

Local Government Reorganisation: feedback on interim plans from MHCLG

3 June 2025

HM Government received interim proposals from all 21 council areas subject to reorganisation and MHCLG has now provided written feedback to each of them.

The summary of feedback is available at:

<https://www.gov.uk/government/publications/local-government-reorganisation-summary-of-feedback-on-interim-plans/local-government-reorganisation-summary-of-feedback-on-interim-plans>

The priority for the next phase is **supporting areas to build a shared evidence base** that will underpin the development of final proposals, and to co-produce solutions to challenges identified by areas. Central government wants LGR to be a catalyst for local public service reform, creating sustainable public services by empowering local leaders and simplifying fragmented funding. **MHCLG have not offered advice or opinions on different options** and plans that are still being considered or contested in some areas.

The government will work with areas to hold elections for new unitary councils as soon as possible. The exact timings and detail will depend on the proposals received and the decision taken on which proposal, if any, to implement. There are **no plans to postpone any elections which councils are scheduled to hold**, and all elections will go ahead unless there is strong justification against.

There will be **some flexibility around the minimum population size of 500,000 for new unitary authorities**. It will be possible for boundary changes to take place so long as there is a clear rationale for them. Proposals will need to provide further information on expected transition costs and evidence of potential efficiency savings. **Areas will also be encouraged to consider joint working across new unitary councils through social care partnerships**, for crucial public services such as social care, children's services, SEND or homelessness support. This will be particularly important where large county councils are being split into three or more unitary authorities. Through the reorganisation process, **areas will be expected to work with local public service providers** to manage the risks of disruption and think creatively about how they can design new ways of working to achieve better outcomes by focusing on what local people need.

Guidance on Final Proposals

Final proposals should show how councils have sought to work together in forming plans **that meet local needs and are informed by local views**. This includes recommendations for the plans to demonstrate how local ideas and views have been incorporated into the final proposals. NAVCA is aware from discussions with MHCLG that areas which have not yet consulted widely with VCSE organisations and communities should be doing so during the next stage.

New unitary structures should **enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment**. MHCLG have stated that it would

be helpful for areas to provide additional detail on their plans for neighbourhood-based governance and outline their thoughts about formal neighbourhood partnerships and area committees.

Strong community voice: MHCLG state that LGR should **facilitate better and sustained community engagement with a clear and accountable system of local area-working and governance. Neighbourhood Area Committees** will be led by frontline ward councillors. MHCLG considers that they offer a model of place-based engagement and leadership which maximises the structural efficiencies of LGR, strengthens localism and community participation across all areas. Neighbourhood Area Committees help councils fulfil their commitments to working in partnership with communities at the neighbourhood level. They can also include other service providers, such as town or parish councillors, when applicable, **along with co-opted members from local community organisations**. Areas considering new town or parish councils should think carefully about how they might be funded, to avoid putting further pressure on local authority finances and/or new burdens on the taxpayer. MHCLG recognises the value that town and parish councils offer to their local communities, but consider them to be independent institutions that are not a substitute for meaningful community engagement and neighbourhood working by a local authority. MHCLG wants to see **every local authority hardwiring local community engagement into their own structures, preferably through Neighbourhood Area Committees**.

£7.6 million has been made available as capacity funding to areas undergoing local government reform, the *Local Government Reorganisation Proposal Development Contributions*. Each of the 21 areas will receive a flat rate of £135,000, plus an additional 20p per person based on the latest ONS population estimates. Areas must agree on up to three councils to receive an equal share of the funding for the area. For more information and allocations see: <https://www.gov.uk/government/collections/proposal-development-contributions-area-allocations>

You can read the full statement made by Jim McMahon, the Minister of State for Local Government and English devolution, on 3 June 2025 at <https://questions-statements.parliament.uk/written-statements/detail/2025-06-03/hcws676>

To access interim proposal documents for each area see the LGA Devolution and LGR Hub: <https://www.local.gov.uk/topics/devolution/devolution-hub/devolution-and-local-government-reorganisation-resources>