



**Supplement for**

**OVERVIEW AND SCRUTINY COMMITTEE - MONDAY, 1 JUNE 2026**

**Agenda No    Item**

10.    **Local Government Reorganisation - Structural Changes Order 3 - 34**

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Council name	<b>COTSWOLD DISTRICT COUNCIL</b>
Name and date of Committee	<b>OVERVIEW &amp; SCRUTINY 1 JUNE 2026</b> <b>CABINET 4 JUNE 2026</b>
Subject	<b>LOCAL GOVERNMENT REORGANISATION – GLOUCESTERSHIRE STRUCTURAL CHANGES ORDER</b>
Wards affected	All
Accountable member	Councillor Mike Evely, Leader of the Council Email: <a href="mailto:mike.evely@cotswold.gov.uk">mike.evely@cotswold.gov.uk</a>
Accountable officer	Jane Portman, Chief Executive Officer Email: <a href="mailto:jane.portman@Cotswold.gov.uk">jane.portman@Cotswold.gov.uk</a>
Report author	Jane Portman, Chief Executive Officer Email: <a href="mailto:jane.portman@Cotswold.gov.uk">jane.portman@Cotswold.gov.uk</a>
Summary/Purpose	To outline the governance, legal framework, and key arrangements for the Gloucestershire Structural Changes Order, and to seek Cabinet's agreement to submit representations to Government on behalf of Cotswold District Council.  The Government has invited Gloucestershire councils to make representations, which the Secretary of State for Housing, Communities and Local Government will consider when deciding the final content of the Order.
Annexes	Annex A – Letter from MHCLG dated 19 May 2026 Annex B – Examples of previous Structural Changes Orders Annex C – Indicative timetable from MHCLG Annex D – Implementation Guidance from MHCLG
Recommendation(s)	That Cabinet resolves to: <ol style="list-style-type: none"> <li>1. Consider representations to the questions set out by the ministry of Housing, Communities and Local Government (MHCLG) regarding Gloucestershire's Structural Changes Order</li> <li>2. Delegate authority to the Leader of the Council to submit</li> </ol>



	formal representations to MHCLG by their deadline of 16 June 2026
Reasons for Recommendations	<p>The Secretary of State for Housing, Communities and Local Government has invited representations from each of Gloucestershire's seven councils on the content of the Structural Change(s) Order (SCO).</p> <p>In particular, councils have been asked for their views on key transitional arrangements. The Council's response, alongside those of the other Gloucestershire councils, may influence the final content of the Order.</p> <p>By responding clearly and promptly, the Council can help ensure the Order supports effective governance and protects the interests of residents, service users and the district as a whole.</p>
Corporate priorities	<ul style="list-style-type: none"><li>• Preparing for the future</li></ul>
Key Decision	No
Exempt	No
Consultees/ Consultation	Corporate Leadership Team Overview and Scrutiny Committee Cabinet



## **1. EXECUTIVE SUMMARY**

- 1.1** This report outlines the key milestones, timelines, and governance requirements relating to the development of the Gloucestershire Structural Changes Order (SCO), following the consultation on Local Government Reorganisation proposals.
- 1.2** The SCO will establish the legal framework for the new authority or authorities, including governance arrangements, electoral structures, transition planning, and transfer of functions.
- 1.3** The Structural Changes Order will include the following:
- Legally establish the new Authority(ies) and define their boundaries
  - Specify the name of the new Authority(ies)
  - Set out the election arrangements for the new Authority(ies)
  - Designation of the Returning Officer(s)
  - Warding arrangements including number and names
  - Possible alignment of Town and Parish Council elections
  - Creation and composition of Joint Committees or an Implementation Executive depending on whether the decision is for 1 unitary authority (Implementation Executive) or 2 unitary authorities (Joint Committees). This will include direction on the number of elected members from each current council. (Previous composition from other councils is set out in the Table at Annex B)
  - Creation, leadership and (if required) those officers who must be included within the composition of the Implementation Team. This will include details of Interim Statutory Officers and may include specific officers from current councils (Previous composition from other councils is set out in the Table at Annex B).
  - Designation of transition function on the preparing/new authority(ies)/current councils.
  - Transfer of functions to new authority(ies) on Vesting Day
  - Creation of charter trustees for any areas where civic/ceremonial functions are to be preserved, and definition of those areas (if required).
- 1.4** The report seeks Cabinet's agreement to make formal representations to Government on behalf of Cotswold District Council in relation to the Gloucestershire Structural Changes Order.



## **2. BACKGROUND**

**2.1** In March 2025, the Secretary of State for Housing, Communities and Local Government invited Gloucestershire's seven local authorities to put forward proposals for the reorganisation of Local Government in Gloucestershire. Three proposals were submitted:

- A proposal for one unitary council for the whole of Gloucestershire – proposed by Gloucestershire County Council and supported by Tewkesbury Borough Council, Stroud District Council and Cotswold District Council. This is referred to below as the 1UA proposal.
- A proposal for two unitary councils: one for the west (Gloucester, Forest of Dean, Stroud) and one for the east (Cheltenham, Cotswold, Tewkesbury) – proposed by Cheltenham Borough Council. This is referred to below as the 2UA East/West proposal.
- A proposal for two unitary councils: one would be an expanded Gloucester City, called Greater Gloucester, which includes several nearby parishes; the other would cover the rest of the county, called Gloucestershire Unitary – proposed by Gloucester City Council. This is referred to below as the 2UA Greater Gloucester proposal.

**2.2** Since then, the Secretary of State has consulted on those proposals and is expected to decide in July 2026 which one will be implemented. In the meantime, the Ministry of Housing, Communities and Local Government is preparing a Structural Changes Order to be laid before Parliament in winter 2026, with a view to it being made in March 2027.

**2.3** A Structural Changes Order (SCO) is a statutory instrument made by the Secretary of State under the Local Government and Public Involvement in Health Act 2007. It is the legal mechanism used to implement local government reorganisation. The Order sets out the legal framework for transition, including the abolition of existing councils, the creation of new councils where needed, and the transfer of functions, staff, assets, rights and liabilities. It typically includes provisions on:

- The constitution of new authorities;
- Electoral arrangements;
- Transfer and exercise of functions;
- Transfer of property, rights and liabilities (including contracts);



- Transitional and implementation arrangements, including shadow authorities and implementation executives.

**2.4** Although the SCO is made by the Secretary of State, its content can be shaped by proposals developed locally. Officials from the Ministry of Housing, Communities and Local Government (MHCLG) have invited Gloucestershire councils to make representations on a number of transitional issues.

**2.5** Based on the Government’s indicative timetable, we had expected Gloucestershire to have until September 2026 to submit these representations. That would have allowed more time to seek a shared view across the seven councils and to complete each council’s internal decision-making process. However, in a letter received on 19 May 2026, MHCLG officials have asked for representations to be made by 16 June 2026. This has two main implications:

- It severely limits the amount of time for deliberation and discussion of the complex issues involved, by Gloucestershire Councils.
- We will be making these representations in advance of knowing which of the three proposals for reorganisation the Secretary of State will be supporting. As a result, we will need to consider all three options when making our representations.

**2.6** Although the Secretary of State will decide the final content of the SCO, it is important that the Council seeks to influence it.

