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	**Establishment of initial political governance arrangement**	• Establish joint committees or implementation executives. • Finalise recommendations to the Shadow Authority for its constitution, members' code of conduct and scheme of members allowance. • Finalise recommendations to the Shadow Authority for appointments to interim statutory roles for the Shadow Authority.
2	**Establishment of Shadow Authority(s)**	• Shadow Authority elections planned and delivered. • Interim statutory officers appointed and commenced in role. • Constitution, members' code of conduct and scheme of members allowance agreed. • Member induction training commenced.
3	**Detailed implementation plan finalised and used as the basis for change**	• All themes, workstreams, their scope and lead personnel are identified. • Key legal requirements for Vesting Day are identified against each theme and workstream. • Programme Management Office established and Programme Management lead in place. • Implementation Team is established. • All critical activities/indicators are mapped and interdependencies identified. • Tasks for Vesting Day basic transfer are clearly identified with plans for their delivery agreed. • Strategic risks are understood & mitigations in place.
4	**All existing contracts have been assigned, novated or reprocured**	• 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). • 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.) • 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.
5	**The agreed allocation of financial assets and liabilities between UAs is complete**	• Detailed analysis of spend against income is understood – in the wider context of asset and staff allocations. • 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.
6	**Assignment of assets between new UAs confirmed and changes complete**	• 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. • 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.

		• Consider alternative package of 'orphan' assets if one new council's costs are markedly out of step with its available income. • Shadow Authorities to 'negotiate' the arrangements for orphan assets with each other and confirm through the Cabinets prior to any transfers.
7	**First draft budgets prepared – including arrangements for council tax harmonisation, HRAs & local council tax support schemes**	• Assumptions on which the budgets are to be prepared are agreed by the Shadow Authorities (e.g. tax growth and council tax harmonisation). • Shadow Authorities initial spending priorities are clear & funding mechanisms identified. • Budget gaps and options for mitigation are identified. • Any existing Commissioner led savings and improvement plans are fully accounted for in the plans. • Arrangements for consolidation of existing borrowing & potential for future borrowing are agreed with Shadow Authorities. • Initial Medium Term Financial Plan (MTFP) & Treasury Management Strategy (TMS) are drafted taking account of the points above.
8	**Final budgets prepared and agreed**	• Formal budget consultation completed & Shadow Authority has agreed the first budget, MTFP & TMS. • Spend & save plans are in place for delivery from Vesting Day.
9	**Arrangements to invoice for and collect all income in place**	• Financial system in place to invoice and collect council tax & business rates with clear links to ledger systems. • Invoicing systems for other income sources (social care services, parking fees etc.) are aligned with & able to interface with the main financial system. • All arrangements align with Treasury Management Strategies.
10	**Arrangements in place to order and pay for goods and services**	• Financial system (ledger) is in place and is able to interface with other relevant systems to support service delivery. • Schemes of delegation for spending are established and reflected in ledger permissions/approvals. • Arrangements align with Treasury Management Strategies.
11	**New arrangements for the management of the pension scheme post vesting day are in place**	• Consideration of which Shadow Authority is to be the administering body for the scheme and arrangements for its future management complete and agreed.
12	**Arrangements to manage payroll and HR issues confirmed and in place**	• Arrangements to manage payroll confirmed and in place • Arrangements to manage HR issues confirmed and in place • Standardised data completed for, and transferred to, preferred system/model
13	**Revised arrangements made for the management of key care systems (adults & children's) are in place**	• ICT baseline audit of systems is complete. • Prioritisation of systems to be amended through the programme is complete. • GDPR risks and challenges around the data is understood and articulated. • Specification for ideal delivery model agreed and tested leading to decision about how to provide the databases in the short and medium terms. • Active supplier engagement to understand the art of the possible and to implement the Vesting Day solution as

		soon as possible. • Live cases are allocated on a Shadow Authority basis as soon as practicable and continuity of case allocation secured.
14	**Staff are assigned to the new Unitary Authorities (prior to TUPE transfer)**	• Clear process for assigning county council staff to each new council (or FRS) has been agreed & consulted on with the Trade Unions, including appeal process. • The assignment process provides a fair and equitable distribution of skills, knowledge and experience to each new council (& FRS). • The financial implications of the assignment process are considered as part of the wider financial planning for each new council (or FRS).
15	**Permanent Statutory Officers in place**	• Early agreement to the pay and conditions for these roles to enable the recruitment process to begin. • Clear plan and timelines agreed for the permanent appointment to the statutory roles as soon as possible. • Delivery of that process to timescales. • Clear alternative plan in place if no appointment is made. • Ideally consider appointments to DCS and DASS as part of this process.
16	**Structure of Senior Leadership Team (SLT) agreed and people appointed to post with effect from Vesting Day**	• Early dialogue of the shape of the desired SLT at Vesting Day underway. • Consideration of roles to tier 3 in the first instance. • Identification of which posts in the ceasing authorities would be eligible to apply for these posts. • Enable proper consultation with affected staff in all authorities prior to initiating the appointment process. • Agreed recruitment process being followed to time and as planned – ideally minimising the timeframe and number of interviews key staff attend.
17	**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**	• 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. • 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. • Timescales and process for achieving a split in hosted services is developed. • Legal agreement between the new councils is drafted and in place from Vesting Day to govern the management of the hosted shared services.
18	**New digital connectivity (website, email, telephony) arrangements in place**	• Policies, procedures and arrangements are confirmed for the protection of the new councils against cyber attack (business continuity plans are complete). • Arrangements made for new websites, intranets, email addresses and protection of the digital archive of each ceasing authority. • ICT service desks established to support staff in the ongoing delivery of digital services. • All business critical ICT systems identified and arrangements for uninterrupted access from Vesting Day planned and delivered. • GDPR issues across the programme identified and managed in a planned way.

19	**Pay, managing change and other employment policies agreed for each new UA**	• Process for establishing a new pay and grading policy agreed and followed to time – needs to be in advance of SLT recruitment process. • Consideration of suitable pay benchmarks to ensure competitive packages are offered. • Establish a change management (compensation) policy alongside pay policy to help inform SLT recruitment decisions.
20	**Vesting Day operating model for each new UA confirmed (on a service by service basis) agreed and in place**	• Current service delivery models for all services are identified and documented. • High level service delivery plans are developed including an overview of the resources to be applied in their delivery. • The resource allocations have been tested in the financial modelling for each new council. • Opportunities for 'early' transformation are articulated and discussed with Shadow Authorities. • Delivery plans do not fetter the future choices of the new councils.
21	**Each Unitary Authority's core operating principles – vision, values and corporate plan are agreed and will take effect from Vesting Day**	• A planned approach to developing these operating principles is agreed, resourced and delivered. • 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. • Active communication of the emerging principles is undertaken so that staff and key stakeholders are aware. • 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.
22	**New constitutions for each Unitary Authority formally agreed and to operate with effect from Vesting Day**	• 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.