

# Public Document Pack



## **BROMSGROVE DISTRICT COUNCIL**

### **MEETING OF THE OVERVIEW AND SCRUTINY BOARD**

**TUESDAY 21ST JULY 2026, AT 6.00 P.M.**

**PARKSIDE SUITE - PARKSIDE**

### **SUPPLEMENTARY PAPERS 2**

The attached papers were specified as "to follow" on the Agenda previously distributed relating to the above mentioned meeting.

#### **7. Local Government Reform (LGR) Update (Pages 3 - 20)**

J. Leach  
**Chief Executive**

Parkside  
Market Street  
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20th July 2026

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Ministry of Housing,  
Communities &  
Local Government

# Agenda Item 7

**Rt Hon Steve Reed OBE MP**

*Secretary of State for Housing, Communities  
& Local Government*

2 Marsham Street

London

SW1P 4DF

Leaders in Worcestershire

*By email*

16 July 2026

Dear Leaders,

Thank you for your continued work to deliver local government reorganisation in Worcestershire. This Government is delivering the most ambitious programme of local government reform in a generation, replacing the inefficient two-tier system with new unitary councils so that all parts of our country can access strong services, and are ready for devolution. We need to devolve power out of Whitehall so that we can rebalance wealth, power and opportunity across our country. But devolution must be built on strong local councils that can deliver good public services, support growth, and remain closely connected to the communities they serve.

Doing this right means recognising the unique contributions that different areas make to people's lives, as well as to the national economy. Some of our smaller cities are highly productive, but have been constrained by tight boundaries, set decades ago, which stop them from building the homes they need. Others are more rural, with significant demand for social care services and affordable housing. Local government should be set up to address the unique circumstances of each area and design public services tailored to each community.

Reorganisation provides us with a once-in-a-generation opportunity to ensure that councils genuinely represent the communities they serve today and stand the test of time. We know that people care about their own villages, home towns, high streets and communities. In many parts of the country, existing boundaries do not match local economies, public services, or local identities.

We won't achieve effective devolution or enable effective place-based public services with outdated and misaligned structures that slow down delivery, fragment public services, hamper housebuilding and slow down important decision making. We need to make sure that new councils are grounded in place and are genuinely connected to their communities.

## **Decisions**

I have considered your proposals carefully against the criteria set out in the invitation letter of 5 February last year, alongside the responses to the consultation, representations made and all other relevant information.

Following this assessment, I have decided to move forward with the implementation of the **two unitary proposal submitted by Bromsgrove District Council, Malvern Hills District**

**Council, Redditch Borough Council, Worcester City Council and Wychavon District Council.** For ease, this is referred to as "my selected option".

These new councils will comprise the current areas of:

- Bromsgrove District Council, Redditch Borough Council and Wyre Forest District Council (referred to in the proposals as 'North Worcestershire');
- Malvern Hills District Council, Worcester City Council and Wychavon District Council (referred to in the proposals as 'South Worcestershire')

I want to thank you for all of the work that has gone into developing proposals that seek to deliver new unitary councils that will help to grow the local economy and provide better public services for the people of Worcestershire. Your ongoing collaboration will be vital to ensure that my selected option is implemented by April 2028 with the interests of residents at its heart.

Turning to the reasons for my decision, in my judgement, although the other proposal also met the criteria for unitary local government, I consider my selected option to be the better option for Worcestershire. It performed particularly well due to developing tailored economic and housing plans in line with local needs and providing greater devolution flexibility. It effectively demonstrates how it will balance the scale required to deliver public services with local responsiveness to the different characteristics and needs across Worcestershire. This is demonstrated by both feedback in the statutory consultation and support from councils in the area.

In more detail, my selected option performed particularly well in the following areas:

- **Responsiveness to local identity and need:**
  - While I recognise that a single county-wide approach to local housing, strategic planning could bring benefits in terms of consistency, I consider that the more tailored approach set out in my selected option will better meet the different local needs across Worcestershire. My selected option is better suited to address the different economies, housing pressures, populations and service needs in the north and south of Worcestershire. It will allow each council to shape housing and economic strategies around its own area, including local issues such as land supply, affordability, regeneration, workforce needs and business strengths. In particular, I note the way my selected option will enable a more tailored response to housing supply and local needs; responding to the challenges of land constraints and uneven supply in the North, and land availability and affordability in the South with tailored planning and delivery approaches that reflect these distinct local challenges.
  - I judge that my selected option better reflects the local identity of the area. As set out, the two councils have been shaped to align to different geographies between the more urban, industrial North and more rural, service-based South. It will enable services, partnerships and economic strategies to be better tailored to the distinct needs of each area. My selected option also better demonstrated how it was informed by local views, with it being developed in the light of public consultation with local residents and stakeholders which showed

a preference for this option. In addition, I note that my selected option is supported by more local residents in the statutory consultation, as well as the majority of councils in the area.

- **Place-based prevention and service transformation:** In my view, my selected option offers a better balance between scale and responsiveness, with councils that are closer to communities and better able to pursue early intervention and prevention approaches tailored to the particular demographics and needs of the area. While I am aware of the greater complexity relating to service disaggregation in the two unitary proposals, I am persuaded that my selected option makes a strong case for services being delivered at the “right scale”, with a vision for how services should be delivered across Worcestershire, at neighbourhood, unitary, county and strategic authority level, supported by integrated neighbourhood teams and community-based models that bring services together locally and improve outcomes through prevention.
- **Flexibility for devolution:** While I judge that both proposals are capable of supporting future devolution arrangements, I believe that my selected option will provide greater flexibility by enabling a wider range of future devolution options to be explored that could address the different characteristics and needs of the different parts of the area. Given that a range of potential devolution options are still being considered for the area, this flexibility is important.

