Rushcliffe Borough Council

Report to Full Council

20 November 2025

Agenda Item: 3

REPORT OF ADAM HILL, CHIEF EXECUTIVE

ADDENDUM TO ITEM 3: LOCAL GOVERNMENT REORGANISATION IN NOTTINGHAM AND NOTTINGHAMSHIRE

Purpose of Addendum

1. The purpose of this Addendum is to advise Members of revisions to the implementation plan section of the proposal for local government reorganisation (see appendix A for detail of the revised sections).

2. At the time of issuing the original report to Council regarding the above item, it was intended that a draft structural changes order (SCO) would be appended to the draft proposal for reorganisation as Appendix K.

3. It has not yet been possible to finalise a draft SCO or resolve a position on the legal vehicle for transition due to the complexities of the implementation within the local context that are now understood to be the case. This relates to the proposal involving an existing unitary council and an upper tier county council, and the disaggregation and aggregation that would be required. The timetable for implementation in the full proposal remains as currently envisaged.

4. In order to ensure the report to Council reflects this updated position, amendments have been made to the original proposal and are shown in the attached Appendix A to this addendum.

5. Officers will continue to work with external legal advisors on refining a legal approach to implementation which aligns with the features outlined in the implementation plan, with the intention of exploring the benefits of this approach with the Ministry of Housing, Communities and Local Government (MHCLG), so that it can inform the SCO developed and put in place for Nottingham and Nottinghamshire.

6. Paragraph 3.31 in Agenda item 3 should now read: *A key section detailed within the proposal is an implementation plan which sets out the phases of activity required between submission of the proposal on 28 November 2025 through to vesting day of the new councils on 1 April 2028. There is real complexity in the Nottingham and Nottinghamshire context that needs to be considered when designing the approach to implementation: an existing unitary Council under best value intervention, differential performance in statutory services and two-tier local government. The implementation plan that has been proposed intends to minimise risk to Nottinghamshire residents, particularly those vulnerable children and adults in receipt of statutory services, as well as maximise the potential to deliver an efficient and effective transition that meets the Government and Mayor's expected*

timescales for implementation and brings forwards financial efficiencies to contribute towards the financial sustainability of the future councils. This refers to the Governance structure and drafting of the Structural Change Order on page 137 of the proposal.

Legal Comments

7. It is anticipated that government will draft an SCO in due course for Nottingham and Nottinghamshire. SCOs are usually based upon either the creation of new unitary authorities or the conversion of an existing council into a unitary authority.

8. The amendments to the originally published proposal clarify the current position with the development of a draft SCO and its effect on the proposed implementation of local government reorganisation.

ADDENDUM APPENDIX A

Page 111of the proposal

Revised sentence:

In addition, as we develop our approach to implementing the Greater Nottinghamshire proposal there may be the potential to save £550k from the one off LGR transition costs.

Page 137 of the proposal

Revised Section:

Governance Structure
There is real complexity in our current operating circumstances, with a unitary Council under Best Value intervention, differential performance in statutory services and two tier local government. As such, in our implementation planning, we have given careful thought to how best to minimise risk to our residents, particularly those vulnerable children and adults in receipt of statutory services, and how best to guarantee an efficient and effective transition.

We believe we know our area and our context best. During our work with MHCLG on our devolution programme, we successfully and effectively worked with officials on drafting the secondary legislation that brought the first ever Combined County Authority into force. Learning from this, we have started work with Browne Jacobson to explore a potential legal route to implementation, for future discussion with MHCLG, which recognises our local context. This is with the intention of developing a Structural Changes Order for MHCLG to consider.

We strongly believe that reorganisation should happen in a way that minimises risk and cost to residents. For that reason, we are exploring the optimal legal vehicles for the creation of the Nottinghamshire Council and the Nottingham Council that create two 'new' unitary councils through this process, with new political and managerial leadership, new operating models, minimised disruption to services and new ways of working as next-generation unitary councils.

We believe that there is merit in exploring a novel approach with MHCLG. Our external legal advice has indicated that this approach could still be lawful and consistent with current legislation (see in particular the breadth of section 11,12 and 15 of the Local Government and Public Involvement in Health Act 2007).

