Ministry of Housing,
Communities &
Local Government

15 May 2025

LOCAL GOVERNMENT REORGANISATION

INTERIM PLAN FEEDBACK: HERTFORDSHIRE

To the Chief Executives of:
Broxbourne Borough Council
Dacorum Borough Council
East Herts Council
Hertfordshire County Council
Hertsmere Borough Council
North Hertfordshire District Council
St Albans City and District Council
Stevenage Borough Council
Three Rivers District Council
Watford Borough Council
Welwyn Hatfield Borough Council

Overview:

Thank you for submitting your interim plan. The amount of work from all councils is clear to see across the range of options being considered. For the final proposal(s), each council can submit a single proposal for which there must be a clear single option and geography and, as set out in the guidance, we expect this to be for the area as a whole; that is, the whole of the area to which the 5 February invitation was issued, not partial coverage.

Our aim for the feedback on interim plans is to support areas to develop final proposal(s). This stage is not a decision-making point, and our feedback does not seek to approve or reject any option being considered.

The feedback provided relates to the Interim Submission submitted jointly by:

- the Leaders of the eleven councils in Hertfordshire and the Police and Crime Commissioner for Hertfordshire.

We have provided feedback on behalf of central government. It takes the form of:

1. A summary of the main feedback points,
2. Our response to the specific barriers and challenges raised in your plans,
3. An annex with more detailed feedback against each of the interim plan asks.

We reference the guidance criteria included in the invitation letter throughout, a copy of which can be found at LETTER: HERTFORDSHIRE – GOV.UK. Our central message is to build on your initial work and ensure that the final proposal(s) address the criteria and are supported by data and evidence. We recommend that any final proposal(s) should use the same assumptions and data sets or be clear where and why there is a difference.

We welcome the work that has been undertaken to develop local government reorganisation plans for Hertfordshire. This feedback does not seek to approve or discount any option but provides some feedback designed to assist in the development of final proposal(s). We will assess final proposal(s) against the guidance criteria provided in the invitation letter and have tailored this feedback to identify where additional information may be helpful in enabling that assessment. Please note that this feedback is not exhaustive and should not preclude the inclusion of additional materials or evidence in the final proposal(s). In addition, your named area lead, Rebecca Griffith, will be able to provide support and help address any further questions or queries.

Summary of feedback:

We have summarised the key elements of the feedback below, with further detail provided in Annex A.

1. In some of the options you are considering populations that would be above or below 500,000. As set out in the Statutory Invitation guidance and in the English Devolution White Paper, we outlined a population size of 500,000 or more. This is a guiding principle, not a hard target – we understand that there should be flexibility, especially given our ambition to build out devolution and take account of housing growth, alongside local government reorganisation. **All proposals, whether they are at the guided level, above it, or below it, should set out the rationale for the proposed approach clearly.**

2. The inclusion of indicative financial analysis in the Interim Submission is welcome. We would encourage all councils to continue to collaborate in their use of this analysis. **We expect to see the analysis developed further in your final proposal(s) and would encourage all councils to draw on a consistent evidence base in developing proposals.**

3. The criteria ask that consideration should be given to the impacts for crucial services such as social care, children's services, SEND and homelessness, and for wider public services including public safety (see criterion 3). The recognition of the risk of disaggregation of services is welcome. **For all options where there is disaggregation, further detail will be helpful on how the different options might impact on these services and how risks can be mitigated. It would also be helpful to detail and evidence the benefits and challenges around Children's Social Care, Special Educational Needs and Disabilities (SEND) Services and Schools in final proposal(s).**

4. **New unitary structures must support devolution arrangements.** You have outlined that it has not been possible to confirm the likely strategic authority geography due to May 2025 elections in Hertfordshire and the surrounding areas. We welcome your commitment to assess different strategic authority options and their relationship to local government reorganisation models. Across all local government reorganisation proposal(s), looking towards a future Strategic Authority, it would be helpful to outline how each option would interact with a Strategic Authority and best benefit the local community, including meeting the criteria for sensible geography in the White Paper and devolution statutory tests.