I considered the expected costs and benefits set out in the modelling underpinning the proposals, as well as the ability of each new council to be financially resilient. I have noted the projected timescales within my selected option to pay back the upfront costs of reorganisation. However, based on the assessment carried out by my department, I judge that it is still likely to generally represent an overall improvement in sustainability over current structures.

I also considered the fact that both new councils would be below the 500,000 population figure. That figure has always been a guiding principle, not a fixed threshold – and for all the reasons set out above, I am convinced that the rationale for creating councils under that threshold is strong and justified and would produce a better overall outcome for local government in Worcestershire.

## Next steps

In relation to next steps, as you are aware a Structural Changes Order, which will be subject to Parliamentary approval, is required to abolish existing councils, establish new structures and make transitional arrangements. I have carefully considered the information in the proposals as well as the further representations you have made on the content of this Order.

My officials will shortly write to your Chief Executives setting out the next steps and timeline for implementation, including my initial decisions on transitional arrangements that will be included in the draft legislation. This will enable you to take forward the work needed to begin preparation for implementation, in advance of Parliamentary approval of the Order. Critically, and drawing on learning from previous rounds of reorganisation, this will include a single Implementation Team formed of officers from across the area, and elections to the new unitary councils in May 2027. For the avoidance of doubt, these elections to the new unitary

# Agenda Item 7

councils will replace any scheduled local elections, and affected councillors will have their terms extended.

A broad support offer is in place for councils, including support to councils through our sector advisors and through funding to the Local Government Association for an enhanced support offer. We have already announced £63m in capacity funding to support the reorganisation process, and I am pleased to provide further detail today on how this funding will be allocated.

Of the £63 million capacity funding, as well as the unprecedented £900,000 transition support to each new unitary already announced, we are also committing up to £150,000 per each new unitary as supplementary funding for Leadership Capacity and Continuity in Children's Services, Adult Social Care and Public Health. This is part of a wider package of support worth up to £10m for children's services, adult's social care and public health leadership, which will also fund targeted development, mentoring and peer support for current, new and aspiring leaders.

In addition, up to £1m of funding overall will be available to support the small number of areas with complex fire and rescue authority transitions.

Taken together, this means that areas undergoing local government reorganisation will receive more than £1 million per new unitary created. This is the first time reorganisation has been supported in this way and shows this Government is committed to supporting councils to get these reforms right. We will confirm details of these allocations in due course.

I look forward to continuing to work closely with you to deliver the vital improvements that reorganisation can facilitate.

I am copying this letter to your Chief Executives, MPs, and the West Mercia Police and Crime Commissioner.

Yours sincerely,

A handwritten signature in dark ink, reading "Steve Reed". The signature is written in a cursive style with a horizontal line underneath the name.

**RT HON STEVE REED OBE MP**

Secretary of State for Housing, Communities and Local Government

**LOCAL GOVERNMENT REORGANISATION: SUPPORT OFFER****INTRODUCTION**

1. This note is for councils undergoing local government reorganisation (LGR) and sets out the support available to assist them in this work. Government recognises and appreciates the pace, scale and complexity of local government reorganisation, and the uncertainty councils are managing while continuing to deliver vital reforms and frontline day-to-day public services for communities.
2. The Ministry for Housing, Communities and Local Government (MHCLG) has developed a comprehensive support offer for all councils undergoing reorganisation in consultation with key sector partners and members of our local government advisory group. This offer also draws on lessons from previous rounds of local government reorganisation.
3. This support offer is intended to help councils with the key strategic and policy work necessary to establish the new councils, including governance, programme planning, financial planning and early operating model development. It is not intended to meet the full cost of undertaking the core work of reorganisation, which remains the responsibility of local areas.
4. This support offer is available to both members and officers, recognising the critical role that local political leadership, implementation teams, senior officers and wider partners will all play in delivering successful reorganisation.
5. Alongside the MHCLG funded support delivered by the Local Government Association (LGA), there are extensive support offers by key partners including Solace, Local Partnerships, Society for Innovation, Technology and Modernisation, Chartered Institute of Public Finance and Accountancy, Association of Directors of Environment, Economy, Planning & Transport, Lawyers in Local Government and other organisations providing resources on the LGA LGR Hub and LGR toolkit. Councils are encouraged to make full use of relevant peer learning spaces, networks and resources as they develop their plans.
6. MHCLG is also committed to working closely with councils, sector bodies and wider partners including the County Councils Network, Local Councils Network, Association of County Chief Executives, Association of Directors of Children's Services, Association of Directors of Adult Social Services and Association of Directors of Public Health to ensure the right support is available throughout implementation and to mitigate key risks and challenges.

**MHCLG: FINANCIAL SUPPORT**

7. A broad support offer is in place for councils, including support to councils through our sector advisors and through funding to the Local Government Association for an enhanced support offer. We have already announced £63m in capacity funding to support the reorganisation process, and I am pleased to provide further detail today on how this funding will be allocated.

