balancing LGR with BAU service delivery to avoid disruptions to services for residents, potentially harming public confidence and trust.	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.
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.	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.
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.	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.

Risk	Mitigation
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.	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.

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 compliance will be ensured.

Compliance area	How this will be met?
Data-sharing and UK General Data Protection Regulations	Data-sharing agreements have already been established between regional local authorities. It will be ensured that sensitive data is collected in compliance with GDPR and information governance officers are in conversation to ensure this is met.
TUPE/HR considerations	Transfer of staff will be in line with TUPE regulations – all terms and conditions will be main-trained and continuity protected. It will be ensured that 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. Conversations have continued 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.

Compliance area	How this will be 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 work has begun to set up procurement working groups to ensure effective oversight of major contracts that directly feeds up to 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	Work is being undertaken 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 also been set up to manage existing procurement regulations to ensure that contracts have clear exit strategies. Once the decision has been made by government, work will commence with partner Councils to ensure that transfers can be managed legally and as smooth as possible.
Bank accounts/ collection of council tax/payment of benefits	Work 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. Work to harmonise Council Tax within the seven year limit, as legislated, using member working groups with the new administration.

Compliance area	How this will be 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	All statutory policies will be made 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 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.

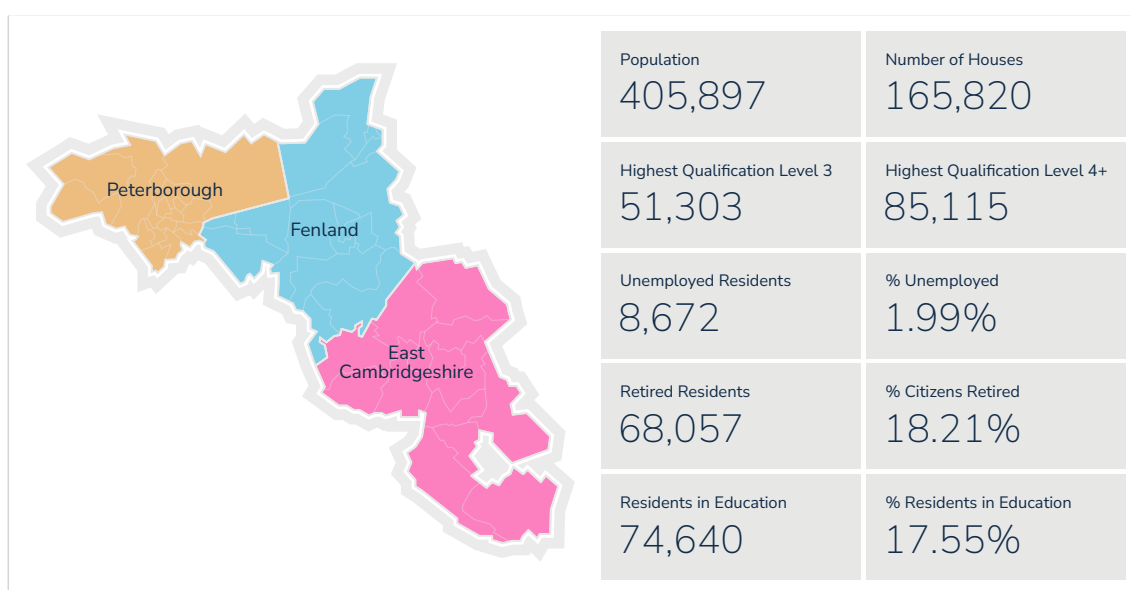
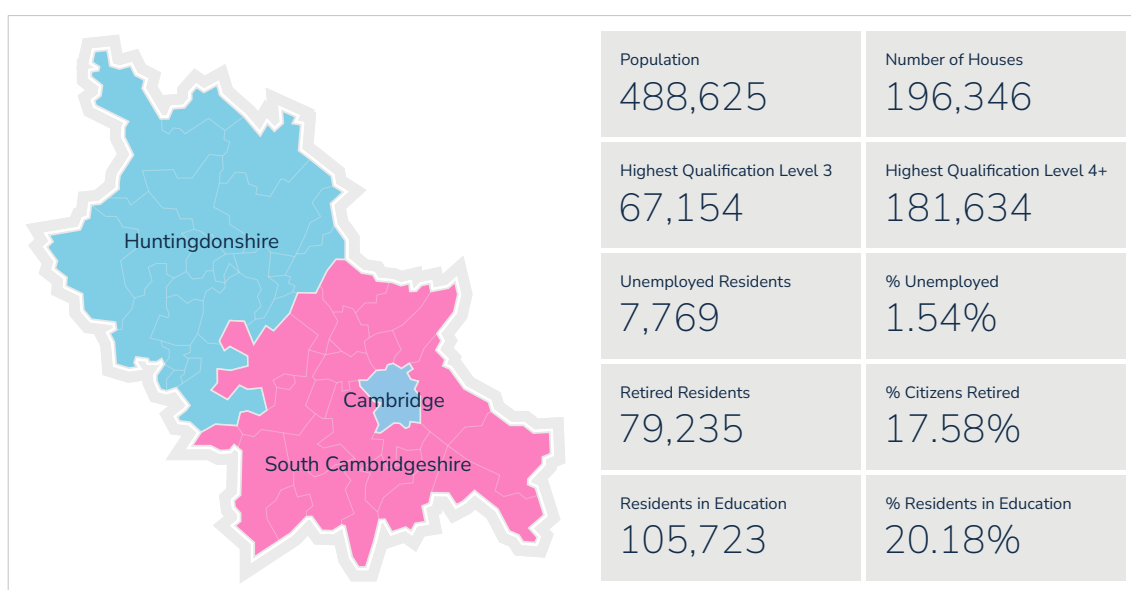
Democratic representation would become simpler and more meaningful, reducing layers of government while keeping councillors close to the people they serve. This model prepares the region for the next stage of devolution, ensuring powers and resources can be managed at the right level.

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 – Demographic dashboard for the region

Comparison Zone Builder



Appendix B – Financial assumptions and analysis explanation

The feedback given following the interim plan stage has been used as a source of guidance for the type and extent of financial information you would like to see in this full proposal.

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 the 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 the 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.

he potential savings have not been considered 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 three years post reorganisation. 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 the analysis at this stage.

Information on the counterfactual against which efficiency savings are estimated, with values provided for current levels of spending.

The figures in the latest published MTFPs of each council have been used as the basis of the 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.

There has been no attempt to predict the magnitude of variability or uncertainty with any of these areas.

There has been 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 the 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 an estimate for these for any options has not been provided 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 the modelling
e.g. assumptions of future funding, demographic growth and pressures,
interest costs, Council Tax, savings earmarked in existing councils' MTFSs.

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 reorganisation 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 transition costs will be managed, 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 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 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.

There has been no attempt to predict the magnitude of variability or uncertainty with any of these areas.

There has been significant analysis undertaken 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