



Ministry of Housing, Communities & Local Government

Rt Hon Steve Reed OBE MP

*Secretary of State for Housing,
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2 Marsham Street
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Leaders in Staffordshire and Stoke-on-Trent

By email

16 July 2026

Dear Leaders,

Thank you for your continued work to deliver local government reorganisation in Staffordshire and Stoke-on-Trent. This Government is delivering the most ambitious programme of local government reform in a generation, replacing the inefficient two-tier system with new unitary councils so that all parts of our country can access strong services, and are ready for devolution. We need to devolve power out of Whitehall so that we can rebalance wealth, power and opportunity across our country. But devolution must be built on strong local councils that can deliver good public services, support growth, and remain closely connected to the communities they serve.

Doing this right means recognising the unique contributions that different areas make to people's lives, as well as to the national economy. Some of our smaller cities are highly productive, but have been constrained by tight boundaries, set decades ago, which stop them from building the homes they need. Others are more rural, with significant demand for social care services and affordable housing. Local government should be set up to address the unique circumstances of each area and design public services tailored to each community.

Reorganisation provides us with a once-in-a-generation opportunity to ensure that councils genuinely represent the communities they serve today and stand the test of time. We know that people care about their own villages, home towns, high streets and communities. In many parts of the country, existing boundaries do not match local economies, public services, or local identities.

We won't achieve effective devolution or enable effective place-based public services with outdated and misaligned structures that slow down delivery, fragment public services, hamper housebuilding and slow down important decision making. We need to make sure that new councils are grounded in place and are genuinely connected to their communities.

Decisions

I have considered your proposals carefully against the criteria set out in the invitation letter of 5 February last year, alongside the responses to the consultation, representations made, requests for modifications made alongside the proposals and all other relevant information.

Following this assessment, I have decided to move forward with implementation of the two unitary proposal submitted by East Staffordshire Borough Council, Stafford Borough

Council, and Cannock Chase District Council, and also by Stoke-on-Trent City Council (“my selected option”).

These new councils will comprise the current areas of:

- Newcastle-under-Lyme Borough Council, Staffordshire Moorlands District Council, and Stoke-on-Trent City Council (referred to in the proposal as ‘North Staffordshire’)
- Cannock Chase District Council, East Staffordshire Borough Council, Lichfield District Council, South Staffordshire Council, Stafford Borough Council, and Tamworth Borough Council (referred to in the proposals as ‘Southern and Mid-Staffordshire’)

I want to thank you for all the work that has gone into developing proposals that seek to deliver new unitary councils that will help to grow the local economy and provide better public services for the people of Staffordshire and Stoke-on-Trent. Your ongoing collaboration will be vital to ensure that the proposal submitted by East Staffordshire, Stafford and Cannock Chase, and also by Stoke-on-Trent council is implemented by April 2028 with the interests of residents at its heart.

Turning to the reasons for my decision, in my judgement four of the five options submitted meet the criteria. I have concerns that the four unitary proposal submitted by Newcastle-under-Lyme Borough Council continues to split the functional housing market area of Stoke-on-Trent and Newcastle-under-Lyme and establishes a small unitary of 128,000 people. I have concerns about the financial efficiency of this proposal. I also have concerns about how services will be delivered over this footprint and judge that the proposal would struggle to meet housing demand. Therefore, in my view, this proposal did not meet all of the criteria; specifically, criterion 1.

While I recognise that the two unitary option submitted by Staffordshire County Council, the two unitary option submitted by Staffordshire Moorlands District Council and the three unitary option all meet the criteria and offer some advantages in terms of balanced population sizes, with some local support, I consider the option submitted by East Staffordshire, Stafford and Cannock Chase, and Stoke-on-Trent to be the best option overall.

In particular the chosen proposal performs well in the following areas:

- **Supports economic growth and meeting housing need:** In my view, my selected option creates sensible economic geographies that can support housing supply and economic growth. My selected option will enable housing and land-use planning to be more strategic and respond to the specific circumstances of each area. In particular, I note that the options with a North-South split (the two unitary put forward by Staffordshire Moorlands and the three unitary option) will better help address housing challenges around the city of Stoke-on-Trent, where contaminated land has restricted opportunities to develop within the current boundaries. I found that other options, that proposed East–West splits, would fragment the functional economic areas around Stoke-on-Trent, which would directly undermine growth in the area. I have also judged the growth opportunities which would be missed by the three unitary option, which splits the south of the invitation area into two separate authorities, my selected option keeps major growth locations within a single authority. This allows growth opportunities and

infrastructure pressures to be managed across one geography rather than being divided between separate councils.