8. As well as the unprecedented £900,000 transition support to each new unitary already announced, areas will receive up to a further £150,000 per each new unitary council to support leadership capacity and continuity in Children's Services, Adult Social Care and Public Health. This will bring the total transition funding for LGR areas to more than £1 million per new unitary created. This is part of a wider package of support of up to £10m which will also fund targeted development, mentoring and peer support for current, new and aspiring leaders.
9. In addition, up to £1m of funding in total will be available to support the small number of areas with complex fire and rescue authority transitions, building on funding already given to Surrey.
10. We will confirm details of all these allocation shortly. This is the first time reorganisation has ever been supported in this way and shows the Government's commitment to supporting councils to get these reforms right.

#### **MHCLG: LOCAL GOVERNMENT REORGANISATION TEAMS**

11. Every area has a delivery lead who is available to offer support and signpost councils to further guidance where helpful. This should be the first point of contact for any questions and advice about local government reorganisation. Part of their role is to bring together partners from across government departments to work through challenges, and councils should raise issues through their delivery lead where this would be helpful. The delivery team are led by Ruth Miller and Beatrice Andrews, so every area has a named, senior civil service contact.
12. Local government reorganisation teams are available to attend area based LGR governance arrangements, including attending meetings like joint committees, and can provide further explanation on the process for leaders where helpful. Councils are also encouraged to raise through their MHCLG delivery lead any issues about the interaction between LGR and wider public service reform processes, including health and policing. This will help MHCLG understand where processes are joining up well, where they are not, and where issues may need to be fed into wider discussions across Government.
13. MHCLG will work with chief executives, area implementation teams and others holding significant implementation responsibilities within future unitary councils to track progress against a set of shared delivery indicators, which have been developed with local government colleagues and build on lessons learnt from previous reorganisations.
14. MHCLG will use the shared delivery indicators as a key reference point for understanding progress and identifying risks across implementation areas. The Department will continue to test and refine proportionate assurance arrangements, drawing on learning from Surrey, while recognising the need to ensure any process is deliverable for both councils and government. The shared delivery indicators are set out at Annex A.

#### **MHCLG: SECTOR ADVISERS**

15. There are currently three sector advisers available to support councils, their officers and members, through reorganisation. Theresa Grant OBE, Tony McArdle OBE and John Metcalfe are all experts in local government, and former local government chief executives, with

experience of working with local areas going through reorganisation. They are available to provide practical bespoke support and advice to local leaders involved in LGR implementation, including political leaders, senior officers, implementation teams and relevant local partners and stakeholders.

16. Feedback from councils is clear that many find this support and expertise valuable. MHCLG is therefore looking to expand this offer with an increased number of sector advisers, including dedicated expertise in finance, children's services, adult social care, data and digital, human resources and commercial issues. A further update will be provided once these additional sector advisers are in post.

### **LOCAL GOVERNMENT ASSOCIATION: SUPPORT OFFER**

17. The LGA's Principal Advisers and regional teams will continue to work alongside MHCLG delivery leads and sector advisers to support councils through LGR, including identifying and brokering appropriate support.
18. Support from the LGA is intended to help both members and officers, with resources, peer learning and training designed to support local leadership through transition.
19. In addition to the core sector support programme delivered by the Local Government Association (LGA) funded by the Department, we are pleased to confirm that we will be providing additional funding for LGR-specific support to be delivered by the LGA for 2026/27 based on feedback received from councils.
20. This LGR-specific support offer will focus on sharing best practice through a wide range of resources and training for councillors and officers. It will build on the existing peer support offer and will include new, tailored workforce and governance tools and support to help ensure that existing councils have the information needed to transition to new councils from vesting day. The support offer will cover:
- **LGR toolkit and hub:** The [Devolution and LG Reorganisation Hub](#) signposts to help available from the LGA and other organisations and hosts the [Local Government Reorganisation Toolkit](#). MHCLG has funded further development of the toolkit and hub, including checklists to assist local councils and local leaders. Further development will focus not only on adding further resources and case studies, but on helping councils understand what has worked well, what has been less effective, and how learning from previous reorganisations can be applied in practice. This will also include new resources for different service areas and implementation bodies, learning from LGR-experienced councils, and resources on service disaggregation and aggregation.
  - **Councillor development:** Additional training to help councillors champion, plan for and lead local government reorganisation.
  - **Knowledge sharing:** Continued events and networks for members and officers responding to LGR, including professional networks for communications, delivery, human resources and a new asset managers network.

- **Peer support:** Bespoke one-to-one support for members and officers, alongside ‘top team’ sessions and facilitated discussions to support local relationships and partnership working. This is funded through the LGA’s core offer and is not LGR specific.
- **Workforce and technical support:** New support for LGR-related workforce planning, human resources leadership, capacity building, and intensive legal and technical support.
- **Governance tools:** A new model constitution to support new unitary councils, new best practice guides and national learning events.
- **Mediation:** The LGA can also support with mediation to help with resolving disputes. Councils should contact their [LGA regional Principal Adviser](#) to discuss options, including bespoke support that may be helpful for their area.
- **Corporate Peer Challenge:** There may be value in considering undergoing a corporate peer challenge for new unitary councils after vesting day, once new authorities are operational and capacity allows.

21. We recognise that district service disaggregation is another important area where councils may need practical support, and that it may create additional complexity in some areas. MHCLG is keen to continue working with districts, the LCN, the LGA and other sector partners to understand where this creates particular implementation pressures and what further support, would be most helpful as councils work through these issues.