### **3. GLOUCESTERSHIRE STRUCTURAL CHANGES ORDER**

**3.1** Matters to be determined/considered:

<b>Topic</b>	<b>Decisions needed under 1UA</b>	<b>Decisions needed under 2UA – East/West</b>	<b>Decisions needed under 2UA - Greater Gloucester/ Gloucestershire</b>
Preparing Authority or New Shadow Authority	Proposal set out that the County Council would be the preparing authority with an implementation Executive. Decision needed as to whether this is still the agreed approach or	Required to be 2 new Shadow Authorities with Joint Committees	Required to be 2 new Shadow Authorities with Joint Committees



<b>Topic</b>	<b>Decisions needed under 1UA</b>	<b>Decisions needed under 2UA – East/West</b>	<b>Decisions needed under 2UA - Greater Gloucester/ Gloucestershire</b>
	seek a new Shadow Authority with a Joint Committee		
Membership of Implementation Executive / Joint Committee (See examples of previous SCO decisions at Annex B)	Implementation Executive: Decision needed on how many seats will be occupied for each of the predecessor councils	Joint Committee: Decision needed on how many seats will be occupied for each of the predecessor councils	Joint Committee: Decision needed on how many seats will be occupied for each of the predecessor councils
Appointment of chair of Implementation Executive / Joint Committee	In the case of a preparing authority this will be the Leader of Gloucestershire Council Executive	This will be a decision of each Joint Committee	This will be a decision of each Joint Committee
Political balance of Implementation Executive / Joint Committee	To be determined	To be determined	To be determined
Implementation Team: NB: While under all proposals there will be a single implementation team, the composition of that team may differ from proposal to proposal (NB: These roles are at senior officer level)	Decision needed, to be included in response on: <ul style="list-style-type: none"> <li>- Who will be leader of the Implementation Team</li> <li>- Who will be deputy leader(s)</li> <li>- Any other officers to be included</li> </ul>	Decisions needed, to be included in response on: <ul style="list-style-type: none"> <li>- Who will be leader of the Implementation Team</li> <li>- Who will be deputy leader(s)</li> <li>- Any other officers to be included</li> </ul>	Decisions needed, to be included in response on: <ul style="list-style-type: none"> <li>- Who will be leader of the Implementation Team</li> <li>- Who will be deputy leader(s)</li> <li>- Any other officers to be included</li> </ul>
Designation of Returning Officers (RO)	In the case of a preparing authority, this will be the existing (RO) for Gloucestershire County Council	To be decided: Usual practice is that an existing RO is nominated for each of the new Councils from amongst those councils within its footprint	To be decided: Usual practice is that an existing RO is nominated for each of the new Councils from amongst those councils within its footprint



<b>Topic</b>	<b>Decisions needed under 1UA</b>	<b>Decisions needed under 2UA – East/West</b>	<b>Decisions needed under 2UA - Greater Gloucester/ Gloucestershire</b>
Alignment of Town and Parish Council Elections	To be determined: Working assumption is that we would want to align all parish elections to the new electoral cycle		
Name of new authorities	Included in proposal: Gloucestershire Council	To be determined	Included in proposal: <ul style="list-style-type: none"> <li>• Greater Gloucester Council</li> <li>• Gloucestershire Council</li> </ul>
Number of new councillors for each new council – if different from proposals	110 in the proposal	52 for East in the proposal 58 for West in the proposal	52 for GG in the proposal 81 for GU in the proposal
Warding arrangements including number and names (Deadline: 17 August 2026)	Included in proposal: Existing County Council divisions to be used	Included in proposal: Existing County Council divisions to be used	To be determined
Arrangements for transition of civic / ceremonial functions			

#### **4. ALTERNATIVE OPTIONS**

- 4.1** Cabinet could choose not to submit a representation to Government, or representations to only some of the questions. However, this would mean the Council does not formally influence the content of the Structural Changes Order
- 4.2** Cabinet could choose to delay submitting a representation pending further information or clarity from Government, although this would risk reduced influence on the final Order.

#### **5. CONCLUSIONS**

- 5.1** The Gloucestershire Structural Changes Order is a critical step in establishing the future structure of local government in the county. It will provide the necessary legal and governance framework to enable a smooth and effective transition to the new authority or authorities.



**5.2** Cabinet is therefore invited to note the contents of this report and agree the Council's representations to Government, ensuring that the interests of Cotswold District Council are fully reflected in the final Structural Changes Order.

## **6. FINANCIAL IMPLICATIONS**

- 6.1** There are no direct financial implications arising from making these representations to the SoS (other than the member and officer time involved).
- 6.2** Under the single unitary authority proposal, there is a significant difference in the cost of the Preparing Authority model and the Shadow Authority model, the latter being estimated to cost Gloucestershire an additional £500k. If Cabinet is minded to request that the Secretary of State implements a Shadow Authority model, additional funding will need to be set aside by Cotswold District Council in the LGR Transition reserve to cover the Council's share of the additional cost for that eventuality.

## **7. LEGAL IMPLICATIONS**

- 7.1** Local government reorganisation is led by the Secretary of State (MHCLG) under the Local Government and Public Involvement in Health Act 2007. The Secretary of State retains broad discretion over whether and how reorganisation proceeds. The consultation seeks a response to the following aspects of any Structural Changes Order (SCO) that may be made - interim implementation structures, elections, Council names, councillor numbers and warding arrangements for the first election, ceremonial matters and the timetable.
- 7.2** While councils may submit representations, the Secretary of State retains full discretion over the contents of the Order as a result there are no legal implications to this report.
- 7.3** Decision makers should note, the brief consultation period limits the amount of time for engagement, review and discussion of the issues involved. This makes group working of the authorities unlikely which may result in an incohesive response from the authorities that are vested in the outcome. In addition, the response will be made before the model of reorganisation is determined therefore each of the three options put forward should be considered when making representations.
- 7.4** Although the Secretary of State will decide the final content of the Order, it is important that the Council should represent the views of its members and electorate.



**8. RISK ASSESSMENT**

- 8.1** There is a risk that Gloucestershire councils may be unable to reach a consistent, collective position. This could reduce the overall influence of representations submitted to Government and lead to less favourable outcomes for the district council.
- 8.2** The programme presents a high level of strategic and operational risk, driven by uncertainty, timescales, and complexity. However, with early planning, strong governance, and effective partnership working, these risks can be managed to support a smooth and successful transition.
- 8.3** The main risks associated with this decision are set out below.

<b>Risk</b>	<b>Impact</b>	<b>Mitigation</b>
Cotswold District Council's representations are viewed as unworkable by the Secretary of State (SoS)	The SCO would not take account of those representations	Any proposed representations should be based on previous Structural Changes Orders used in other areas. This makes it more likely that they will be considered workable by the Secretary of State.
CDC's views do not accord with those of the County Council and other Gloucestershire District Councils.	Those representations may carry less weight with the SoS, meaning the SCO doesn't reflect our preferences	Despite the short timescale, discussions are underway with the County Council and District Councils to reach a shared position wherever possible.
Disputes between local councils as to the content of the SCO	Damage to the positive working relationship and consensual approach that has characterised our approach to date	Although councils may not agree on every issue, there is likely to be scope for agreement or compromise on many of the questions. Where views differ, CDC recognises the right of the County Council and District councils to take a different view in good faith.
Insufficient time to make decisions	CDC will miss the deadline and not be able to influence the content of the SCO	Although more time would have been preferable, the MHCLG deadline means it is unlikely that all councils will reach a shared position. It is therefore expected that each council will submit its own representations. Leaders have prioritised these discussions in order to meet the deadline.



<b>Risk</b>	<b>Impact</b>	<b>Mitigation</b>
Disputes between authorities	Delay to programme	Agreed principles and escalation routes

## **9. EQUALITIES IMPACT**

**9.1** A full equalities impact assessment was undertaken for each of the three proposals and can be found at: [Future Gloucestershire : Devolution and Local Government Reorganisation in Gloucestershire.](#)

## **10. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS**

**10.1** At this stage there is not enough information known about the changes that would be made to service delivery and ways of working. However, overall environmental and climate matters have been considered in the Options Analysis section of the LGR full proposals to inform the decision.

**10.2** Once a decision has been made by government as to the LGR model in Gloucestershire and implementation programmes have been scoped, full climate and ecological emergencies implications can be clarified.

## **11. BACKGROUND PAPERS**

**11.1** None

(END)



Ruth Miller  
*Deputy Director, Local Government  
Reorganisation*  
**Ministry of Housing, Communities &  
Local Government**  
2 Marsham Street  
London  
SW1P 4DF

Chief Executives of Gloucestershire  
Councils

19 May 2026

Dear Chief Executives,

I am writing to seek your views on matters that will be necessary for the Secretary of State to consider in any Structural Changes Order (SCO). The final decision on all these matters, including whether to implement a proposal, with or without modification, lies with the Secretary of State. Seeking your views is without prejudice to whether the Secretary of State decides to implement a proposal.