5. We welcome the steps you have taken to come together to prepare your proposal, as per criterion 4.

   a. **Effective collaboration between all councils across the invitation area will be crucial; we would encourage you to continue to build strong relationships and agree ways of working, including around effective data sharing. This will support the development of a robust shared evidence base to underpin final proposal(s).**

   b. **It would be helpful if your final proposal(s) use the same assumptions and data sets.**

   c. **It would be helpful if your final proposal(s) set out how the data and evidence support all the outcomes you have included, and how well they meet the assessment criteria in the invitation letter.**

   d. **You may wish to consider an options appraisal that will help demonstrate why your proposed approach in the round best meets the assessment criteria in the invitation letter compared to any alternatives.**

Response to specific barriers and challenges raised

Please see below our response to the specific barriers and challenges that were raised in your interim plan:

1. **Criteria for local government reorganisation**

   You have set out that Hertfordshire has high ambitions for delivery of new homes and communities and will take this into consideration when determining options. We welcome consideration of future changes to your area and will want to see an evidence-based rationale for your preferred approach in your final proposal(s).

   You asked about whether the Government has any strong views on trade-offs which areas may need to make. The criteria are not weighted. Our aim for this feedback is to support areas to develop final proposal(s) that address the criteria and are supported by data and evidence. Decisions on the most appropriate option for each area will be judgements in the round, having regard to the guidance and the available evidence.

2. **Process and timeline**

   You asked about a detailed timeline for areas not on the Devolution Priority Programme as well as for clarity on how Government will assess your proposal(s) once submitted. Following submission on 28 November 2025, it will be for the Government to decide on taking a proposal forward and to consult as required by statute. We anticipate that, on the most ambitious timelines, there could be elections to 'shadow' unitary councils in May 2027, ahead of 'go live' of new councils on 1 April 2028.

   You also asked about whether financial savings, local impact and engagement will be weighted and whether the HM Treasury Green Book assessment will be measured. As explained above, the criteria are not weighted. The Green Book methodology may be a helpful approach to considering your proposal(s) and setting out your evidence and justifications.

3. **Maintaining and protecting the role of civic and ceremonial arrangements and tradition across the county**

   You asked about whether civic and ceremonial activity will be protected in Hertfordshire. The Government recognises the importance of local historic and ceremonial rights to local communities and will ensure these are protected after any reorganisation of local government. We will work closely with local leaders to ensure that such rights and privileges are identified and preserved either through general regulations which apply to reorganisation exercises or supplementary and consequential secondary legislation.

4. **Funding and capacity for delivery and implementation**

   You have set out your need for additional capacity and expertise to support delivery and implementation of the agreed model and you also asked about further information on the financial support which will be available to Hertfordshire. £7.6 million will be made available in the form of local government reorganisation proposal development contributions, to be split across the 21 invitation areas. Further information will be provided on this funding shortly.

   In terms of transitional costs, as per the invitation letter, we expect that areas will be able to meet transition costs over time from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.

5. **Balancing change with effective delivery during transition**

   You have set out the need and desire to balance strategic ambitions, including new and anticipated policy developments, with effective day to day delivery of services to residents. You have also asked about Government's view on how they see major changes working together. Councils should prioritise the delivery of high quality and sustainable public services to citizens and communities above all other issues.

It is essential that councils continue to deliver their business-as-usual services and duties, which remain unchanged until reorganisation is complete.

6. **Town and Parish Councils**

You have set out the geographical and population spread of town and parish councils and noted an early appetite for the establishment of new town and parish councils where there is no coverage. We recognise the value that parish councils offer to their local communities and continue to support the work they do; but this is not a replacement for local authorities hardwiring local community engagement into their own structures, preferably through neighbourhood Area Committees. Parish councils are independent institutions and are not a substitute for meaningful community engagement and neighbourhood working by a local authority. Areas considering new parish councils should think carefully about the distinct role they will play and how they might be funded, to avoid putting further pressure on local authority finances and/or new burdens on the taxpayer.