### **MHCLG: GUIDANCE**

22. MHCLG has made a range of guidance available to support councils with reorganisation, including preparatory guidance published ahead of decisions. This guidance has been developed with input and expertise from local government colleagues and it builds on best practice and lessons learnt from previous rounds of local government reorganisation:

- **Preparatory guidance:** A list of [preparatory activities](#) sets out actions councils can take ahead of decisions, which can be read alongside relevant sector-support resources collated by the LGA.
- **Risk:** An [aide memoire](#), developed with the LGA, supports councils to identify risks that could affect the successful transition to a unitary authority.
- **Digital:** The [Digital and Cyber Playbook](#) helps councils navigate digital, data, technology and cyber transition. It covers issues such as service and data disaggregation, data quality, and effective data collection methodologies.
- **Implementation bodies:** Guidance is available on the role of implementation bodies during both transition phases. The first note covers the period from the Structural Changes Order coming into force to the inaugural elections for the new councils. The second note covers the period after those elections up to vesting day. Both are available on [gov.uk](#).
- **Workforce guidance:** MHCLG has published [non-statutory guidance](#) on staffing issues during local government reorganisation to signpost councils to the relevant legislation on transferring staff to new unitary councils, which can be accessed here. This guidance is not legal advice and councils should seek their own legal advice on staffing matters.
- **Planning:** MHCLG is providing c.£3.2 million in grant funding to the Planning Advisory Service (PAS) during 2026/27. PAS will focus on targeted support and training for Local Planning Authorities preparing for new legislative and policy requirements, including peer reviews with Local Planning Authorities in the LGR process.

- **Finance:** Advice is available on [financial decisions ahead of reorganisation](#). MHCLG is also currently developing additional finance guidance, which will be targeted at helping councils with their approach to the division of grant funding and assets.

23. MHCLG also receives a range of questions about LGR and regularly updates the [Frequently Asked Questions](#) page on the Local Government Association in response to common questions. If you think something important is not covered here, please let us know and we will change that.

#### **MHCLG/DFE/DHSC: ADDITIONAL SUPPORT FOR SOCIAL CARE AND HEALTH LEADERSHIP**

24. Service disaggregation is complex, particularly for services supporting some of the most vulnerable people in society, and it is important that this process is handled carefully. As a sector, local government know the key ingredients needed to disaggregate services well include early planning, clear governance, robust data, strong leadership, effective risk management, and sustained collaboration between councils and partners.
25. The Local Government Association's lessons learned from Cumbria's reorganisation also provides helpful insight for councils approaching this work, including on the importance of maintaining service continuity while building the operating models for new authorities. [Cumbria Case Study](#) The experience in Cumbria shows that, where disaggregation is well planned and supported, it can create opportunities to strengthen local accountability and improve services, including children's services continuing their improvement journey following reorganisation.
26. Many elements of the package set out above are intended to help councils and leaders manage the challenges posed by disaggregation effectively and maintain focus on high-quality services throughout transition, including:
- a. **The Local Government Association sector support package** outlined above will include practical transition guidance for social care and children's services, as part of the expanded toolkit. This will assist councils in the effective transition of adult social care and children's services, with a clear focus on maintaining continuity of provision through the transition. It will also cover knowledge sharing events between councils, facilitate peer support, and help train new councillors.
  - b. Each area has the support of a **sector adviser**, providing expert peer support and constructive challenge, alongside existing **children's and adult social care improvement advisers funded by DFE and DHSC**. DFE and DHSC will continue to deploy expert support to councils and local leaders, ensuring that they are supported through the process and advice is informed by a clear understanding of the complexities involved in local government reorganisation.
  - c. MHCLG also recognises that leadership and statutory capacity pressures extend beyond DASS and DCS roles. Councils are facing recruitment and retention challenges across a wider range of senior leadership, middle management and statutory roles. Existing sector-led support, from specialists like Solace, provides development and peer support from middle managers through to experienced chief executives. This support will sit alongside the targeted DFE/DHSC support for children's services and adult social care leadership.

- d. The **Digital and Cyber Playbook** covers issues such as service and data disaggregation, data quality, and effective data collection methodologies, which will underpin many of these key services. [Digital and Cyber Playbook | Local Digital](#)
- e. **MHCLG's finance guidance** will be targeted at helping councils with their approach to the division of grant funding and assets.

27. In addition to the £900,000 funding for each new unitary councils, the Government will also provide up to a further £150,000 per each new unitary council to support leadership capacity and continuity. Whilst recognising these are local decisions, we urge local councils to consider how top-up funding could be targeted to provide leaders of key social care, children's services and health teams with more support and capacity to deliver LGR alongside those vital reforms. This funding is intended to help councils manage acute leadership and statutory capacity pressures during transition, support service continuity, and ensure that senior leaders have sufficient capacity to contribute to the design and establishment of the new councils.

28. In addition, government will fund targeted development, mentoring and peer support for current, new and aspiring leaders, focused on areas facing the greatest recruitment challenges ahead of April 2028. Government will also support recruitment and retention, maximising opportunities to help councils widen candidate pools, reduce barriers to movement between sectors, improve recruitment processes, and raise awareness of career pathways into statutory leadership roles. Together, these measures aim to strengthen leadership pipelines, support existing leaders through transition, and ensure councils have the senior capacity needed to maintain service quality during reorganisation. Further detail on how we will support leadership capacity for adult social care, children's services and public health and how this complements existing support for these services can be found in the accompanying note.

