

Cabinet

Tuesday, 25 November 2025

Local Government Reorganisation in Greater Nottinghamshire

Report of the Chief Executive

Cabinet Portfolio Holder for Strategic and Borough-wide Leadership, Councillor N Clarke

1. Purpose of report

- 1.1. This report presents the draft Greater Nottinghamshire Proposal for Local Government Reorganisation (LGR). The Proposal is due to be submitted to Ministry for Housing, Communities and Local Government (MHCLG) on 28 November 2025. Approval of the Proposal is an Executive Function.
- 1.2. The governance surrounding the decision to submit the Greater Nottinghamshire Proposal for LGR to be made by Cabinet on 25 November 2025 will be the subject of debate at the Corporate Overview Group on 18 November 2025. A summary of their discussion and recommendations will be tabled at the meeting.
- 1.3. The draft Greater Nottinghamshire Proposal for LGR will be fully and transparently debated by all Councillors at Council on 20 November 2025. A summary of their discussion and recommendations will be tabled at the meeting.
- 1.4. Cabinet is referred to the Council papers from 20 November 2025 which hold the full draft Greater Nottinghamshire Proposal for LGR and appendices Local Government Reorganisation in Greater Nottinghamshire A list of significant changes will be tabled at the meeting (it is not intended to list superficial changes to text or grammar).

2. Recommendation

It is RECOMMENDED that Cabinet:

- a) considers the recommendations of Corporate Overview Group and Council in relation to the approval of the Greater Nottinghamshire Proposal for Local Government Reorganisation;
- b) accepts the edits made and approves the submission of the Proposal by the deadline of 28 November 2025;

- c) delegates authority to the Chief Executive to approve the final design and any necessary minor editing revisions of the Proposal document and submit it to the Ministry for Housing, Communities and Local Government on 28 November 2025;
- d) acknowledges that this decision of Cabinet is exempt from Call-In pursuant to the Urgency provisions in the Council's Constitution for the reasons stated in this report; and
- e) establishes a cross-party Task and Finish Group to provide oversight of Local Government Reorganisation on the basis of the draft Terms of Reference at Appendix One.

3. Reasons for Recommendation

3.1 To ensure that Council meets the requirements of the statutory invitation from Government to submit a Proposal for LGR for the area of the County of Nottinghamshire and Nottingham City by 28 November 2025.

4. Supporting Information

- 4.1 Cabinet is referred to the Council papers from 20 November 2025 which contain details about the English Devolution and Community Empowerment Bill and subsequent invitation to the nine Council Leaders in Greater Nottinghamshire, to develop a proposal for LGR and submit this by 28 November 2025.
- 4.2 The Council papers also outline the extensive work undertaken by councils across Nottinghamshire to produce an Interim Plan by 21 March 2025, undertake an Options Appraisal which was reported to Council in July 2025, and to construct a full Proposal for the delivery of LGR in Nottinghamshire by 28 November 2025.
- 4.3 All Proposals had to meet the following criteria set by the MHCLG:
 - a) A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.
 - b) Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.
 - c) Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.
 - d) Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views
 - e) New unitary structures must support devolution arrangements.
 - f) New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.
- 4.4 The Council papers from 20 November 2025 presented the draft Greater Nottinghamshire Proposal for LGR (at Appendix One of that report) and also summarised the key activities that had been undertaken to develop the Proposal.

4.5 There is no intention to repeat the content of the Council report here.

Additional Engagement

- 4.6 A briefing session was held for all councillors from this Council, and Nottinghamshire County Council (with the invitation extended to representatives from Ashfield District Council) on Wednesday 12 November in line with the publication of Council papers including the draft Greater Nottinghamshire Proposal.
- 4.7 This briefing, led by the Leaders and Chief Executives of both authorities, outlined the work that had been undertaken to draft the Greater Nottinghamshire Proposal, highlighted how it met the MHCLG criteria, and what was likely to happen after the submission of the Proposal on 28 November 2025.
- 4.8 The briefing was attended by 42 Councillors from three authorities. The briefing was recorded and this recording made available to all Councillors from the three authorities. A written record of the questions asked and answered in the session was circulated.
- 4.9 In addition, the Chief Executive held four staff briefing sessions to bring the workforce up to speed with developments and next steps. Staff were also given the opportunity to ask questions which were answered by the Chief Executive.