For the matters below, we would appreciate your response by **Tuesday 16 June**, and if you are able to provide an earlier response this would be appreciated. This is so the Secretary of State can consider and take decisions on these matters after he has taken decisions on which proposal, if any, to implement, with or without modification. These decisions will then be shared alongside the announcement of any reorganisation decision, which we expect to make before summer recess. While all views expressed will be considered, it is ultimately for the Secretary of State to decide what to include in the legislation to ensure any new councils are well placed to go live and to implement the proposal that is chosen.

We encourage you to work together to seek to agree representations for each proposal that would affect your councils for the Secretary of State to consider. You can respond singly, jointly, or as a collective, to [LGReorganisation@communities.gov.uk](mailto:LGReorganisation@communities.gov.uk) and to your delivery lead ([emma.reed@communities.gov.uk](mailto:emma.reed@communities.gov.uk)). Even if agreement cannot be reached, we encourage you to discuss your thoughts with each other. If you are unable to provide a view at this stage on any of these matters, it would be helpful if this could be set out so it can be considered by ministers.

### **Interim implementation structures**

In the event of a decision to reorganise, a SCO will provide for the creation of a new single tier of local government for the area. This could either be through the creation of an entirely new council, or by establishing the new council as a continuing authority of one of the existing councils – known as a preparing council. Our current view is that a preparing council will only be considered where there is an existing council on the same geography as the new unitary council. We understand there is interest from some in whether a preparing council model is possible where the geography is very similar – if you think this could apply then your thoughts on democratic accountability and other practical considerations in the transition period in this model would be welcomed.

In advance of elections, the SCO requires the establishment of joint committees for each new council, or an implementation executive for any preparing council. Once elections are held – expected to be on 6 May 2027 – the executive of the shadow council or preparing council is empowered to make preparations for the new council to go live and provides direction to the implementation team. The SCO places duties on all councils to cooperate as a key principle, and it is important that transitional arrangements for reorganisation is a shared endeavour. The transitional responsibilities are set out in the [Implementation Bodies guidance](#) published on 12 March.

The SCO specifies, for each new unitary council, the membership of the joint committee/s or implementation executive. The SCO could, but does not have to, specify who is to be the Chair and could specify provisions around political balance. The joint committee/s and implementation executive would have a time and purpose limited existence given the expectation in this round of local government reorganisation that elections take place 11 months before any new unitary councils go live.

The SCO requires that an officer implementation team consisting of officers of all affected councils across the invitation area would be formed to support the implementation of the proposal through the entire transition. The SCO would specify particular roles, such as the Lead and Deputy Lead.

### **Elections**

The SCO specifies the returning officers for the first election to each of the new unitary councils created. The SCO could also align parish council elections with the elections to the new councils.

### **Names**

The SCO lists the councils that will be abolished and names new unitary councils. To support the timetable described above, we anticipate that decisions will be taken on naming new councils at this stage, with Ministers being guided by the information in proposals and your representations. For the avoidance of doubt, the names announced will be included in the SCO. However, it should be noted that existing legislation provides for a council to change its legal name, and councils do choose to operate with an alternative name for branding purposes.

### **Councillor numbers and warding arrangements for the first election**

The SCO will include a schedule setting out warding arrangements and the number of councillors for each new council for the first election. We anticipate these councillors will be elected for an initial term of five years subject, of course, to Ministerial decision. While councillor numbers were included in proposals, we appreciate this may have been further refined as more detailed modelling work on warding has been undertaken. If this is the case, please do confirm your proposed councillor numbers and any rationale for this to support the Minister's final decisions on the content of the SCO. We will need any further representations on numbers by 16 June at the latest, and ideally earlier.

With regard to your suggested warding arrangements, these can be based on any combination of existing wards, divisions and parish boundaries. We understand there may be significant work compiling this, and that you may wish to wait until after a decision on which proposal is to be implemented to finalise this work. We will need any further information on warding by **17 August** and would appreciate receiving it before this date wherever possible.

We would encourage you to consider the Local Government Boundary Commission for England's guidance, as set out on their [website](#) and in our joint webinars last year as a good place to start while drawing these up, while recognising that the usual criteria are unlikely to be met in the same way as a full review. The Commission can offer advice and guidance as you draw up these boundaries. Please do reach out to them directly if you have not already. The Commission expects to carry out an electoral review of all newly established councils after their first elections and before their subsequent elections.

### **Ceremonial matters**

With regard to historic and ceremonial matters, we understand the importance of these and will work closely with you through the transition period to ensure these are preserved. Many matters are covered by generic regulations, or local agreements you may choose to make. Any matters requiring legislative provision, such as the establishment of Charter Trustees in unparished areas, or amendments to the Lord Lieutenancy, are normally provided for through a supplementary "mop-up" order that brings together localised and place-specific arrangements once the SCO has established the new governance framework. This approach has been used successfully in previous reorganisations, including in Cumbria, and is the approach we are taking in Surrey, and ensures historic rights and privileges are preserved while allowing the main Order to focus on the transition to new unitary arrangements. If there are any particular issues that we should be aware of, please do reach out if you have not already done so.

### **Timetable**

The SCO is subject to the affirmative procedure and usually takes six to nine months to prepare and take through Parliament, depending on the complexity. As an indicative timetable, we hope to draft the SCO over the summer, with a version shared in the autumn for fact checking, before sending the Order for pre-legislative scrutiny and laying in Parliament around the end of the year.

### **Questions**

In summary, for each proposal these are the questions for you to consider for 16 June or before:

- Whether you would prefer a preparing council and implementation executive model (where geographies align) or a new council model with a joint committee?
- How many members from each relevant council would you prefer to sit on each Joint Committee or implementation executive, including the balance of members from different councils?

- Would you prefer for any individuals to be specified for the Chair/Deputy Chair roles, and if so, who?
- What are your views on any requirement for political balance in the implementation executive/joint committee(s)?
- What would be your preferences for the membership of the Implementation Team and whether roles should be specified?
- Who should be the returning officer for the first election to each of the new unitary councils, that proposals would see established? (We anticipate that the SCO would specify the role at a particular council rather than an individual person)
- Confirm if you would prefer the SCO to align future parish council elections with those of the new councils and set out when parish council elections currently take place across the four year electoral cycle for each of the new council areas?
- What are the current legal names of the councils and what would be your preferred names for new councils?
- If different to proposals, has there been any further modelling of your preferred councillors for each new council that you would like the Secretary of State to consider, alongside any information on the rationale for the numbers?

**For 17 August or before:**

- What are your suggested wards, that reflect the proposal and councillor numbers decided, and that best meet the LGBCE guidance, for inclusion in the SCO?

We have attached some information that sets out how this has been done previously along with links to relevant SCOs including Surrey. We would again emphasise that decisions will be taken for each area taking account of the representations across all proposals in an area and other relevant matters.

We are happy to meet to discuss these matters or for you to share initial views [further to our meeting on 14 May ]. We would like the ideas that you share with us by 16 June 2026 to have political endorsement; accordingly, we ask that this letter is shared with Leaders.

Yours sincerely,



Ruth Miller  
Deputy Director, Local Government Reorganisation

## Annex B - Precedents

<p><b>Implementation Executive</b></p>	<p><u>Somerset</u> - the Implementation Executive shall consist of Somerset Council’s Leader; 4 other members of Somerset Council and the Leaders of the district council executives</p> <p>In the absence of the Somerset Council Leader Somerset Council must nominate five existing members. In the absence of the district council Leaders the district councils must nominate one existing member each. The Leader of Somerset Council will be the Leader of the Implementation Executive.</p> <p><u>North Yorkshire</u> – the Implementation Executive shall consist of North Yorkshire Council’s Leader who will preside at all meetings of the Implementation Executive; 9 other elected members of North Yorkshire Council and 7 elected members of the district councils. The Leader of North Yorkshire Council will be the Leader of the Implementation Executive and one of the elected members from the district councils will be the Deputy Leader.</p>
<p><b>Joint Committee</b></p>	<p><u>East Surrey</u> – 10 persons 5 persons nominated by County Council 1 person nominated by each existing council in East Surrey Area (5 in total)</p> <p><u>West Surrey</u> – 12 persons 6 persons nominated by County Council 1 person nominated by each existing council in West Surrey Area (6 in total)</p> <p><u>Cumberland</u> - 12 persons 3 persons nominated by the County Council 3 persons from each Cumberland Council (9 in total)</p> <p><u>Westmoreland and Furness</u> - 12 persons 3 persons nominated by the County Council 3 persons from each Cumberland Council (9 in total)</p> <p><u>Buckinghamshire</u> – No Joint Committee (Likely to have been as a result of COVID 19)</p>
<p><b>Implementation Team</b></p>	<p><u>Surrey</u> – No numbers specified but must include officers of the county council and the East Surrey Councils and West Surrey Councils. The “leader” of the Implementation Team is the Chief Executive for the time being of the county council and the “deputy leaders” are to be an officer of one of the East Surrey councils and an officer of one of the West Surrey councils</p> <p><u>Cumbria</u> – No numbers specified but must comprise officers from the county council, the Cumberland councils and the Westmorland and Furness councils. The “leader” of the Implementation Team is to be appointed from the Implementation Team and the “deputy leaders” must be an officer of one of the Cumberland councils and an officer of one of the Westmorland and Furness councils.</p>