29. Local government reorganisation will create the requirement for new councils to make a large number of senior appointments to similar timeframes, in social care and more broadly. MHCLG is therefore working with our sector advisors, the LGA and SOLACE to explore the development of a recruitment charter, helping councils secure value for money and ensure service continuity. The recruitment charter will set out voluntary commitments that recruiters can sign up to, supporting a fair, transparent and orderly recruitment process for key statutory roles.

### **FEEDBACK AND ESCALATION**

30. MHCLG will continue to work closely in partnership with councils through this process, including listening to what is needed going forward. Councils should continue to raise general delivery issues with their MHCLG delivery lead and sector advisor, flagging any urgent risks as early as possible, as well as utilising the LGA and wider sector support routes where helpful.

31. Feedback is also invited on whether the support in place is proving useful, how it could be improved, and what else should be prioritised so that the offer can continue to be shaped around the needs of and feedback from councils.

**Annex A: Shared Delivery Indicators**

| No. | Delivery Indicator                                                                       | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----|------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1   | <b>Establishment of initial political governance arrangement</b>                         | <ul style="list-style-type: none"> <li>• Establish joint committees or implementation executives.</li> <li>• Finalise recommendations to the Shadow Authority for its constitution, members' code of conduct and scheme of members allowance.</li> <li>• Finalise recommendations to the Shadow Authority for appointments to interim statutory roles for the Shadow Authority.</li> </ul>                                                                                                                                                                                                                                                              |
| 2   | <b>Establishment of Shadow Authority(s)</b>                                              | <ul style="list-style-type: none"> <li>• Shadow Authority elections planned and delivered.</li> <li>• Interim statutory officers appointed and commenced in role.</li> <li>• Constitution, members' code of conduct and scheme of members allowance agreed.</li> <li>• Member induction training commenced.</li> </ul>                                                                                                                                                                                                                                                                                                                                  |
| 3   | <b>Detailed implementation plan finalised and used as the basis for change</b>           | <ul style="list-style-type: none"> <li>• All themes, workstreams, their scope and lead personnel are identified.</li> <li>• Key legal requirements for Vesting Day are identified against each theme and workstream.</li> <li>• Programme Management Office established and Programme Management lead in place.</li> <li>• Implementation Team is established.</li> <li>• All critical activities/indicators are mapped and interdependencies identified.</li> <li>• Tasks for Vesting Day basic transfer are clearly identified with plans for their delivery agreed.</li> <li>• Strategic risks are understood &amp; mitigations in place.</li> </ul> |
| 4   | <b>All existing contracts have been assigned, novated or repocured</b>                   | <ul style="list-style-type: none"> <li>• Every contract in each ceasing authority is identified and it is understood whether it is to be assigned, novated, renewed or split between the new councils (or FRS).</li> <li>• Agreement is reached with individual suppliers about what is to happen to each contract on a priority basis (e.g. most expensive, most mission critical etc.)</li> <li>• Agreement reached between new councils as to which will manage any contracts not able to be split between them (or FRS) until such time as the contract is renewed.</li> </ul>                                                                      |
| 5   | <b>The agreed allocation of financial assets and liabilities between UAs is complete</b> | <ul style="list-style-type: none"> <li>• Detailed analysis of spend against income is understood – in the wider context of asset and staff allocations.</li> <li>• Shadow Authority Cabinets have agreed to allocation of financial assets and liabilities where there is no clear rationale for where an item should sit but in the context of balancing each new council's costs with income.</li> </ul>                                                                                                                                                                                                                                              |
| 6   | <b>Assignment of assets between new UAs confirmed and changes complete</b>               | <ul style="list-style-type: none"> <li>• Clearly identify which 'orphan' assets do not fall easily to one new council or the other and the costs/risks/benefits of their occupation/use.</li> <li>• Build a package of 'orphan' assets which seeks to share the risks/benefits of their occupation equally between the new councils where the financial envelope allows.</li> </ul>                                                                                                                                                                                                                                                                     |

