

Report to Cabinet

04 August 2026



Local Government Reorganisation Update

Lead Member:

Cllr. Jonathan Gullis, Leader of the Council

Lead Officer:

Gordon Mole, Chief Executive

Key Decision: No

Ward(s): All Wards

Appendices: Appendix 1 – Letter from Secretary of State for Housing, Communities & Local Government for LGR in Staffordshire & Stoke-on-Trent

Report Assurance:

	Name	Date
Lead Officer	Gordon Mole	17/07/26 (updated 03/08/26)
Monitoring Officer	Olwen Brown	21/07/26
Section 151	Craig Turner	17/07/26
Chief Executive	Gordon Mole	17/07/26 (updated 03/08/26)
Cabinet Member	Cllr. Jonathan Gullis	03/08/26

Report Summary

This report provides an update on Local Government Reorganisation following the announcement of the Secretary of State for Housing, Communities & Local Government on 16th July 2026.

Recommendations

That the Cabinet:

1. Notes the Secretary of State's Written Ministerial Statement of 16th July 2026 concerning Local Government Reorganisation;
2. Notes the Government's decision to replace the current two-tier local government arrangements in Staffordshire with two new unitary authorities from April 2028, subject to Parliamentary approval;
3. Notes that Newcastle-under-Lyme would form part of the proposed North Staffordshire Unitary Council alongside Stoke-on-Trent City Council and Staffordshire Moorlands District Council;
4. Notes the Leader of the Council has asked officers to seek specialist legal advice in respect of the Secretary of State's decision;
5. Agrees that in respect of arrangements to meet required activity for Local Government Reorganisation, that the Chief Executive in consultation with the Leader of the Council, progresses early stage activity to be in a position to carry out statutory work.
6. Notes that a special meeting of full Council will be held to debate the announced reorganisation and next steps.

1. Background

- 1.1 UK Government's Local Government Reorganisation programme has sought to replace two-tier local government arrangements with unitary councils exercising all principal local authority functions.
- 1.2 On 16 July 2026, the Secretary of State, Rt Hon Steve Reed MP, announced decisions on fourteen reorganisation areas across England. The announcement followed the consideration of proposals submitted by councils and subsequent public consultation.

2. Purpose

- 2.1 UK Government has now reached a formal decision on the future governance arrangements for Staffordshire and Stoke-on-Trent following consultation on reorganisation proposals submitted by local authorities.
- 2.2 The decision represents the most significant reform of local government structures in Staffordshire since the 1974 local government reorganisation and will ultimately result in the abolition of the Borough Council and the creation of successor unitary authorities.

3 Strategic Approach

- 3.1 In November 2025, following approval at full Council, Newcastle-under-Lyme Borough Council submitted a final proposal to UK Government for the establishment of new unitary authorities. This proposal, for four unitary councils in Staffordshire and Stoke-on-Trent, formed one of five cases to UK Government, with other submissions setting out plans for 2 or 3 unitaries, the majority of which sought a north-south arrangement, and Staffordshire County Council favouring an east-west geography.
- 3.2 Newcastle-under-Lyme's proposal sought to reflect local opinion on maintaining a distinct footprint on the existing borough boundaries. This submission was supported on a cross-party basis. The Council's Administration simultaneously sought to engage with Ministers and local Members of Parliament to strongly object to local government reorganisation taking place and the removal of the two-tier council system in Staffordshire and Stoke-on-Trent.
- 3.3 Following the Council's elections on 7th May 2026, the new Administration has written to the outgoing and incoming Prime Ministers, the Secretary of State for Housing, Communities & Local Government and Ministers and Members of Parliament to urge UK Government to halt reorganisation and focus on the earliest establishment of a Mayor for the region.
- 3.4 The Member of Parliament for Newcastle-under-Lyme spoke against the plans for new authority geographies, together with the process for the announcement, on 16th July 2026.
- 3.5 The Secretary of State for Housing, Communities & Local Government issued a letter to Leaders of councils in Staffordshire and Stoke-on-Trent following his announcement in Parliament, confirming that the Government has selected the two-unitary proposal submitted by East Staffordshire Borough Council, Stafford Borough Council, Cannock Chase District Council and Stoke-on-Trent City Council.
- 3.6 The proposal provides for the new unitary areas of:
 - 3.1. North Staffordshire Unitary Council Comprising: Newcastle-under-Lyme Borough Council area; Stoke-on-Trent City Council area; and Staffordshire Moorlands District Council area; and
 - 3.2. South Staffordshire Unitary Council Comprising: Stafford Borough; Cannock Chase; East Staffordshire; Lichfield; South Staffordshire; and Tamworth.
 - 3.3. All functions currently delivered by councils in these two areas will be carried out by the new authorities from 1st April 2028 with elections to a Shadow Authority held in May 2027.
- 3.7 Following the announcement, the Secretary of State has appointed the Chief Executive of Staffordshire County Council as Senior Responsible Owner for the reorganisation programme in Staffordshire and Stoke-on-Trent, to lead preparing councils (current authorities) in commencing and completing work ahead of a) the establishment of new 'shadow' authorities in May 2027 and b) the transition to these new authorities in April 2028.