In final proposal(s), we would welcome further information on neighbourhood-based governance, the impact on parish councils, and the role of neighbourhood Area Committees.

7. **Democratic representation**

You have noted that the Local Government Boundary Commission for England's guidance on democratic representation was circulated too late to be taken into account for your interim plan and will be considering it as your proposal(s) evolve. We welcome this commitment and encourage you to undertake this work ahead of submitting your final proposal(s).

8. **Shared clarity on strategic authority geography**

You have outlined that it has not been possible to confirm the likely strategic authority geography due to May 2025 elections in Hertfordshire and the surrounding areas. We welcome your commitment to assess different strategic authority options and their relationship to local government reorganisation models. As per the invitation letter, you are asked to set out in your final proposal(s) clearly how new unitary structure(s) would support arrangements for devolution (as per criterion 5).

9. **Certainty over funding allocations through the Spending Review**
You have noted the difficulties in planning for the future ahead of the forthcoming Spending Review. You asked about when more clarity on the nature of the local government funding review will be available. Government recently consulted on funding reforms and confirmed that some transitional protections will be in place to support areas to their new allocations. Further details on funding reform proposals and transition measures will be consulted on after the Spending Review in June. We will not be able to provide further clarification on future allocations in the

meantime but are open to discussing assumptions further if we can assist in financial planning.

10. **Certainty over the future of social care**

You have noted it would be helpful to understand how local government reorganisation may interact with other major reform programmes such as social care. Councils should prioritise the delivery of high quality and sustainable public services to citizens and communities above all other issues. It is essential that councils continue to deliver their business-as-usual services and duties, which remain unchanged until reorganisation is complete. Your named area lead, Rebecca Griffith will be able to support your engagement with other government departments.

11. **Navigating advice from Government**

You asked about clarity on the balance and weight to be given to criteria, including on population size. As explained above, the criteria are not weighted. As set out in the Statutory Invitation guidance and in the English Devolution White Paper, we outlined a population size of 500,000 or more. This is a guiding principle, not a hard target – we understand that there should be flexibility, especially given our ambition to build out devolution and take account of housing growth, alongside local government reorganisation. All proposals, whether they are at the guided level, above it, or below it, should set out the rationale for the proposed approach clearly.

ANNEX A: Detailed feedback on criteria for interim plan

Ask – Interim Plan Criteria	Feedback
Identify the likely options for the size and boundaries of new councils that will offer the best structures for delivery of high-quality and sustainable public services across the area, along with indicative efficiency saving opportunities. Relevant criteria: 1) A proposal should seek to achieve, for the whole of the area concerned, the establishment of a single tier of local government. 1c) Proposals should be supported by robust evidence and analysis and include an explanation of the outcomes it is expected to achieve, including evidence of estimated costs/benefits and local engagement 1d) Proposals should describe clearly the single tier local government structures it is putting forward for the whole of the area, and explain how, if implemented, these are expected to achieve the outcomes described. and	We welcome the initial thinking on the options for local government reorganisation in Hertfordshire and recognise that this is subject to further work. We note the local context and challenges outlined in the oversight section and the potential benefits that have been identified for the options put forward in proposals. Your plans set out your intention to undertake further analysis, and this further detail and evidence, on the outcomes that are expected to be achieved of any preferred model, would be welcomed. For the final proposal(s), each council can submit a single proposal for which there must be a clear single option and geography and as set out in the guidance we would expect this to be for the area as a whole; that is, the whole of the area to which the 5 February invitation was issued, not partial coverage. You may wish to consider an options appraisal against the criteria set out in the letter to provide a rationale for the preferred model against alternatives. As per criterion 1d, proposal(s) should describe clearly the footprint of single tier local government structures that are being put forward for the whole area, not partial coverage. Proposal(s) should be for a sensible geography which will help to increase housing supply and meet local needs, including future housing growth plans. All proposals should set out the rationale for the proposed approach. Initial financial modelling and assumptions are noted, including the indicative savings ranges. It would strengthen the final proposal(s) to include further detail on how each model supports financial resilience and value for money. Clarity on assumptions used (e.g., inflation, funding trajectories, asset rationalisation) will be important. We recognise that the options outlined in the interim plans are subject to further development. In final proposal(s) it would be helpful to include a high-level financial assessment which covers transition costs and overall forecast operating costs of the new unitary councils. We will assess your final proposal(s) against the criteria in the invitation letter. Referencing criteria 1 and 2, you may wish to consider the following bullets: • breakdowns for where efficiency savings will be made, with clarity of assumptions on how estimates have been reached and the data sources used,