Our aim, through the implementation approach being explored, would be to:

- **Avoid additional transition costs** through an efficient approach to transition
- **Streamline the transition process** for workforce and services between all authorities, assuring us around pace of delivery
- **Reduce friction** during the transition for contracts, procurement, and alternative delivery methods
- **Ensure clarity** of governance during transition around statutory services and for the new Councils, meaning that effective decision-making can be built in from the start with strong accountability

Page 130 of the proposal

Revised sentence:

The initial TPT will divide following the MHCLG decision into two teams across the two proposed authorities, who will work together to coordinate activity. This will involve representatives from all councils for each respective unitary boundary

Page 143 of the proposal

Revised paragraph:

Approach to implementation
In terms of structural change, we wish to explore with MHCLG a more novel approach to implementation as set out in the governance structure section of the implementation plan. Our aim is to make the transition from nine councils to two, simpler, more efficient and less costly. In order to manage risk in decision making during transition, we would wish to explore how this can be reflected in governance of the transition as defined in the SCO. This will help limit the exposure of our programme and our residents to risk and increase confidence of deliverability to the timetable.

Page 147 of the proposal

Revised sentence:

Section 8. Planning for implementation and wider public service reform references how we propose to reduce transition costs through an efficient legal vehicle.

Base Template

This sheet can be copied (between the two 'Sum>>' sheets) to enable you to build up a scenario from a number of working sheets.

Comparison model	Source	Units	Year	Year 0 Forecast 1 April 26 to 31 March 27	Year 1 Forecast 1 April 27 to 31 March 28	Year 2 Forecast 1 April 28 to 31 March 29	Year 3 Forecast 1 April 29 to 31 March 30	Year 4 Forecast 1 April 30 to 31 March 31	Year 5 Forecast 1 April 31 to 31 March 32	Year 6 Forecast 1 April 32 to 31 March 33	Year 7 Forecast 1 April 33 to 31 March 34	Year 8 Forecast 1 April 34 to 31 March 35	Year 9 Forecast 1 April 35 to 31 March 36	Year 10 Forecast 1 April 36 to 31 March 37	1 April 37 to 31 March 38	Total Year 0 to Year 11

Option/Component/Scenario

Header inputs

County	Nottinghamshire (Counties)	Further Description if required.
Council names and type of councils	Nottingham City, Broxtowe and Gedling	
Component	South Option 1b - Prior to further transofmation scenarios	
Scenario	Option 1b with Transformation Scenario A	
Author		
Version		
Date		
Short description/comment		

Financial information

Enter the incremental transitional and ongoing costs and benefits in the relevant section below - column M to W

Sign convention - additional costs or loss of income are +ve. Record figures in £ 000's.

Set up Transitional Costs (without inflation) £000s

Details of source files or reference to meeting or document can be recorded herefor each cost line

	Source	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	1 April 37 to 31 March 38	Total Year 0 to Year 11
Employee costs	Nottingham & Nottinghamshire Councils Financial Case Oct 25 (See transition costs and % P16) Has % and a breakdown of costs. See sheet Tranisiton Costs South Working.			1,244	1,244	1,244	415	-	-	-	-	-		4,147
Premises				-	-	-	-	-	-	-	-	-		-
Transport				-	-	-	-	-	-	-	-	-		-
Supplies and Services	As above			400	400	400	133	-	-	-	-	-		1,334
ICT	As above			358	358	358	119	-	-	-	-	-		1,193
Third Party Payments	As above			1,281	1,281	1,281	427	-	-	-	-	-		4,270
Income				-	-	-	-	-	-	-	-	-		-
Contingency	As above			1,016	1,016	1,016	339	-	-	-	-	-		3,388
Other (please specify in commentary)				-	-	-	-	-	-	-	-	-		-
Total		-	-	4,300	4,300	4,300	1,433	-	-	-	-	-		14,332

Annual On-going Incremental costs (without inflation) £000s

Sign convention - additional costs or loss of income are +ve.

	Source	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	1 April 37 to 31 March 38	Total Year 0 to Year 11
Employee costs														-
Premises														-
Transport														-
Supplies and Services														-
ICT														-
Third Party Payments														-
Income														-
Contingency														-
Other (please specify in commentary)														-
Total		-	-	-	-	-	-	-	-	-	-	-	-	-

Annual On-going Incremental benefits/savings (without inflation) £000s

Sign convention - Savings - lower costs or gains of income are -ve in brackets.

