

Report to Cabinet

15 September 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:

A letter from the Ministry of Housing, Communities & Local Government is set out in Appendix A.

A letter from the Leader of the Council to the Minister for Local Government, Devolution & Regional Growth is set out in Appendix B.

Report Assurance:

	Name	Date
Lead Officer	Gordon Mole	27/8/26 updated 8/9/26
Monitoring Officer	Olwen Brown	7/9/26
Section 151	Craig Turner	4/9/26
Cabinet Member	Cllr. Jonathan Gullis	10/9/26

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 and further announcement on 7th September 2026.

Recommendations

That the Cabinet:

1. Notes the content of the letter from the Minister for Devolution received on 7th September 2026, reviewing decisions made on 16th July 2026 in respect of Local Government Reorganisation.
2. Following the meeting of Special Council on 2nd September 2026, notes that a response from UK Government to the Council's pre-action protocol will be addressed in line with the withdrawal of decisions.
3. Notes that UK Government has asked local authorities to cease work on Local Government Reorganisation whilst it undertakes a review.
4. Notes and comments upon the further updates in relation to Local Government Reorganisation contained within this report.

1. Background

- 1.1 UK Government's Local Government Reorganisation (LGR) programme has sought to replace two-tier local government arrangements with unitary councils exercising all principal local authority functions.
- 1.2 On 16th 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.
- 1.3 Following the announcement, UK Government officials wrote to the Chief Executives of local authorities undergoing LGR, setting out early requirements for submission on information including warding arrangements and naming, together with Government's prescribed arrangements for Voluntary Joint Committee place allocations and governance of the LGR programme for Staffordshire and Stoke-on-Trent.

2 Purpose

- 2.1 Elected members have noted continued concern with the implications of unitarisation and the creation of new North and South and Mid Staffordshire councils. These concerns were raised at a Special Council meeting on 2nd September, at which a motion was put forward to seek all relevant legal action. Detail of this work is set out in section 3, below.

3 Strategic Approach

- 3.1 In its letter to Staffordshire and Stoke-on-Trent Chief Executives on 20th July 2026, UK Government set out actions for LGR in the region. This included the names of the new authorities, make-up of Voluntary Joint Committees and responsible owners of the LGR programme for Staffordshire and Stoke-on-Trent. This work was undertaken to meet UK Government deadlines of 17th August 2026.

Implementation

- 3.2 Implementation of the LGR programme was named as the responsibility of the Head of Paid Service (Chief Executive) of Staffordshire County Council, with governance arrangements put in place to stand up delivery of activity for LGR as a single implementation programme for Staffordshire and Stoke-on-Trent.

Challenge to the LGR Decision

- 3.5 Following the announcement by the then Secretary of State, the Leader of the Council wrote to the Prime Minister and Secretary of State to challenge the implementation of LGR for Staffordshire and Stoke-on-Trent. The Leader also requested that officers seek advice from King's Counsel on any potential grounds for legally challenging the decision of Ministers. This advice was sought and elected members were briefed on a summary of the advice ahead of a meeting of Special Council on 2nd September 2026.
- 3.6 Ahead of the meeting, Counsel was instructed to draft a pre-action protocol letter, to seek further information from Ministers regarding their decision. A response to that letter is awaited and will be reported to elected members.
- 3.7 At its Special meeting, full Council unanimously resolved to review the response of Ministers to the pre-action protocol letter and to consider any next steps the Council could legally pursue.
- 3.8 It is noted in respect of the resolved action for the Chief Executive to continue dialogue with Staffordshire County Council and any other parties as may be interested in pursuing legal action, that all other Staffordshire councils confirmed that they did not seek to engage in legal challenge to the LGR decision.

Review of LGR Decisions

- 3.9 On 7th September 2026, the Secretary of State for Housing, Communities and Local Government announced, following legal advice, her intention to withdraw the decisions made in respect of LGR in four Devolution Priority Programme areas and to pause decisions in a further fourteen areas, including Staffordshire and Stoke-on-Trent.
- 3.10 It was noted by the Secretary of State that a 'rapid review' of these decisions would be undertaken by the Minister for Local Government, Devolution & Regional Growth. No details of the scope or timeframes for this review have been published to date.
- 3.11 The Secretary of State further announced that elections to local authorities would take place on existing council footprints, rather than to shadow unitary authorities, in May 2027. Having held all-out Council elections in 2026, this would not apply in Newcastle-under-Lyme.
- 3.12 The Secretary of State also set out an intention to have Strategic Authorities in the process of being established by the end of 2027, with all in place by the end of 2028. This follows 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. 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 The Council has, to date, expended c. £312,000 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.

- 3.1. UK Government has yet to confirm whether the allocation of £900,000 per new unitary authority which was due to be provided to the councils of the Deputy Senior Responsible Officers (£1.8m across the two new authority areas in Staffordshire and Stoke-on-Trent) as a Section 31 payment of funds can be used to reimburse any costs that councils have incurred to date. Costs for Staffordshire and Stoke-on-Trent are being collated to send to UK Government. The Leader of the Council has written to the Minister for Local Government, Devolution & Regional Growth seeking to recoup costs of £312,000 incurred by the Council to date in meeting the costs for LGR. Details of this request are set out in Appendix B to this report.

5 Legal & Governance

- 5.1 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. The Secretary of State has withdrawn four decisions and paused for review a further 14, following legal advice.
- 5.2 Following the meeting of Special Council, and the issuing of a pre-action protocol letter, a response is being reviewed in light of the Secretary of State's announcement on 7th September 2026. Further guidance is being sought from Counsel.
- 5.3 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 Ministry of Housing, Communities & Local Government is set out in Appendix A.