Buckinghamshire – No numbers specified but must comprise officers from the county council and each of the district council. The “leader” of the Implementation Team is to be the Chief Executive of the county council. And the deputy leader of the Implementation Team is to be an officer of one of the district councils.

Somerset – the team shall consist of the Head of Paid Service for the County Council, the Heads of Service or each of the district councils; Somerset Council’s monitoring officer; Somerset council’s chief finance officer and the Somerset Council programme director. The “leader” of the Implementation Team is to be the Head of Paid Service for Somerset Council.

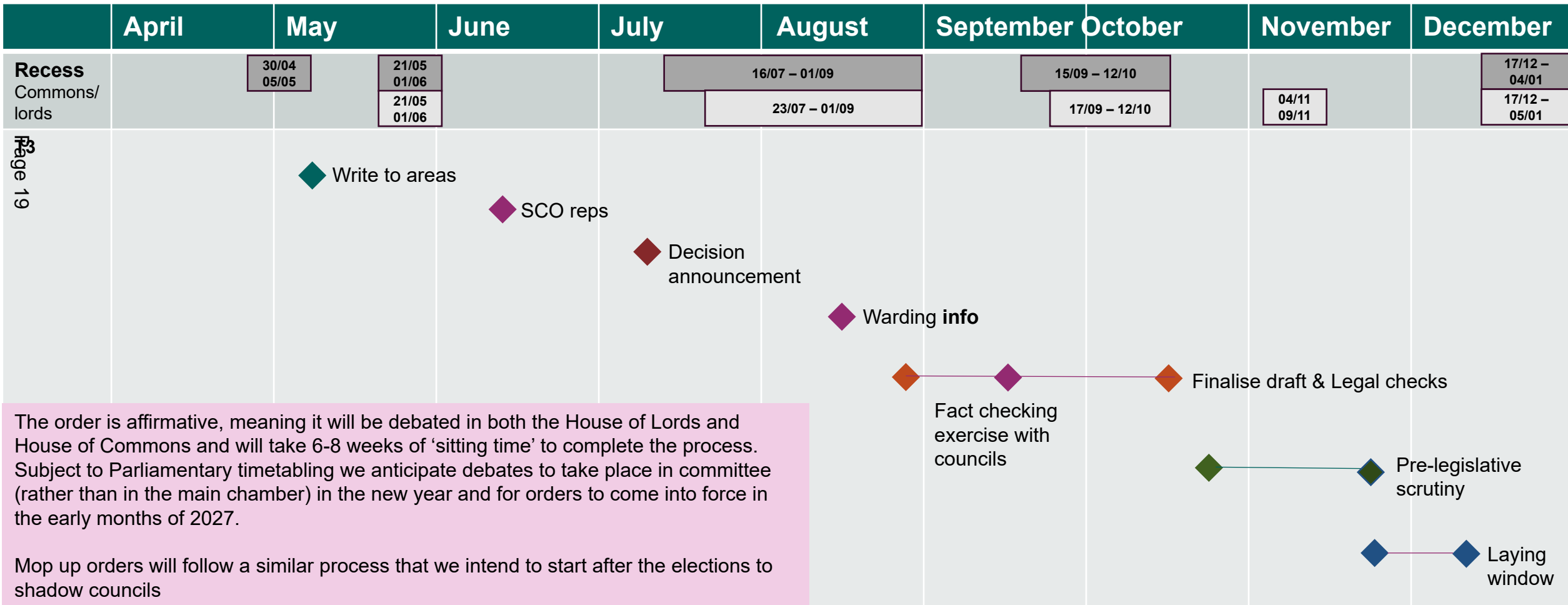
North Yorkshire – The team must include officers from both the North Yorkshire Council and each of the district councils and include the Head of Paid Service of the North Yorkshire Council; the Head of Paid Service of one of the district councils; North Yorkshire Council’s monitoring officer and North Yorkshire Council’s chief finance officer. The “leader” of the Implementation Team is the Head of Paid Service of the North Yorkshire Council and the “deputy leader” is to be one of the district council’s Head of Paid Service



# Indicative timetable

The SCO usually takes six to nine months to prepare and take through Parliament, depending on the complexity.

We expect to draft the SCO over the summer, with a version shared in the autumn, for fact checking, before sending the Order for pre-legislative scrutiny and laying in Parliament around the end of the year. **The visual below is indicative.**



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## Implementation bodies and predecessor councils during local government reorganisation

### Introduction

1. This explanatory note is for all councils who were invited on 5 February 2025 to submit proposals for unitary local government under section 2 of the Local Government and Public Involvement in Health Act 2007 (the 2007 Act). Although operating on different timescales, this applies to all councils going through reorganisation.
2. This note describes the principles and expectations, focussing on the roles of the predecessor councils, implementation bodies and Implementation Teams during transition. The specific arrangements for each reorganisation will be set out in the Structural Changes Order (SCO) for each reorganisation. We expect to provide further guidance in due course, including on shadow councils.

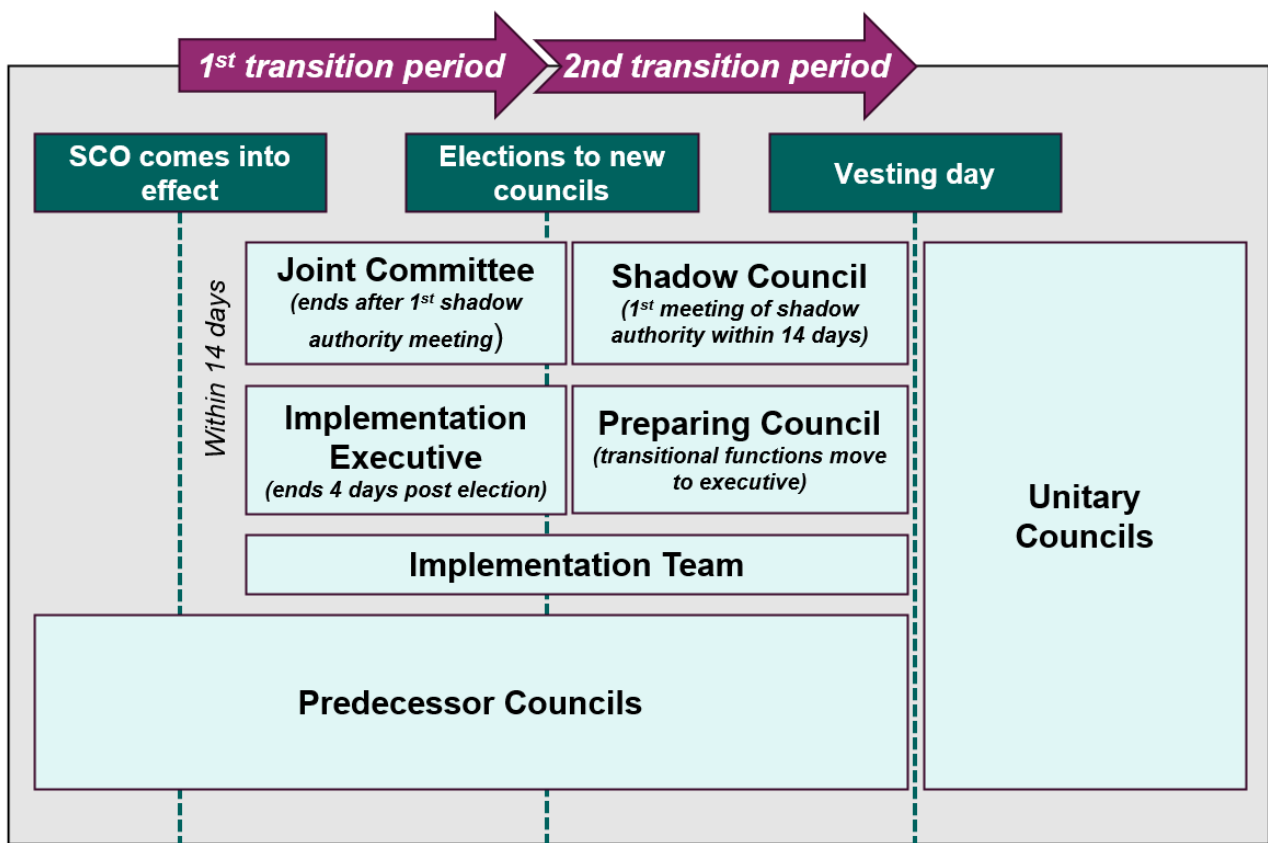
### Transition periods and implementation bodies