|    |                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----|------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    |                                                                                                                                          | <ul style="list-style-type: none"> <li>• Consider alternative package of 'orphan' assets if one new council's costs are markedly out of step with its available income.</li> <li>• Shadow Authorities to 'negotiate' the arrangements for orphan assets with each other and confirm through the Cabinets prior to any transfers.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 7  | <b>First draft budgets prepared – including arrangements for council tax harmonisation, HRAs &amp; local council tax support schemes</b> | <ul style="list-style-type: none"> <li>• Assumptions on which the budgets are to be prepared are agreed by the Shadow Authorities (e.g. tax growth and council tax harmonisation).</li> <li>• Shadow Authorities initial spending priorities are clear &amp; funding mechanisms identified.</li> <li>• Budget gaps and options for mitigation are identified.</li> <li>• Any existing Commissioner led savings and improvement plans are fully accounted for in the plans.</li> <li>• Arrangements for consolidation of existing borrowing &amp; potential for future borrowing are agreed with Shadow Authorities.</li> <li>• Initial Medium Term Financial Plan (MTFP) &amp; Treasury Management Strategy (TMS) are drafted taking account of the points above.</li> </ul> |
| 8  | <b>Final budgets prepared and agreed</b>                                                                                                 | <ul style="list-style-type: none"> <li>• Formal budget consultation completed &amp; Shadow Authority has agreed the first budget, MTFP &amp; TMS.</li> <li>• Spend &amp; save plans are in place for delivery from Vesting Day.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 9  | <b>Arrangements to invoice for and collect all income in place</b>                                                                       | <ul style="list-style-type: none"> <li>• Financial system in place to invoice and collect council tax &amp; business rates with clear links to ledger systems.</li> <li>• Invoicing systems for other income sources (social care services, parking fees etc.) are aligned with &amp; able to interface with the main financial system.</li> <li>• All arrangements align with Treasury Management Strategies.</li> </ul>                                                                                                                                                                                                                                                                                                                                                    |
| 10 | <b>Arrangements in place to order and pay for goods and services</b>                                                                     | <ul style="list-style-type: none"> <li>• Financial system (ledger) is in place and is able to interface with other relevant systems to support service delivery.</li> <li>• Schemes of delegation for spending are established and reflected in ledger permissions/approvals.</li> <li>• Arrangements align with Treasury Management Strategies.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 11 | <b>New arrangements for the management of the pension scheme post vesting day are in place</b>                                           | <ul style="list-style-type: none"> <li>• Consideration of which Shadow Authority is to be the administering body for the scheme and arrangements for its future management complete and agreed.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 12 | <b>Arrangements to manage payroll and HR issues confirmed and in place</b>                                                               | <ul style="list-style-type: none"> <li>• Arrangements to manage payroll confirmed and in place</li> <li>• Arrangements to manage HR issues confirmed and in place</li> <li>• Standardised data completed for, and transferred to, preferred system/model</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 13 | <b>Revised arrangements made for the management of key care systems (adults &amp; children's) are in place</b>                           | <ul style="list-style-type: none"> <li>• ICT baseline audit of systems is complete.</li> <li>• Prioritisation of systems to be amended through the programme is complete.</li> <li>• GDPR risks and challenges around the data is understood and articulated.</li> <li>• Specification for ideal delivery model agreed and tested leading to decision about how to provide the databases in the short and medium terms.</li> <li>• Active supplier engagement to understand the art of the possible and to implement the Vesting Day solution as</li> </ul>                                                                                                                                                                                                                  |

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|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    |                                                                                                                                                                              | <p>soon as possible.</p> <ul style="list-style-type: none"> <li>• Live cases are allocated on a Shadow Authority basis as soon as practicable and continuity of case allocation secured.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 14 | <b>Staff are assigned to the new Unitary Authorities (prior to TUPE transfer)</b>                                                                                            | <ul style="list-style-type: none"> <li>• Clear process for assigning county council staff to each new council (or FRS) has been agreed &amp; consulted on with the Trade Unions, including appeal process.</li> <li>• The assignment process provides a fair and equitable distribution of skills, knowledge and experience to each new council (&amp; FRS).</li> <li>• The financial implications of the assignment process are considered as part of the wider financial planning for each new council (or FRS).</li> </ul>                                                                                                                                                                  |
| 15 | <b>Permanent Statutory Officers in place</b>                                                                                                                                 | <ul style="list-style-type: none"> <li>• Early agreement to the pay and conditions for these roles to enable the recruitment process to begin.</li> <li>• Clear plan and timelines agreed for the permanent appointment to the statutory roles as soon as possible.</li> <li>• Delivery of that process to timescales.</li> <li>• Clear alternative plan in place if no appointment is made.</li> <li>• Ideally consider appointments to DCS and DASS as part of this process.</li> </ul>                                                                                                                                                                                                      |
| 16 | <b>Structure of Senior Leadership Team (SLT) agreed and people appointed to post with effect from Vesting Day</b>                                                            | <ul style="list-style-type: none"> <li>• Early dialogue of the shape of the desired SLT at Vesting Day underway.</li> <li>• Consideration of roles to tier 3 in the first instance.</li> <li>• Identification of which posts in the ceasing authorities would be eligible to apply for these posts.</li> <li>• Enable proper consultation with affected staff in all authorities prior to initiating the appointment process.</li> <li>• Agreed recruitment process being followed to time and as planned – ideally minimising the timeframe and number of interviews key staff attend.</li> </ul>                                                                                             |
| 17 | <b>Responsibility for services (both at vesting day and any future management arrangements) are clearly defined in each UA's operating model using a risk-based approach</b> | <ul style="list-style-type: none"> <li>• Early agreement with Shadow Authorities as to which services are unable to be split from Vesting Day without incurring significant risk or additional cost to service delivery.</li> <li>• Process for agreeing the responsibility for hosting the shared services is agreed and implemented so the services are reflected in each new council's business plans.</li> <li>• Timescales and process for achieving a split in hosted services is developed.</li> <li>• Legal agreement between the new councils is drafted and in place from Vesting Day to govern the management of the hosted shared services.</li> </ul>                             |
| 18 | <b>New digital connectivity (website, email, telephony) arrangements in place</b>                                                                                            | <ul style="list-style-type: none"> <li>• Policies, procedures and arrangements are confirmed for the protection of the new councils against cyber attack (business continuity plans are complete).</li> <li>• Arrangements made for new websites, intranets, email addresses and protection of the digital archive of each ceasing authority.</li> <li>• ICT service desks established to support staff in the ongoing delivery of digital services.</li> <li>• All business critical ICT systems identified and arrangements for uninterrupted access from Vesting Day planned and delivered.</li> <li>• GDPR issues across the programme identified and managed in a planned way.</li> </ul> |