Corporate Overview Group 18 November 2025

- 4.10 A paper outlining opportunities for Councillor engagement throughout the LGR process to date and the governance arrangements pertaining to the decision by Cabinet to submit the Greater Nottinghamshire Proposal will be discussed at Corporate Overview Group on 18 November.
- 4.11 A summary of the Group's discussion and recommendations will be circulated to all Councillors as soon as possible after the meeting (allowing these to be taken into account at Council on 20 November) and tabled at Cabinet on 25 November.

Council 20 November 2025

4.12 On 20 November, Council will consider the Greater Nottinghamshire Proposal for LGR. A summary of Council's discussion and recommendations will be circulated to all Councillors as soon as possible after the meeting and tabled at Cabinet on 25 November.

Additional activities

4.13 Behind the scenes, once the draft Greater Nottinghamshire Proposal was published with the Council papers for 20 November, the design team at

- Nottinghamshire County Council started their work, and officers from both councils were able to review the document in its entirety.
- 4.14 A list of significant changes to the text of the draft Proposal will be tabled at the meeting.
- 4.15 If the fully designed document is available prior to the Cabinet meeting, this will also be tabled.

What happens next?

- 4.16 Assuming support is given to the Greater Nottinghamshire Proposal for LGR by Cabinet and that the Chief Executive receives delegated authority to sign-off the final document, the Greater Nottinghamshire Proposal will be submitted to MHCLG on 28 November 2025.
- 4.17 Central Government will then undertake a public engagement activity of its own in spring 2026 to seek the views of residents and inform its decision, which is expected in July 2026.
- 4.18 To ensure ongoing Councillor engagement in LGR activities, Cabinet is asked to establish a Member Task and Finish Working Group. Draft Terms of Reference are included at Appendix One.

5. Alternative options considered and reasons for rejection

5.1 The Government has stated its commitment to implementing LGR for all two-tier areas and that it expects all invited areas to submit proposals. The Council could determine not to support a proposal. However, if the Council wishes to positively influence the future shape of local government in Nottinghamshire, it needs to support and submit a full proposal which best meets the Government's criteria. Not engaging in this process would significantly disadvantage the residents of Rushcliffe and has, therefore, been discounted.

6. Risks and Uncertainties

- 6.1 Increasingly there will be further work pressures on services and staff as the Council moves into a transitional phase alongside maintaining ordinary service delivery. This risk applies to each of the proposals being submitted and not specifically to the Greater Nottinghamshire Proposal. Financial resource is being set-aside to help mitigate this risk (currently £1.09m in the Organisation Stabilisation Reserve (OSR), the appropriations from the OSR is being reported in Finance update reports to both Corporate Overview Group and Cabinet).
- 6.2 There will be significant risks (both upside and downside) once the new authorities are in place; demonstrated by the significant benefits and costs anticipated as a result of the transition into the two unitary authorities in the Finance Section of the Proposal (Section 6).

7. Implications

7.1 Financial Implications

Section 151 officers across all nine authorities have been reviewing assumptions and analysis, and validating figures that inform the analysis, and the resulting work undertaken by PwC on both the 1b and 1e proposals. This gives assurance regarding the overall modelling to date. The reality is that once a new authority is in place its elected representatives will determine changes to the modelling, for example, both the position on harmonising Council Tax when budgets are set and the final operating structure of the new authority. The Nottingham City Council boundary extension proposal has not had the same assurance given the lateness of the work undertaken.

Section 6 of the report details what the potential day one budget position looks like and net assets and liabilities for the two new unitary authorities in 1b. It focuses on potential savings and costs of transition and payback periods for both unitary authorities. There is some sensitivity analysis focusing on other public sector reform and the speed of change. Both the capacity and capability to deliver the change are key factors in transitioning to the two new unitary authorities.

In terms of financial resilience based on CIPFA's resilience index, there are a range of risk scores, although nothing that warrants concern. As expected, given funding issues surrounding adult and children's social care, it would be expected that the upper tier authorities have more challenges and therefore higher risk scores. Noting Rushcliffe does have the best risk profile.

The financial analysis has been completed against a backdrop of likely significant changes to government funding, particularly with regards to Fair Funding. The analysis does not include the impact of Fair Funding for the upper tier authorities where the magnitude of change is expected to be more impactful. This is the approach adopted for both 1b and 1e options. We are aware Nottingham City Council's boundary extension option is likely to be based on what the City Council considers as an up-to-date financial position and we believe assumptions surrounding Fair Funding. This will be inconsistent with the financial analysis in the 1b and 1e options and is unlikely to include any analysis of the potential impact of Fair Funding in relation to Nottinghamshire County Council. Therefore, making it difficult to undertake a 'like-for-like' comparison and moves away from the principle of using the same data set for all the options. The assumptions underlying the City's revisions have not been assessed outside of the City Council itself and as such it is not possible to validate these assumptions. This data was provided too late to put into the model and although it is welcomed that the City Council believe their financial position is improving, partner authorities agreed that the use of unaudited and unvalidated data to produce the business cases would undermine the financial analysis provided. Hence, a collective decision was taken to use the last known published financial statements and public approved medium-term financial plans from partner authorities.