3. We expect that for each reorganisation there will be two statutory periods of transition. The first transition period runs from when the SCO comes into force, up to the inaugural elections to the new council. The second transition period runs from a defined date following the inaugural elections, up to vesting day – referred to as the reorganisation date in the SCO. This is in line with the most recent reorganisations in North Yorkshire, Cumbria and Somerset and the approach we expect to take in this round, noting that other approaches have been used in the past.
4. The two transition periods, with different types of implementation body, will be established by the SCO, depending on the governance arrangements agreed for an area:
  - a. During the **first transition period** before elections to the new councils, there needs to be an implementation body representative of the existing councils in the area. Accordingly, the SCO that establishes the new councils will require the relevant existing councils to form an implementation body. For the first transition period, these bodies are mostly constituted as Joint Committees (one Joint Committee for each new unitary council). An Implementation Executive may instead be used if an existing council will in future assume the responsibilities, functions and staff of other councils that will cease to exist – referred to as a preparing council. The preparing council model is most appropriate (though not required) where the geography of the new unitary council matches that of one of the existing councils. The functions of a Joint Committee and an Implementation Executive are largely the same and Joint Committees would be required for many of the proposals submitted, were these to be implemented. Therefore, this note refers primarily to Joint Committees. The relevant SCO will specify the particular responsibilities of each Joint Committee.
  - b. For the **second transition period**, the Joint Committee will be dissolved and replaced by a new, different implementation body made up of the members elected in the inaugural elections to the new unitary council. This body is called a Shadow

Council, until vesting day, when it assumes all local government functions, full local authority powers and becomes the only council for the area. The councillors elected in the shadow period remain members of the new Council. The relevant SCO will specify the functions, powers and responsibilities of the Shadow Council. Where a preparing council model is in place, the Implementation Executive will be dissolved and replaced by the new executive of the preparing council following the inaugural elections.

- The transition periods are shown on the diagram below, with the Joint Committee or Implementation Executive operating for a defined period and with a specific remit. The predecessor councils continue to operate and have legal competence, independence and authority throughout both periods of transition. They deliver business-as-usual services and prepare for the transfer to new unitary councils. The Implementation Team, to be formed of officers from the predecessor councils, also operates throughout both periods of transition, to support the delivery of the new unitary councils up until vesting day. The relevant SCO will provide the detailed arrangements specific to each area, which may vary dependent on local circumstances.

Diagram: Transition periods and implementation bodies



**The role and operation of a Joint Committee**

- Joint Committees have preparatory functions, with one Joint Committee formed for each new unitary council (for ease, this is not shown in the diagram above). Their focus is to prepare the ground for matters that need to be in place on day one of the Shadow Councils. As such, they are not responsible for taking any decision on behalf of the new

councils and should act in a manner that does not fetter any decision the new shadow councils may wish to take.

7. The exact functions for the Joint Committee to undertake will be set out in the SCO and are expected to be limited to:
  - a. Formulating proposals for a code of conduct for the new unitary council
  - b. Creating a team of officers – known as the Implementation Team (see section below)
  - c. Preparing an implementation plan at a strategic level for the new authorities
8. In practice, the Implementation Team will undertake the preparations, with direction from the Joint Committee in the first transition period and decisions ultimately made by the Shadow Council in the second transition period.
9. The implementation plan should identify the key activities and timescales for their completion to facilitate each council's discharge of functions once the new arrangements are in place; and that budget provision for the delivery of the implementation plan is sufficient for the purpose. The Joint Committee needs to gather and later communicate sufficient financial information to inform early budget-setting decisions by the Shadow Council. The Joint Committees are required to have regard to the selected proposal and structure set out in the SCO in developing those plans. Implementation plans may be substantially amended by the Shadow Council once in place. The Cabinet of the Shadow Council (often referred to as the Shadow Executive) replaces the Joint Committee as the implementation body for the second transitional period and is responsible for reviewing and revising the implementation plan following the inaugural election.
10. As the Joint Committees are not responsible for implementation and their role is limited to preparing proposals and facilitating transitional arrangements, they **do not**:
  - a. Carry out recruitment or appointment to senior posts
  - b. Design or implement the operating model of the new organisation
  - c. Consider, set or develop budgets for the new council
  - d. Make decisions about service delivery or policy
11. However, they should be concerned that adequate arrangements are proposed for the new unitary council to undertake these activities effectively and efficiently. For example, they should be assured that the implementation plan they devise will allow each new unitary council to build and agree a budget for its first operating year (as a minimum) in accordance with the statutory timescales and requirements. While responsibility for setting the new council's budget lies with the shadow council, the Joint Committee is responsible for ensuring sufficient implementation budgets are in place in predecessor councils to enable the transition.
12. They should also prepare job profiles and key accountabilities for the Head of Paid Service, Section 151 Officer and Monitoring Officer that must be designated on an interim basis at the first meeting of the Shadow Council. The SCO will set out a requirement to appoint to these roles on a substantive basis by a certain date, as set out in the workforce guidance. They can also ensure that the necessary proposals are prepared for the new council to be able to agree a leader and cabinet governance

model, code of conduct and key interim appointments at its first meeting as required by the SCO as well as other key elements such as member allowances and a constitution as soon as possible. If these important preparations are not made, this could create an excessive workload and therefore limit the progress of the Shadow Council.

13. Typically, the Joint Committee must be established within 14 days of the SCO coming into effect. It is dissolved a short time after inaugural elections take place and after the first meeting of the Shadow Councils. In practice, this means that formally Joint Committees may only exist for a short period, sometimes only a few weeks dependent on the timing of the SCO coming into effect and elections to new councils.
14. Membership, Chair and voting arrangements for each Joint Committee will be set out in the SCO and will vary between areas. For example, if the Chair is not specified in the SCO, it is expected that the Chair will be selected via a vote during the first meeting of the Joint Committee. Membership is made up of specific numbers of councillor nominees from each of the predecessor councils in the area of the new unitary council to ensure sufficient representation.
15. Joint Committees have the authority to set their own rules of procedure. This can involve setting expectations such as:
  - a. Giving consideration to all options available and having regard to due consultation
  - b. Giving consideration to advice from officers
  - c. Having clarity of aims and desired outcomes
  - d. Having respect and regard for human rights and for the councils' Public Sector Equality Duties
  - e. A presumption in favour of openness, transparency and accountability
16. We expect that councils will set up a voluntary Joint Committee before the SCO comes into effect, after which point their establishment will become a requirement. Establishing voluntary Joint Committees in parallel with the SCO process, which mirror the forthcoming required governance arrangements, can provide more time for developing the implementation plan and proposals for the new authorities to consider. The specific timing of the establishment of voluntary Joint Committees is likely to vary between areas.