- **Strong public services that meet local needs:** While all options will require a degree of disaggregation of services, in my view my selected option is best for public service delivery. I judge that the new councils will better align with existing service delivery, NHS patient and discharge flows, and established partnership arrangements with other public services. This creates opportunities for further improvements in the integration of health and social care, as well as enabling better place-based delivery of public services at the right scale to support prevention, early intervention and service transformation. While the three unitary proposal and the two unitary proposal submitted by Staffordshire Moorlands District Council both have merits, my selected option requires fewer organisational interfaces and creates less fragmentation across public services. It aligns well with existing health and public service footprints and avoids both the additional complexity associated with boundary changes and the greater service fragmentation that would result from establishing three unitary authorities. As a result, I find my selected option to be the strongest for maintaining service resilience while enabling future reform and integration.
- **Financial stability and opportunity for efficiencies:** I considered the expected costs and benefits set out in the proposals, as well as the ability of each new council to be financially resilient. I judge that my selected option performs strongly against the criteria. I judge that this option is likely to deliver savings and represent an overall improvement in sustainability over current structures. I note that the two unitary option from Staffordshire Moorlands and the three unitary option may have higher upfront costs due to increased complexity.

Next steps

In relation to next steps, as you are aware a Structural Changes Order, which will be subject to Parliamentary approval, is required to abolish existing councils, establish new structures and make transitional arrangements. I have carefully considered the information in the proposals as well as the further representations you have made on the content of this Order.

My officials will shortly write to your Chief Executives setting out the next steps and timeline for implementation, including my initial decisions on transitional arrangements that will be included in the draft legislation. This will enable you to take forward the work needed to begin preparation for implementation, in advance of Parliamentary approval of the Order. Critically, and drawing on learning from previous rounds of reorganisation, this will include a single Implementation Team formed of officers from across the area, and elections to the new unitary councils in May 2027. For the avoidance of doubt, these elections to the new unitary councils will replace any scheduled local elections, and affected councillors will have their terms extended.

Where local government reorganisation may affect ceremonial arrangements through changes to administrative boundaries, the Government will engage with local leaders across Staffordshire and Stoke-on-Trent to ensure ceremonial rights are preserved. Where specific provision is needed in legislation then this will be considered, as necessary, reflecting the

circumstances in each area, as has previously been done for other areas undergoing local government reorganisation. Officials are giving careful consideration to the sequencing and legislative approach required to ensure that arrangements are robust, legally sound and provide certainty for councils across Staffordshire and Stoke-on-Trent and residents alike.

A broad support offer is in place for councils, including support to councils through our sector advisors and through funding to the Local Government Association for an enhanced support offer. We have already announced £63m in capacity funding to support the reorganisation process, and I am pleased to provide further detail today on how this funding will be allocated.

Of the £63 million capacity funding, as well as the unprecedented £900,000 transition support to each new unitary already announced, we are also committing up to £150,000 per each new unitary as supplementary funding for Leadership Capacity and Continuity in Children's Services, Adult Social Care and Public Health. This is part of a wider package of support worth up to £10m for children's services, adult's social care and public health leadership, which will also fund targeted development, mentoring and peer support for current, new and aspiring leaders.

In addition, up to £1m of funding overall will be available to support the small number of areas with complex fire and rescue authority transitions.

Taken together, this means that areas undergoing local government reorganisation will receive more than £1 million per new unitary created. This is the first time reorganisation has been supported in this way and shows this Government is committed to supporting councils to get these reforms right. We will confirm details of these allocations in due course.

I look forward to continuing to work closely with you to deliver the vital improvements that reorganisation can facilitate.

I am copying this letter to your Chief Executives, MPs and the Police and Crime Commissioner for Staffordshire.

Yours sincerely,

A handwritten signature in dark ink, reading "Steve Reed". The signature is written in a cursive style with a horizontal line underneath the name.

RT HON STEVE REED OBE MP

Secretary of State for Housing, Communities and Local Government