7.2 Legal Implications

The relevant legislation is the Local Government and Public Involvement in Health Act 2007. Under Section 2 of the Act the Secretary of State has issued an invitation to councils in Greater Nottinghamshire to submit proposals for a single tier of local government. The Secretary of State has the power to implement proposals with or without modification, but the Act prevents any Order being made unless consultation has been carried out with all affected authorities and others considered appropriate. This statutory consultation will be led by Government and is separate from the Council's own engagement activity.

If the Government decides to proceed, the necessary legislation will be prepared in the form of a Structural Changes Order (SCO) for parliamentary approval. The SCO will establish the new single tier of local government and make provision for the abolition of predecessor councils. The SCO would place a duty on all affected councils to co-operate, to provide information as reasonably requested, and to prepare for the transfer of functions, property, rights and liabilities.

At this stage there are no direct legal implications for the Council. If implemented, there will be significant contractual, property and staffing implications requiring further legal advice, which will be addressed through the transition process.

The decision of approving a submission on LGR to the Secretary of State, is one for the Council's Executive i.e. Cabinet. As Local Government Reorganisation is a matter of Borough-wide significance, it is a Key Decision and has been published as such on the Council's Forward Plan.

The Council's Constitution makes the following provision for Call-In of Key Decisions of Cabinet:

"4.383 Key Decisions of the Cabinet will come into effect seven working days (not including the day of the meeting) after the meeting unless five members give notice in writing to the Chief Executive requesting a Call-In of the decision. The facility to Call-In only applies to Key Decisions."

As the Government deadline for submission of the Council's proposal for Local Government Reorganisation in its area is 28 November, it is necessary for the following Urgency Provisions in the Council's Constitution to be invoked to exempt the decision from Call-In:

"4.394 The Call-In procedure set out above shall not apply where the decision is urgent. A decision will be urgent if any delay likely to be caused by the Call-In process would prejudice the Council's or the public's interests

4.395 The Cabinet must decide that no Call-In may be made on the grounds of urgency at the time the decision is made, and not subsequently. This will be indicated at a set point on the agenda

4.396 If there is an urgent item, which it would not be practicable to Call-In, then the Cabinet decision can be implemented by the Chief Executive in consultation with the Leader of the Council, the relevant Cabinet member and the Chair of the relevant scrutiny committee."

Failure to submit the Local Government Reorganisation Proposal by the 28 November deadline risks that the Council's proposal is not considered by Government. This would be prejudicial to the interests of the Council and the Borough's residents. For this reason, it is considered necessary to exempt the Cabinet decision from Call-In on grounds of urgency. This required consultation with Chair of the relevant Scrutiny Committee. This consultation has been undertaken as reported in the report presented to Corporate Overview Group at its meeting of 18 November 2025. The exemption from Call-In provisions can therefore be applied.

7.3 Equalities Implications

Nottinghamshire County Council has carried out an Equalities Impact Assessment on the Greater Nottinghamshire Proposal and was attached at Appendix Three of the Council papers. This will be kept under review and updated throughout the transitional and final implementation stages of LGR.

7.4 Section 17 of the Crime and Disorder Act 1998 Implications

There are no Section 17 of the Crime and Disorder Act 1998 implications associated with this report.

7.5 **Biodiversity Net Gain Implications**

There are no biodiversity net gain implications associated with this report.

8. Link to Corporate Priorities

The Environment	The Council will continue to champion these priorities as
Quality of Life	plans for LGR progress.
Efficient Services	
Sustainable	
Growth	

9. Recommendations

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For more information contact:	Adam Hill Chief Executive 0115 914 8577 ahill@rushcliffe.gov.uk
Background papers available for Inspection:	Report to Council 20 March 2025 – English Devolution White Paper.pdf Report to Council 17 July 2025 – Local Government Reorganisation Update.pdf
	Report to Corporate Overview Group 18 November 2025 – <u>Local Government</u> Reorganisation.pdf
	Report to Council 20 November 2025 – <u>Local Government Reorganisation in Greater Nottinghamshire</u>
List of appendices:	Appendix One – Draft Terms of Reference Local Government Reorganisation Task and Finish Group