2 a-f) - Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks and 3 a-c) Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens	including differences in assumptions between proposals • it would be helpful to understand how efficiency savings have been considered alongside a sense of place and local identity • information on the counterfactual against which efficiency savings are estimated, with values provided for current levels of spending • a clear statement of what assumptions have been made and if the impacts of inflation are taken into account • a summary covering sources of uncertainty or risks, with modelling, as well as predicted magnitude and impact of any unquantifiable costs or benefits • where possible quantified impacts on service provision, as well as wider impacts We recognise that financial assessments are subject to further work. Referencing criterion 1 and 2, the bullets below indicate where further information would be helpful across all options: • data and evidence to set out how your final proposal(s) would enable financially viable councils across the whole area, including identifying which option best delivers value for money for council tax payers • 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 • clarity on the underlying assumptions underpinning any modelling e.g. assumptions of future funding, demographic growth and pressures, interest costs, Council Tax, savings earmarked in existing councils' MTFS • financial sustainability both through the period to the creation of new unitary councils as well as afterwards For proposals that would involve disaggregation of services, we would welcome further details on how services can be maintained where there is fragmentation, such as social care, children's services, SEND, homelessness, and for wider public services including public safety. Under criteria 3c you may wish to consider:

	- how each option would deliver high-quality and sustainable public services or efficiency saving opportunities - what are the potential impacts of disaggregating services - what would the different options mean for local services provision, for example: - do different options have a different impact on SEND services and distribution of funding and sufficiency planning to ensure children can access appropriate support, and how will services be maintained, including strong leadership and governance? - what is the impact on adult and children's care services? Is there a differential impact on the number of care users and infrastructure to support them among the different options? - what partnership options have you considered for joint working across the new unitaries for the delivery of social care services? - do different options have variable impacts as you transition to the new unitaries, and how will risks to safeguarding be managed? - do different options have variable impacts on schools, support and funding allocation, and sufficiency of places, and how will impacts on schools be managed? - what might be the impact on Highway services? - what are the implications for public health, including consideration of socio-demographic challenges and health inequalities within any new boundaries and their implications for current and future health service needs. What are the implications for how residents access services and service delivery for populations most at risk? How will public health expertise and intelligence be embedded? We welcome the desire to maximise the opportunity for public service reform, and it would be helpful for you to provide more details on your plans so we can explore how best to support your efforts.
Include indicative costs and arrangements in relation to any options including planning for future service transformation opportunities.	The inclusion of indicative financial analysis in the Interim Submission and the projected estimate of £52-54m of transitional costs for all options is noted. It would be helpful to set this out in detail in your final proposal(s) including how you will seek to manage the transition costs, planning for future service transformation from existing budgets and any anticipated flexible use of capital receipts.