	Source	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	1 April 37 to 31 March 38	Total Year 0 to Year 11
Employee costs	Nottingham & Nottinghamshire Councils Financial Case Oct 25 Slide 17. See sheet Agg Benefits South Workgings.			(1,109)	(1,848)	(3,696)	(3,696)	(3,696)	(3,696)	(3,696)	(3,696)	(3,696)	(3,696)	(32,528)
Premises				-	-	-	-	-	-	-	-	-	-	-
Transport				-	-	-	-	-	-	-	-	-	-	-
Supplies and Services	Nottingham & Nottinghamshire Councils Financial Case Oct 25 Slide 17			(274)	(457)	(915)	(915)	(915)	(915)	(915)	(915)	(915)	(915)	(8,049)
ICT				-	-	-	-	-	-	-	-	-	-	-
Third Party Payments	Nottingham & Nottinghamshire Councils Financial Case Oct 25 Slide 17			(736)	(1,227)	(2,453)	(2,453)	(2,453)	(2,453)	(2,453)	(2,453)	(2,453)	(2,453)	(21,590)
Income				-	-	-	-	-	-	-	-	-	-	-
Contingency				-	-	-	-	-	-	-	-	-	-	-
Other (please specify in commentary)				-	-	-	-	-	-	-	-	-	-	-
Total		-	-	(2,119)	(3,532)	(7,064)	(7,064)	(7,064)	(7,064)	(7,064)	(7,064)	(7,064)	(7,064)	(62,166)
Grand Total	-ve is a net savings +ve is a net cost.	-	-	2,180	768	(2,765)	(5,631)	(7,064)	(7,064)	(7,064)	(7,064)	(7,064)	(7,064)	(47,834)
				2,180	2,948	183	(5,448)	(12,512)						
														(233,342)
Accumulated Cost				4,300	8,599	12,899	14,332	14,332						
Accumulated Benefit				(2,119)	(5,651)	(12,716)	(19,780)	(26,845)						
Total Cumultive Net Benefit	See P17			2,180	2,948	183	(5,448)	**(12,512)**						
Check Total				2180	2948	183	-5448	-12512 **Check total P20 of 56 total Cumultive net benefit**						
Zero				(0)	0	(0)	(0)	0						

Appendix F

Base Template

This sheet can be copied (between the two 'Sum>>' sheets) to enable you to build up a scenario from a number of working sheets.

Comparison model	Source	Units	Year	Year 0 Forecast 1 April 26 to 31 March 27	Year 1 Forecast 1 April 27 to 31 March 28	Year 2 Forecast 1 April 28 to 31 March 29	Year 3 Forecast 1 April 29 to 31 March 30	Year 4 Forecast 1 April 30 to 31 March 31	Year 5 Forecast 1 April 31 to 31 March 32	Year 6 Forecast 1 April 32 to 31 March 33	Year 7 Forecast 1 April 33 to 31 March 34	Year 8 Forecast 1 April 34 to 31 March 35	Year 9 Forecast 1 April 35 to 31 March 36	Year 10 Forecast 1 April 36 to 31 March 37	1 April 37 to 31 March 38	Total Year 0 to Year 11

Option/Component/Scenario

Header inputs

County	Nottinghamshire (Counties)
Council names and type of councils	Ashfield, Bassetlaw, Mansfield, Newark and Sherwood, Rushcliffe
Component	North Option 1b - Prior to further transofmation scenarios
Scenario	Option 1b with Transformation Scenario A
Author	
Version	
Date	
Short description/comment	

This part of the model sets out the re-organisation case under option 1B. Staffing: Benefits from reduction in duplicated roles as a result of the re-organisation.

Financial information

Enter the incremental transitional and ongoing costs and benefits in the relevant section below - column M to W

Sign convention - additional costs or loss of income are +ve. Record figures in £ 000's.

Set up Transitional Costs (without inflation) £000s

Details of source files or reference to meeting or document can be recorded herefor each cost line