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| 19 | <b>Pay, managing change and other employment policies agreed for each new UA</b>                                                               | <ul style="list-style-type: none"> <li>• Process for establishing a new pay and grading policy agreed and followed to time – needs to be in advance of SLT recruitment process.</li> <li>• Consideration of suitable pay benchmarks to ensure competitive packages are offered.</li> <li>• Establish a change management (compensation) policy alongside pay policy to help inform SLT recruitment decisions.</li> </ul>                                                                                                                                                                                          |
| 20 | <b>Vesting Day operating model for each new UA confirmed (on a service by service basis) agreed and in place</b>                               | <ul style="list-style-type: none"> <li>• Current service delivery models for all services are identified and documented.</li> <li>• High level service delivery plans are developed including an overview of the resources to be applied in their delivery.</li> <li>• The resource allocations have been tested in the financial modelling for each new council.</li> <li>• Opportunities for ‘early’ transformation are articulated and discussed with Shadow Authorities.</li> <li>• Delivery plans do not fetter the future choices of the new councils.</li> </ul>                                           |
| 21 | <b>Each Unitary Authority's core operating principles – vision, values and corporate plan are agreed and will take effect from Vesting Day</b> | <ul style="list-style-type: none"> <li>• A planned approach to developing these operating principles is agreed, resourced and delivered.</li> <li>• The principles are developed at a high level in the first instance to inform key activities such as the building of the budget, operating model and SLT.</li> <li>• Active communication of the emerging principles is undertaken so that staff and key stakeholders are aware.</li> <li>• Council Plans for each Unitary Authority are developed in draft ahead of formal agreement being secured in advance of coming into force on Vesting Day.</li> </ul> |
| 22 | <b>New constitutions for each Unitary Authority formally agreed and to operate with effect from Vesting Day</b>                                | <ul style="list-style-type: none"> <li>• Model constitutions are developed in dialogue with each Shadow Authority over agreed timeframe; to cover areas such as the code of conduct, members’ allowances, schemes of delegation, budget and policy framework etc.</li> </ul>                                                                                                                                                                                                                                                                                                                                      |

**SUPPORTING ADULT SOCIAL CARE, PUBLIC HEALTH AND CHILDREN'S SERVICES  
LEADERSHIP THROUGH LOCAL GOVERNMENT REORGANISATION**

1. The government recognises that providing funding and practical support to councils undergoing local government reorganisation is vital so that they can continue to deliver high-quality services to residents, both during transition as well as setting up new councils ready to take advantage of the benefits of local government reorganisation. This statement sets out the next steps that the government will take to strengthen the capacity, capability and recruitment of senior leaders across adult social care, children's services and public health, who will be leading vital parts of our reforms.
2. This is alongside the Ministry of Housing, Communities and Local Government's wider support offer, including an unprecedented £900,000 for each new council created through reorganisation. Full details of the wider package of support for councils can be found on gov.uk.
3. Unitary councils will improve public services, with one council being responsible for the front-line services that lead to healthier, more confident communities and enable people to reach their full potential. By bringing children's services, adult social care, public health and housing together under one council, leaders will be better placed to coordinate services around people's needs; for example, aligning housing with public health and adult social care, and integrating home adaptations, hospital discharge and community-based prevention services. Unitary councils will also cut duplication and free up more back-office money to shift money into frontline services.
4. Strong local leadership is essential to successful reorganisation and delivering high-quality public services and better outcomes for residents, including children and young people. While local government reorganisation will reduce the overall number of Chief Executives, Monitoring Officers, and Directors of Finance, it will increase demand for statutory leaders in children's services, adult social care, and public health, supported by strong deputies and wider leadership teams.
5. We recognise that this will create additional demand for senior leaders at a time when leadership pipelines are already under pressure. The government is therefore providing up to £10 million of funding to deliver a targeted package of support to help councils strengthen capacity during transition to help retain good children's services, adult social care and public health leaders, fill critical roles in councils, and develop the next generation of local public service leaders.
6. This package builds on significant existing government and sector investment in developing leaders across children's services, adult social care and public health. Existing support includes:
  - o Department for Education's Director of Children's Services Leadership Programme and National Social Work Development offer.
  - o Association of Directors for Children's Services' mentoring scheme.
  - o Department of Health and Social Care's Aspiring Public Health Leaders Programme and Association of Directors of Public Health mentoring offer for new and interim Directors of Public Health.
  - o Association of Directors of Adult Social Services' Accelerate programme and peer mentoring scheme.

- o Local Government Association's Department for Health and Social Care funded public health peer review programme.
7. Each service area has differing existing support and faces distinct challenges and pressures. Our response is therefore tailored to each service, while strengthening senior leadership capacity across all three.