### **The role of predecessor councils**

17. The predecessor councils continue to operate until vesting day, delivering business-as-usual services and preparing for the transfer to new unitary councils. During both the first and second transition periods, the SCO will place a duty for predecessor councils to:
  - a. Consult and co-operate with each other and with shadow authorities throughout the transition process to secure the economic, efficient and timely transfer of functions, property, rights and liabilities (which includes the transfer of staff)
  - b. Generally exercise their functions to further the purposes of the SCO
  - c. Provide any information reasonably requested by other relevant councils or shadow councils to support implementation

- d. Cooperate in the formation of the Implementation Team and release officials from normal duties as reasonably required
- 18. Predecessor councils are limited to the roles described above and are not responsible for implementation or designing new operating or delivery models in the new unitary councils.
- 19. Where a section 24 direction is applied, this would require the consent of the new shadow councils (or that of the Secretary of State) before predecessor councils enter into contracts or dispose of assets above a certain value.
- 20. There is also a suite of generic regulations that cover local government reorganisation that all councils need to have regard to, that set out requirements for staffing, assets, plans, continuity, and the exercise of certain functions in the transition period (such as the creation of town or parish councils).

### **The role of the Implementation Team**

- 21. The Implementation Team is expected to be a single team across the area made up of officers of the predecessor councils. The SCO may specify membership and who must be the Implementation Team Leader (often known locally as the Senior Responsible Officer) and Deputies. Our expectation is that the Implementation Team Leader will work with all relevant councils to bring an Implementation Team together that meets the requirements of the SCO, to be agreed by the Joint Committee (or Joint Committees where there is more than one for the area). It is expected that the Implementation Team Leader is responsible for the management of the Implementation Team, including ensuring appropriate membership throughout the transition. The councils have a duty to cooperate in the formation of the Implementation Team and release officials from normal duties as reasonably required.
- 22. The Implementation Team – as formed by the Joint Committee in line with the specification in the SCO – will support the collection of data and transfer of functions, staff, property, rights, liabilities and information from predecessor councils. The rationale for this is that the Implementation Team holds expertise on these matters, which will be essential for both transition periods. The Implementation Team Leader will be responsible to the Joint Committees and later the Shadow Councils for the work of the Implementation Team (rather than the predecessor councils) and to ensure the Joint Committees are able to effectively fulfil their obligations.
- 23. The role of agreeing the Implementation Team is provided to the Joint Committees, with leadership from the Implementation Team Leader, and not the Shadow Council. Unlike the Joint Committees, which are to be dissolved on the day after the Shadow Council holds its first meeting, the Implementation Team is not time bound and remains in place throughout the whole transition period. It is the formal mechanism for the release of

council staff to work on preparations, given the duty on predecessor councils to cooperate and release staff. The designation and appointment of statutory officers, which is required in the SCO for the shadow councils, may support implementation but are not a replacement for the Implementation Team.

### **Implementation Executive**

24. An Implementation Executive is typically used where an existing council (county or district) already operates on the same geography as the future unitary council and is designated as a preparing council which will become the new council. As with Joint Committees, specific arrangements for the Implementation Executive are set out in the SCO.
25. The main differences between the Joint Committee and Implementation Executive are that Implementation Executives are constituted as a committee of the preparing council's executive. Membership is made up of specific numbers of councillor nominees from all the former councils and the preparing council within the area of the new unitary council. Similar preparatory duties may be placed on it as a Joint Committee. An Implementation Executive is typically wound up within four days of the elections and its functions transfer to the executive of the preparing council.

## **Implementation Bodies and Predecessor Councils: Second Transition Period**

### **Introduction**

1. This explanatory note is for councils undergoing local government reorganisation and focuses on the role of the **Shadow Council** (also known as a Shadow Authority) during the second transition period. It builds on and follows the note on [implementation bodies and predecessor councils during local government reorganisation](#), published in March 2026. The note describes the responsibilities set out in the legislative framework that provides for local government reorganisation. However, it is not intended to be exhaustive or definitive and councils need to engage their monitoring officers and take their own legal advice as appropriate.

### **Transition periods and implementation bodies**

2. We expect that for each reorganisation there will be two statutory periods of transition. The first transition period takes place following the Structural Changes Order (SCO) coming into force, whereby a Joint Committee is established within 14 days (for preparing councils, an Implementation Executive is established when the SCO comes into force). This operates for a limited period until the inaugural elections have taken place. Areas are encouraged to adopt a voluntary Joint Committee ahead of the SCO, though specific timing of the establishment of voluntary Joint Committees is likely to vary between areas.
3. The second transition period takes place following the inaugural elections to the Shadow Council, up to vesting day. During this period the Joint Committee is dissolved following the first meeting of the Shadow Council, which takes place within 14 days of the inaugural elections.
4. The Implementation Team is a single team of officers from all current councils in the area that are released from (some of) their day to day duties as reasonably required to support preparation for implementation as needed by the new councils ahead of go live. High level membership and appointment of the Implementation Team Leader (often known locally as the Senior Responsible Officer) is often specified in the SCO.
5. Areas that are instead using the preparing council model (which is most appropriate where an existing council operates on the same geography as a future unitary council) have an Implementation Executive that operates for a similar period to the Joint Committee. It is dissolved within 4 days of the inaugural elections to the new council with the functions then transferring to the executive of the Preparing Council.
6. For the purposes of this note, the Shadow Council is largely equivalent to the Preparing Council. The principal distinction is that a Preparing Council has a dual role: it continues to discharge the full range of its existing statutory service delivery functions, while also undertaking the preparatory work required to take on additional functions and become a new unitary authority. Councillors in a Preparing Council carry out both roles. For example, where a county council is designated as the Preparing Council, it will continue to deliver county services, while preparing for the transfer and integration of district council services. In this example, district councils in the area continue to deliver their services until vesting day.

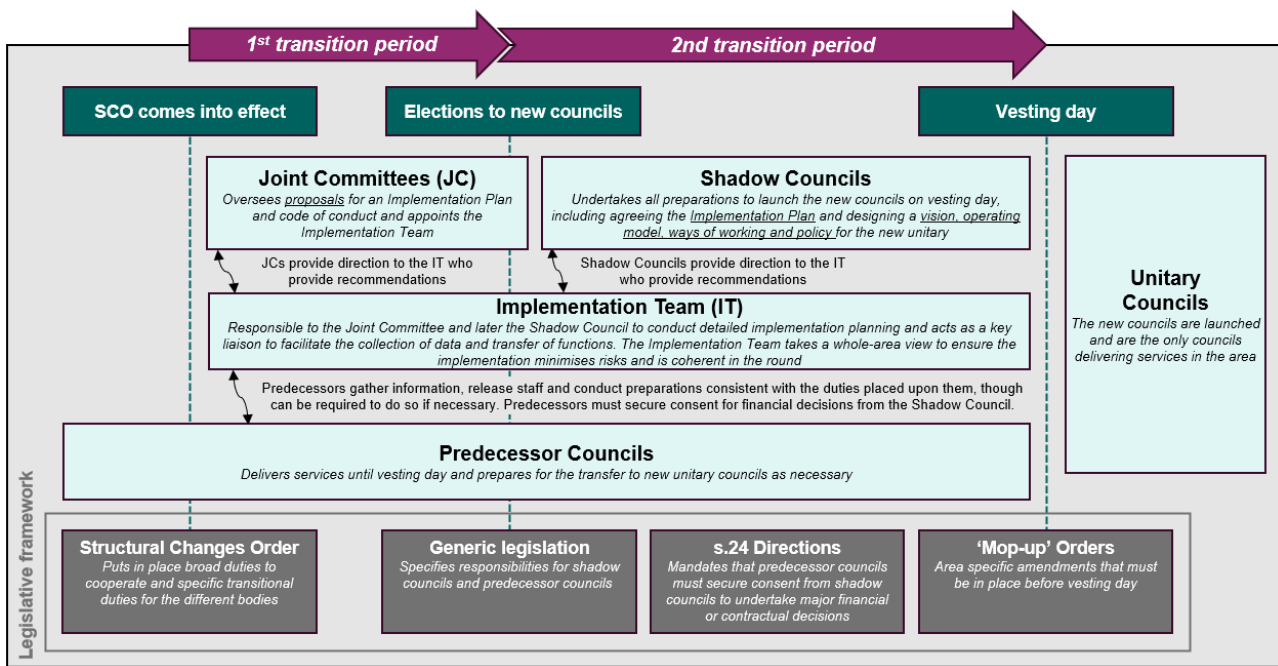
### **The role and operation of the Shadow Council**

7. A Shadow Council is established to facilitate the transition of local authority functions from the predecessor councils to the new unitary council between the inaugural elections and vesting day. It is given specific functions in the transition period, both in the SCO and in generic legislation, to enable it to prepare to assume full local authority powers on vesting day.