Councils are required to co-operate with the minded-to decision by the Secretary of State but may consider whether there are grounds to challenge decisions. A structural change order for the creation of the new authorities must be delivered on the current timetable to Parliament in late Autumn 2026, to be approved by Parliament by March 2027.

- 3.8 On 20th July 2026, a letter was issued to affected Councils' Chief Executives setting out the required actions to deliver a Structural Change Order for reorganisation in Staffordshire and Stoke-on-Trent. A copy of this letter is included as Appendix 3 to this report.
- 3.9 The letter requested early response from preparing councils on warding and electoral arrangements. Officers have prepared a Newcastle-under-Lyme position and work continues with the four preparing councils for North Staffordshire ahead of a submission date of 17th August 2026. The letter outlines the number of councillors for the new authority, which will be 84 in total for North Staffordshire.
- 3.10 The letter also sets out preliminary arrangements for Joint Committees ahead of the election of a shadow authority in May 2027. For North Staffordshire, 8 councillors will form the Joint Committee, with 4 of these coming from the existing Stoke-on-Trent City Council, 2 from Staffordshire County Council and one each from Newcastle-under-Lyme Borough Council and Staffordshire Moorlands District Council.
- 3.11 An announcement by the Prime Minister on 31st July 2026 set out plans for the transferral of some fiscal and legal powers to existing Mayoral authorities. For areas without an established Mayor, it is anticipated that a Strategic Authority will be in place by 2028 (with a Mayoral system to follow at a future date), and further information is expected in the Autumn of 2026. The Leader of the Council has written to the Prime Minister and Secretary of State to press a case for an early Mayoral authority for the region.

4. Finance & Resources

- 4.1 Based on the experience of other regions which have undertaken local government reorganisation, (LGR) there will be a significant draw on both human and financial resources to prepare for LGR, involving both new staff requirements and the repurposing of staffing to provide the necessary information, data and collaboration required to deliver against challenging timescales. More detail of these requirements are being scoped across Staffordshire and Stoke-on-Trent following the announcement on 16th July 2026, and will be provided in a further report.
- 4.2 Following the decision of the Secretary of State, initial briefing and question-and-answer sessions have been held with staff across the Council, as part of a regular engagement approach to involve and inform all staff as to the forthcoming changes. Elected members received an update on the day of the announcement, and will have an opportunity to debate the matter further through full Council and committees as matters progress.
- 4.3 The Council has, to date, expended c. £200,000 in the preparation of proposals for LGR. At its budget meeting of February 2026, the Council set aside a Local Government Reorganisation reserve of £400,000 for the current financial year to cover staffing and professional fees costs, implementation work and other expenses associated with LGR. A further £200,000 has been allowed for in the budget setting process for 2027/28. This will be regularly monitored to ensure sufficient and proportionate resources are available.
- 4.4 The Council will seek to appoint a dedicated Service Director, Local Government Reorganisation to deliver the Council's responsibilities as set out in the directions from UK Government. This officer will report to the Cabinet Member for Residents' Services & Neighbourhoods, with LGR work being overseen by the Cabinet Member and the Leader of the Council.

5 Legal & Governance

- 3.4. This issuing of a 'minded-to' decision by the Secretary of State is the first stage of direction by UK Government in implementing LGR, ahead of the passing of a Structural Change Order to establish new authorities and abolish existing councils in April 2028. The decision may be challenged if there are sufficient grounds for doing so. Three county council authorities are currently pursuing judicial review on specific grounds related to their areas, with further authorities considering their position. Havant District Council considered but subsequently didn't pursue a judicial review following advice from Counsel.
- 3.5. If the Council is minded to seek to challenge the decision by way of judicial review such a challenge would have to be made quickly. The Leader of the Council has therefore requested that officers seek initial Counsel advice on whether the Council would have grounds for a judicial review.
- 3.6. There is a three-month time limit on actions for judicial review, running from when the decision is made, but the courts emphasise that any challenge should be made as soon as possible. If the Council wished to challenge it would need grounds upon which to do so. Any successful challenge would mean the decision was quashed but it would not prevent the secretary of State reconsidering the matter. The courts will not substitute their own decision.

6 Supporting Information

- 6.1 A letter from the Secretary of State for Housing, Communities & Local Government is set out in Appendix 1.
- 6.2 A breakdown of consultation responses to the five proposals for Staffordshire and Stoke-on-Trent are set out in Appendix 2.
- 3.7. A letter from MHCLG in respect of work required for the Structural Change Order covering Staffordshire and Stoke-on-Trent is set out in Appendix 3.
- 3.8. A letter from the Leader of the Council to the Prime Minister following the announcement of LGR in Staffordshire and Stoke-on-Trent is set out in Appendix 4.
- 3.9. A letter from the Leader of the Council to the Secretary of State following the announcement of LGR in Staffordshire and Stoke-on-Trent is set out in Appendix 5.