#### SUPPORTING ADDITIONAL LEADERSHIP CAPACITY

8. The government has already committed an allocation of £900,000 of transition funding for each new unitary council – we would expect councils to allocate a portion of this funding to support the transition of children's services, adult social care and public health.
9. There are several major reform programmes taking place across local government, including across children's social care e.g. the Families First Partnership Programme; Early Years – the best start in life; special educational needs and disabilities (SEND) system reforms; the Care Quality Commission Inspections of Adult Social Care; as well as neighbourhood health reforms. Whilst these will result in positive reform and improved services for children, young people and adults, we recognise the pressure on local government and leaders to deliver these reforms alongside reorganisation.
10. That is why **government is announcing further funding for Children's Services, Adult Social Care and Public Health Leadership Capacity and Continuity** from within our existing £63 million capacity fund. Areas will receive up to a further £150,000 per each new unitary council to help manage the practical demands of reorganisation while maintaining focus on critical frontline services and wider reform priorities. This will bring the total transition funding for LGR areas to more than £1 million per new unitary created.
11. This funding will enable LGR areas to provide additional capacity support for Directors of Children's Services, Directors of Adult Social Services and Directors of Public Health during reorganisation to manage transition alongside delivery of critical reforms and delivery of day-to-day services. Ensuring the right support for leaders will help retain good leaders already in the system and ensure successful delivery of reorganisation alongside wider reform agendas.
12. It is for local councils to determine how best to use this funding, in line with local circumstances and priorities. We would urge councils to consider whether to target the additional funding at just one or two of these services, where leadership capacity is under the greatest pressure locally – helping to retain strong leaders by giving them the support they need at this critical time. This could include strengthening leadership and programme capacity where reorganisation intersects with major reform programmes across these services. We know successful local reorganisation rests on successful transition of children's services, adult social care and public health, which is dependent on careful data migration, service disaggregation, system interoperability and information governance. Dedicated support in these areas can help leaders maintain focus on frontline service delivery while managing transition.
13. The government recognises the importance of building capability within local government and the wider public sector, rather than councils relying on costly external consultants. The government will therefore work with councils and sector partners to identify ways we can support talented individuals from across the public sector to take on these key roles. This includes

considering how to utilise secondments, and making the most of opportunities created by wider organisational change across the public sector, including within Integrated Care Boards. Further detail is set out on this below.

14. We will also explore how barriers to movement between organisations can be reduced, making it easier for people with relevant skills and experience to take on roles supporting local government reorganisation. In addition to providing leaders with extra capacity during transition, these roles will create valuable development opportunities for talented individuals across the sector, helping to build the leadership skills and experience needed to fill future senior roles in children's services, adult social care and public health.

## LEADERSHIP DEVELOPMENT AND SUPPORT

15. Targeted leadership development support is needed to ensure councils can appoint suitably experienced and qualified candidates to senior statutory roles ahead of vesting day in April 2028, while also supporting current leaders through transition.
16. The government is already investing in leadership development to support councils to develop the leaders needed to fill the additional posts created by local government reorganisation:
  - o The Department for Education has expanded its Directors of Children's Services Leadership Programme for 2026/27; increasing the number of places for aspirant Directors and providing additional support for new directors on leading through change.
  - o The Department of Health and Social Care has also expanded support for public health leaders, including prioritising access to the Aspiring Public Health Leaders Programme for applicants from local government reorganisation areas, expanding new in post mentoring support to interim Directors of Public Health, and supporting candidates pursuing specialist registration through the portfolio assessment route.
17. Building on this existing investment, **the government will fund up to £1.5m targeted development, mentoring and peer support for current, new and aspiring leaders.** Given the well-established and recently expanded leadership development offer already available for children's services, this additional investment is focused on adult social care, where no equivalent nationally coordinated offer exists, and public health, where a specialist and regulated workforce creates particular challenges in developing and expanding the leadership pipeline. This includes:
  - **A new rapid development programme for Director of Adult Social Services roles, and those new to post, starting in 2027.**
  - **An expanded peer support offer supporting adult social care leaders in local government reorganisation areas, including mentoring for new, less experienced and aspiring Directors of Adult Social Services;**
  - **Targeted development training for advanced public health practitioners. This will strengthen their skills to better support public health leaders (i.e. registered specialists including Directors of Public Health) and support progression into Public Health Principal roles.**

18. Support will be targeted towards candidates and councils affected by local government reorganisation, with activity focused where recruitment and retention challenges are greatest. More details on this offer will be provided in due course.
19. Together, these measures will strengthen the pipeline of senior leadership roles across children's services, adult social care and public health needed for April 2028.

### SUPPORTING RECRUITMENT AND RETENTION

20. The government will also help councils fill critical leadership posts by widening candidate pools, removing barriers to movement between sectors and reducing bureaucracy in recruitment processes. Backed by funding, this includes:
- **Removing barriers to public health recruitment by funding additional capacity in the UK Public Health Register to accelerate the Specialist Registration by Portfolio Assessment route. This will help clear the current backlog, train additional assessors and reduce future bottlenecks. The government will also issue guidance on joint appointments to help councils make best use of specialist public health capacity;**
  - **Promoting a fair and transparent recruitment process through a recruitment charter between recruitment companies and councils (*as referenced in sector support note*) and,**
  - **Exploring ways to remove barriers to make it easier to transfer skills and experience across the public sector;**
  - **Working with councils and across the public sector to raise awareness of career pathways into leadership roles, including among sectors with transferable skills and experiences, such as the NHS and social housing.**
21. In addition to this, the Ministry of Housing, Communities and Local Government has published non-statutory guidance for councils signposting them to key legislation for managing the transfer of staff to new unitary councils, as well as issues councils will need to consider such as making appointments or retaining staff.

### NEXT STEPS

22. Together, these measures will support the development of future leaders to fill the additional statutory roles needed ahead of April 2028, improve recruitment processes, and strengthen the resilience and capacity of existing leaders, supporting retention through transition. Alongside the £900,000 transition funding already announced, this package brings total financial support to over £1m per each new unitary council, helping councils build the leadership capacity needed to manage reorganisation while maintaining focus on frontline services.
23. We believe that this package is an important and significant next step ahead of April 2028. The government recognises that longer-term action is also needed to strengthen leadership pipelines across adult social care, public health, and children's services. We will therefore work across departments and with councils, sector partners and professional bodies to develop a longer-term plan to address leadership pipeline challenges across these services beyond 2028.