	Source	Apr 26–Mar 27	Apr 27–Mar 28	Apr 28–Mar 29	Apr 29–Mar 30	Apr 30–Mar 31	Apr 31–Mar 32	Apr 32–Mar 33	Apr 33–Mar 34	Apr 34–Mar 35	Apr 35–Mar 36	Apr 36–Mar 37	Apr 37–Mar 38	Total
Employee costs	Nottingham & Nottinghamshire Councils Financial Case Oct 25 (See transition costs and % profile P16) Has % and a breakdown of costs. See sheet Transition costs North Workings.			3,354	3,354	3,354	1,118	-	-	-	-	-		11,181
Premises				-	-	-	-	-	-	-	-	-		-
Transport				-	-	-	-	-	-	-	-	-		-
Supplies and Services	As above			400	400	400	133	-	-	-	-	-		1,334
ICT	As above			358	358	358	119	-	-	-	-	-		1,193
Third Party Payments	As above			1,281	1,281	1,281	427	-	-	-	-	-		4,270
Income				-	-	-	-	-	-	-	-	-		-
Contingency	As above			1,016	1,016	1,016	339	-	-	-	-	-		3,388
Other (please specify in commentary)				-	-	-	-	-	-	-	-	-		-
Total		-	-	**6,410**	**6,410**	**6,410**	**2,137**	-	-	-	-	-		**21,366**

Annual On-going Incremental costs (without inflation) £000s

Sign convention - additional costs or loss of income are +ve.

	Source	Apr 26–Mar 27	Apr 27–Mar 28	Apr 28–Mar 29	Apr 29–Mar 30	Apr 30–Mar 31	Apr 31–Mar 32	Apr 32–Mar 33	Apr 33–Mar 34	Apr 34–Mar 35	Apr 35–Mar 36	Apr 36–Mar 37	Apr 37–Mar 38	Total
Employee costs								-						-
Premises														-
Transport														-
Supplies and Services														-
ICT														-
Third Party Payments														-
Income														-
Contingency														-
Other (please specify in commentary)														-
Total		-	-	-	-	-	-	-	-	-	-	-	-	-

Annual On-going Incremental benefits/savings (without inflation) £000s

Sign convention - Savings - lower costs or gains of income are -ve in brackets.

	Source	Apr 26–Mar 27	Apr 27–Mar 28	Apr 28–Mar 29	Apr 29–Mar 30	Apr 30–Mar 31	Apr 31–Mar 32	Apr 32–Mar 33	Apr 33–Mar 34	Apr 34–Mar 35	Apr 35–Mar 36	Apr 36–Mar 37	Apr 37–Mar 38	Total
Employee costs	Nottingham & Nottinghamshire Councils Financial Case Oct 25 Slide 17, profile slide 18. See sheet Agg Benefits North Worksheet.			(4,327)	(7,211)	(14,423)	(14,423)	(14,423)	(14,423)	(14,423)	(14,423)	(14,423)	(14,423)	**(126,922)**
Premises				-	-	-	-	-	-	-	-	-	-	-
Transport				-	-	-	-	-	-	-	-	-	-	-
Supplies and Services	Nottingham & Nottinghamshire Councils Financial Case Oct 25 Slide 17, profile slide 18			(756)	(1,260)	(2,520)	(2,520)	(2,520)	(2,520)	(2,520)	(2,520)	(2,520)	(2,520)	**(22,180)**
ICT				-	-	-	-	-	-	-	-	-	-	-
Third Party Payments	Nottingham & Nottinghamshire Councils Financial Case Oct 25 Slide 17, profile slide 18			(1,969)	(3,282)	(6,565)	(6,565)	(6,565)	(6,565)	(6,565)	(6,565)	(6,565)	(6,565)	**(57,772)**
Income				-	-	-	-	-	-	-	-	-	-	-
Contingency				-	-	-	-	-	-	-	-	-	-	-
Other (please specify in commentary)				-	-	-	-	-	-	-	-	-	-	-
Total		-	-	**(7,053)**	**(11,754)**	**(23,508)**	**(23,508)**	**(23,508)**	**(23,508)**	**(23,508)**	**(23,508)**	**(23,508)**	**(23,508)**	**(206,874)**
Grand Total	-ve is a net savings +ve is a net cost.	-	-	**(643)**	**(5,344)**	**(17,099)**	**(21,372)**	**(23,508)**	**(23,508)**	**(23,508)**	**(23,508)**	**(23,508)**	**(23,508)**	**(185,508)**
				(643)	(5,987)	(23,086)	(44,457)	(67,966)						
														(233,342)
Accumulated Cost				6,410	12,820	19,230	21,366	21,366						
Accumulated Benefit				(7,053)	(18,807)	(42,315)	(65,823)	(89,332)						
Total Cumultive Net Benefit	**See P17**			(643)	(5,987)	(23,086)	(44,457)	**(67,966)**						

67965 Check total