Relevant criteria - 2d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.	We welcome the initial thinking on the service transformation and back-office efficiencies referenced. In your final proposal(s) further detail would be helpful on these and other potential service transformation opportunities and invest-to-save projects from unitarisation across a range of services, e.g. for front line services, and whether different options provide different opportunities for back-office efficiency savings. • 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 • 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 will different options provide different opportunities for back-office efficiency savings? • where it has not been possible to monetise or quantify impacts, you may wish to provide an estimated magnitude and likelihood of impact • summarise any sources of risks, uncertainty and key dependencies related to the modelling and analysis • detail on the estimated financial sustainability of proposed reorganisation and how debt could be managed locally We welcome the joint work you have done to date and recommend that all options and proposal(s) should use the same assumptions and data sets or be clear where and why there is a difference (linked to criterion 1c).
Include early views as to the councillor numbers that will ensure both effective democratic representation for all parts of the area, and also effective governance and decision-making arrangements which will balance the unique needs of your cities, towns, rural and coastal areas, in line with the Local Government Boundary Commission	Noting that you were unable to take account of the guidance from the Local Government Boundary Commission for England (LGBCE), we welcome the early views you have provided for councillor numbers, which we will be sharing with the LGBCE. We also note initial suggestions for effective and accountable decision-making structures and establishing potential decision-making bodies, including area sub committees. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment. In final proposal(s), we would welcome further information on neighbourhood-based governance, the impact on parish councils, and the role of neighbourhood Area Committees.

for England guidance. Relevant criteria: 6) New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.	Additional details on how the community will be engaged and specifically how the governance, participation and local voice will be addressed to strengthen local engagement, and democratic decision-making would be helpful.
Include early views on how new structures will support devolution ambitions. Relevant Criteria: 5) - New unitary structures must support devolution arrangements. Specifically 5b) Where no CA or CCA is already established or agreed then the proposal should set out how it will help unlock devolution.	We welcome the stated ambition to seize the opportunities of devolution for residents and businesses. Across all local government reorganisation proposal(s), looking towards a future Strategic Authority, it would be helpful to outline how each option would interact with a Strategic Authority and best benefit the local community, including meeting the criteria for sensible geography in the White Paper and devolution statutory tests. We cannot pre-judge the result or timelines of any future devolution discussions, but we will work with you to progress your ambitions where possible in due course.
Include a summary of local engagement that has been undertaken and any views expressed, along with your further plans for wide local engagement to help shape your developing proposals.	We welcome the proposed approach to engage with the public, residents, communities and businesses in Hertfordshire. It is for you to decide how best to engage locally in a meaningful and constructive way with residents, the voluntary sector, local community groups and councils, public sector providers such as health, police and fire, and local businesses to inform your proposal(s). For any option for two or more unitary councils, you may wish to engage in particular with those who may be affected by disaggregation of services. It would be helpful to see detail that demonstrates how local ideas and views have been incorporated into any final proposal(s).
Set out indicative costs of preparing proposals and standing up an implementation team as well as any arrangements proposed to coordinate potential capacity funding across the area.	We note that indicative costs will mostly be met through existing collaborative arrangements, but the costs of additional specialist capacity and support are not yet modelled. It would be helpful to set out the cost of any contract commissioned and used to inform your interim plan and final proposal(s). £7.6 million will be made available in the form of local government reorganisation proposal development

	contributions, to be split across the 21 areas. Further information will be provided on this funding shortly.
Set out any voluntary arrangements that have been agreed to keep all councils involved in discussions as this work moves forward and to help balance the decisions needed now to maintain service delivery and ensure value for money for council taxpayers, with those key decisions that will affect the future success of any new councils in the area.	We welcome the ways of working together outlined in the Interim Submission including the collaborative approach undertaken such as the WPWG and Leaders' Groups. Effective collaboration between all councils in the invitation area will be crucial; areas will need to build strong relationships and agree ways of working, including around effective data sharing. This will enable you to develop a robust shared evidence base to underpin your final proposal(s) (see criterion 1c). We recommend that your final proposal(s) should use the same assumptions and data sets or be clear where and why there is a difference. We would expect the final proposal(s) to have regard to the implications for the whole invitation area as well as the future strategic authority area.