8. While a Shadow Council is not a local authority until vesting day, it is required to build the core components of the new council ahead of “go live”. Members are elected who then go on to appoint a ‘golden triangle’ of senior officers to enable robust preparations and other statutory officers as required. These members remain members of the new council following vesting day and the SCO specifies the arrangements for terms of offices. Councillors elected to the Shadow Council operate within the preparatory remit until vesting day, taking decisions and engaging with residents on the preparations for the new council, and then take on the full range of member responsibilities after vesting day with the assumption of full local authority powers.
9. During the shadow period, the Shadow Council operates in a preparatory capacity as the future new authority. It is responsible for developing the vision, operating model (reflecting the required aggregation or disaggregation of services) and ways of working for the new council, and for taking the key preparatory decisions required in the year before vesting. This includes setting the budget and council tax necessary to enable the new authority to operate from day one, and taking decisions needed to ensure continuity of services.
10. The Shadow Council must work closely with the predecessor councils and other shadow councils in the area to ensure that the new council is fully functional, aids a safe and legal transition from vesting day and that the council fulfil its statutory duties, including the Best Value Duty.
11. A key difference from a local authority is that the Shadow Council does not deliver services in the transition period. Another difference is that the functions of the Shadow Council can be discharged by the Shadow Executive rather than full council, unless specified otherwise in legislation. The Shadow Council also cannot incur expenditure or acquire a liability without agreement from the relevant predecessor councils. Expenditure incurred by the Shadow Council is to be divided between the predecessor councils in proportions agreed by them. There is an arbitration process available in exceptional circumstances if agreement cannot be reached. Where decisions cannot be agreed at a local level, the Secretary of State may determine the proportions in which expenditure is to be divided and paid, or indeed appoint an arbitrator for that purpose. Councils are expected to act reasonably and responsibly to resolve issues locally wherever possible.

#### Duties and responsibilities

12. The legislation that comes into effect at different points in the transition sets the framework for the duties of the different Implementation Bodies. There are four components that are described in more detail in this note and captured in the diagram below:
  - a) Structural Changes Order – This provides both broad duties to cooperate and undertake necessary preparations, as well as specific transitional duties, such as appointing to key roles and agreeing Implementation Plans.
  - b) Generic legislation – This sets out further responsibilities for Shadow Councils, predecessor councils and new unitary councils in relation to different matters e.g. finances, staffing, etc. Where agreement is needed between councils, there is also an arbitration process available, although it is not expected to be needed.
  - c) Section 24 Directions – These directions have a specific purpose to require predecessor councils to obtain consent before entering into major financial or contractual commitments.
  - d) ‘Mop-up’ legislation – These orders create area specific amendments ahead of vesting day so that the new council has legislative continuity.



### Duties under the SCO

13. The SCO will set out the functions and responsibilities of the Shadow Council in the second transition period and make provisions for the inaugural elections. The Joint Committee will have prepared an implementation plan and proposals, such as for a code of conduct, for the Shadow Council to consider, approve – with or without amendment – and take forward.
14. The Shadow Council must take all the necessary or expedient practicable steps to prepare for full local authority functions and powers and ensure continuity of public service delivery following vesting day. All councils in the area – including other shadow councils – will be under a duty to cooperate to prepare for transfer, including preparations for aggregation and disaggregation.
15. At its first meeting the Shadow Council must:
  - a. Adopt a leader and cabinet model of governance.
  - b. Adopt a councillor code of conduct.
  - c. Designate on an interim basis an officer from one of the predecessor councils within its area to perform the duties of interim head of paid service (chief executive), interim chief finance officer (section 151 officer) and interim monitoring officer. In making these interim designations, Shadow Councils should seek to adopt a similar procedure to those set out in the key legislation on how councils appoint statutory officers.
16. Following its first meeting and throughout the second transition period, the Shadow Council has responsibilities to:
  - a. Review and revise implementation plans prepared earlier by the Joint Committee.
  - b. Undertake decisions on staffing (as is required by the Staffing Regulations, TUPE Regulations and relevant Structural Changes Order), budgets, operating models and policy for the new council. Policies do not take full effect until the new council officially assumes service delivery of the functions. Where the Shadow Council does not prepare a replacement policy ahead of vesting day, continuity provisions mean that relevant predecessor council policies continue to have effect until replaced, subject to any statutory requirements to review or replace them within a specified period after vesting day.

- c. Make substantive appointments to the head of paid service (chief executive), chief finance officer (section 151 officer) and monitoring officer for the new authority to be in post by a specified date ahead of vesting day. In making these appointments, Shadow Councils will need to have regard to the relevant legislation on making local authority statutory officer appointments. As well, Shadow Councils will also need to be aware of the requirements of [the Staffing Regulations 2008](#) in making any decisions on the appointment of a chief executive for the new council – in particular, that if the Shadow Council does not appoint the head of paid service via open competition, the new council will need to ensure it has run an open competition within 12 months of vesting day.
  - d. Adopt a scheme for the payment of allowances to its members.
  - e. Undertake necessary steps to commence and sustain their running as a Shadow Council.
  - f. Prepare for the assumption of local government functions and full local authority powers on vesting day. Shadow Councils must liaise with predecessor councils and other Shadow Councils in the area to ensure continuity of service delivery.
17. The Shadow Council must set out its vision, design, operating model and its services as well as set its budget and taxes. While Shadow Councils are not local authorities and do not have full local authority functions until vesting day, the SCO provides local authority powers so far as needed to discharge their transitional functions during the shadow period. Accordingly, they may appoint staff in addition to those required by the Order. In making any appointments, Shadow Councils should be mindful of their obligations under the Staffing Regulations and TUPE and should take independent advice on whether such an appointment is permitted. They will develop supporting documentation, with statutory officers having a key role in this work. This is not an alternative to the Implementation Plan that sets out the key activities and timescales for the transition to new unitary councils to take place.
  18. There are backstops in place if duties are not carried out or agreements cannot be reached and Shadow Councils can request predecessor councils undertake necessary preparations. The SCO creates a duty to cooperate and legal obligation that councils are expected to comply with. Government action to encourage compliance is not expected to be needed.
  19. The Shadow Council does not appoint an alternative Implementation Team, as the Implementation Team formed during the first transition period remains in place throughout the implementation process. Statutory officers appointed by a Shadow Council in accordance with the SCO support implementation but do not replace the Implementation Team, which is the mechanism for the predecessor councils to fulfil the duties that have been placed on them. These include the duty to prepare for and facilitate the economic, effective, efficient and timely transfer to the new council of its functions, property, rights and liabilities, and to consult with each other to fulfil that duty. However, appointed statutory officers may work closely with the Implementation Team to ensure the developing needs of the Shadow Councils are reflected in the implementation activity.
  20. Operationally, the requirements on the Implementation Team will change through the period, as the Implementation Plan is revised and delivered and as staffing and transfer arrangements (including aggregation and disaggregation) are confirmed. Throughout it has a key role in facilitating the transition across the area as captured in the Implementation Plan(s) to ensure risks are minimised, as well as acting as a liaison with predecessor councils to gather relevant information and conduct required preparations.

#### Electoral matters

21. The SCO will specify who is to act as Returning Officer for the inaugural elections. Shadow Councils need to then review electoral matters including interim acting and local returning officers and post-

reorganisation registration officers and returning officers, noting there could be elections to fill casual vacancies.

22. Predecessor Councils should note in accordance with section 89(3) of the Local Government Act 1972 that there will be no requirement to hold a by-election where a casual vacancy arises for a councillor six months before the predecessor council abolition – due to the short time the office is available. However, where there is a total number of vacancies exceeding one third of the councillor member number, a by-election will then be required. An SCO will ordinarily provide for this in the part focused on electoral matters.

#### Duties under generic regulations

23. In addition to responsibilities set out in the SCO, generic regulations apply to local government reorganisation. These further specify the responsibilities of the Shadow Council and predecessor councils. All councils need to have regard to these regulations that set out requirements for staffing, assets, plans, continuity, and the exercise of certain functions in the transition period (such as the creation of town or parish councils) and assist the Shadow Council where necessary to facilitate the transfer of these functions.

24. Some key aspects are set out below <sup>1</sup>:

#### **Finance <sup>2</sup>:**

- Shadow Councils are responsible for calculating budget requirements, council taxes and business rates and issuing notices for them.
- Predecessor councils must share reports of statutory audits, inspections and investigations with the relevant Shadow Council. They are also required to consult Shadow Councils and take their views into account in respect of any of its policies, procedures or structures for the purposes of statutory reports and related recommendations.

#### **Staffing <sup>3</sup>:**

- The Staffing Regulations 2008 make provision in respect of the transfer of staff and other staffing matters during local government reorganisation. In particular, they provide that the transfer of functions from a predecessor council to a new single tier council shall be treated as a “relevant transfer” within the meaning of the TUPE Regulations. Non-statutory staffing guidance covers these elements in more detail.
- By applying TUPE in this way, the Government is seeking to ensure employees of predecessor councils who are in post immediately before the reorganisation date and whose terms and conditions of employment provide for their employment to continue beyond that date, become employees of the single tier council that succeeds their predecessor council, and that they shall transfer, subject to the operation of the TUPE Regulations, on the same terms and conditions as they had enjoyed immediately beforehand. It also seeks to ensure that employees of a preparing

<sup>1</sup> Also of note are [The Local Government \(Structural Changes\) \(Transitional Arrangements\) \(No.2\) Regulations 2008](#); [The Local Government \(Structural Changes\) \(Further Transitional and Supplementary Provision and Miscellaneous Amendments\) Regulations 2009](#); [The Local Government \(Boundary Changes\) Regulations 2018](#).

<sup>2</sup> [The Local Government \(Structural Changes\) \(Further Transitional and Supplementary Provision and Miscellaneous Amendments\) Regulations 2009](#); [Local Audit and Accountability Act 2014](#); [Accounts and Audit Regulations 2015 \(as amended\)](#); [The Accounts and Audit Regulations 2015](#).

<sup>3</sup> [The Local Government \(Structural and Boundary Changes\) \(Staffing\) Regulations 2008](#); [The Transfer of Undertakings \(Protection of Employment\) Regulations 2006](#).

council, as affected employees, will benefit from prescribed protections under the TUPE Regulations.

- In addition to the Staffing Regulations, each area will be subject to its own individual SCO. The Staffing Regulations are subject to the specific provisions in an area's SCO and therefore councils will need to have regard to any specific staffing provisions in the SCO.

#### **Service planning <sup>4</sup>:**

- Continuity provisions apply to policies and service arrangements. Some policies will have a required period for replacement after vesting day, such as licensing and housing allocation policies. Shadow Councils may wish to start preparatory work on key reviews ahead of vesting day.

#### **Assets, property, income, rights and liabilities <sup>5</sup>:**

- The relevant Shadow Councils must agree how to disaggregate assets, property, income, rights and liabilities at least three months before vesting day, and ideally earlier. If councils fail to agree, then an arbitration process is set out, that may involve assets being held by a caretaker council on trust until there is agreement, or the ultimate appointment of an arbitrator. Councils are expected to resolve issues locally wherever possible.

#### **Ceremonial matters <sup>6</sup>:**

- Shadow Councils should work with predecessor councils to consider the transfer of historic property and rights, whether charter trustees are required for unparished areas, and whether any further matters should be included in supplementary 'mop up' legislation.

#### **Community Governance Reviews <sup>7</sup> :**

- The Shadow Council has the final sign off on any Community Governance Reviews underway. This means that while Predecessor Councils are able to undertake Community Governance Reviews, they are not able to conclude these without sign off from the Shadow Council or future unitary council.

#### Engagement on further legislation – Mop-up legislation

25. There will be further consequential legislation (known as 'mop-up' legislation) needed to make area-specific amendments that must be in place prior to vesting day. All councils are responsible for identifying the relevant legislation that requires updating as part of implementation for their area.
26. Development of legislation will be an iterative process between the department, predecessor councils and shadow councils. While decisions on what should be included are for Ministers, the department will work with councils throughout. It is likely that area-specific amendments may be grouped with other area-specific amendments when it comes to preparing an Order.

<sup>4</sup> Continuity provisions within the Local Government (Structural Changes) Regulations 2008–2009: [The Local Government \(Structural Changes\) \(Transitional Arrangements\) \(No.2\) Regulations 2008](#).

<sup>5</sup> [Local Government and Public Involvement in Health Act 2007](#); [The Local Government \(Structural Changes\) \(Transitional Arrangements\) \(No.2\) Regulations 2008](#) and [The Local Government \(Structural Changes\) \(Further Transitional Arrangements and Staffing\) Regulations 2009](#) ; and relevant Structural Changes Orders.

<sup>6</sup> [The Charter Trustees Regulations 2009](#); [Lieutenancies Act 1997](#); [Sheriffs Act 1887](#).

<sup>7</sup> [Local Government and Public Involvement in Health Act 2007](#); [The Local Government \(Structural Changes\) \(Transitional Arrangements\) Regulations 2008](#)

27. Typical area-specific provision can include matters such as pensions administration, housing financing arrangements, membership of boards or external bodies, and ceremonial arrangements, as set out in the table below.

Provision	Considerations
Ceremonial matters	<ul style="list-style-type: none"> <li>• The Shadow Councils, working with the predecessor councils, must determine whether there are bodies in place to maintain ceremonial aspects/provisions in the areas under each respective unitary council.</li> <li>• The Order can create charter trustees in unparished areas to ensure historic rights and privileges are maintained and vested in the Charter Trustee for the relevant area where there is no parish or town council.</li> <li>• The Order will, if necessary, also amend the statutory definition of the area of the ceremonial county in the Lieutenancies Act 1997 and Sheriffs Act 1887, to include the new local government areas of the new unitary councils. The amendments would reflect the names of the new authorities and their areas, and do not involve any amendment to the ceremonial boundaries.</li> </ul>
Pensions	<ul style="list-style-type: none"> <li>• If needed, provision can be made to transfer pension arrangements in the new councils to ensure that the rights, assets, and liabilities of the relevant Pension Fund transfer to one of the new unitary councils as the new administering authority of the pension.</li> <li>• It can also provide that the pension assets and liabilities relating to the predecessor councils transfer to the new unitary councils in proportions determined by the new council. This will ensure that there is clarity on who is taking over the responsibility for funding existing pensions accrued - This prevents exit payments arising under the regulations which would normally be triggered where an employer leaves the scheme.</li> <li>• If a different arrangement, such as a Single Purpose Pension Authority is under consideration then this will be in a separate order/process</li> </ul>
Miscellaneous	<p>The Shadow Councils, working with the predecessor councils, must look at area specific issues where these are not addressed by existing regulations of generic application to determine whether amendments are required. Examples can include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Area of Outstanding Natural Beauty/National Landscapes</li> <li>• National Park Authorities</li> <li>• Fishery Authorities</li> <li>• Harbour authorities</li> <li>• Devolution arrangements</li> <li>• Sub national bodies e.g. Transport for the North</li> </ul>

#### Duties under a Section 24 direction

28. The programme expects to put Section 24 directions in place to avoid predecessor councils binding new councils with new, significant financial and contractual obligations without their knowledge. Once a Section 24 direction is made, this will mandate that predecessor councils obtain the written consent of the relevant Shadow Councils to major financial decisions (such as land or property transactions) or contracts from a specified date. It is for the Shadow Council to decide how to grant consents for financial decisions from predecessor councils. However, Shadow Councils should put

in place proportionate arrangements, such as general consent for particular types of spend, to provide appropriate oversight while avoiding unnecessary delays or risks to service delivery. This is often achieved through Shadow Councils establishing a strict consent based review process where the S151 officer plays a significant role in approving expenditures above certain thresholds.