

Appendix 2 – Detailed criteria set out by the government in the 5 February 2025 letter to all leaders in Cambridgeshire & Peterborough

[Letter: Cambridgeshire and Peterborough - GOV.UK](#)

Guidance from the Secretary of State for proposals for unitary local government.

Criteria for unitary local government

1. A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.

- a) Proposals should be for sensible economic areas, with an appropriate tax base which does not create an undue advantage or disadvantage for one part of the area.
- b) Proposals should be for a sensible geography which will help to increase housing supply and meet local needs.
- c) Proposals should be supported by robust evidence and analysis and include an explanation of the outcomes it is expected to achieve, including evidence of estimated costs/benefits and local engagement.
- d) Proposals should describe clearly the single tier local government structures it is putting forward for the whole of the area, and explain how, if implemented, these are expected to achieve the outcomes described.

2. Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.

- a) As a guiding principle, new councils should aim for a population of 500,000 or more.
- b) There may be certain scenarios in which the 500,000 figure does not make sense for an area, including on devolution, and this rationale should be set out in a proposal.
- c) Efficiencies should be identified to help improve councils' finances and make sure that council taxpayers are getting the best possible value for their money.
- d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.
- e) For areas covering councils that are in Best Value intervention and/or in receipt of Exceptional Financial Support, proposals must additionally demonstrate how reorganisation may contribute to putting local government in the area as a whole on a firmer footing and what area-specific arrangements may be necessary to make new structures viable.
- f) In general, as with previous restructures, there is no proposal for council debt to be addressed centrally or written off as part of reorganisation. For areas where there are exceptional circumstances where there has been failure linked to capital practices, proposals should reflect the extent to which the implications of this can

be managed locally, including as part of efficiencies possible through reorganisation.

3. Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.

- a) Proposals should show how new structures will improve local government and service delivery and should avoid unnecessary fragmentation of services.
- b) Opportunities to deliver public service reform should be identified, including where they will lead to better value for money.
- c) Consideration should be given to the impacts for crucial services such as social care, children's services, SEND and homelessness, and for wider public services including for public safety.

4. Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views.

- a) It is for councils to decide how best to engage locally in a meaningful and constructive way and this engagement activity should be evidenced in your proposal.
- b) Proposals should consider issues of local identity and cultural and historic importance.
- c) Proposals should include evidence of local engagement, an explanation of the views that have been put forward and how concerns will be addressed.

5. New unitary structures must support devolution arrangements.

- a) Proposals will need to consider and set out for areas where there is already a Combined Authority (CA) or a Combined County Authority (CCA) established or a decision has been taken by Government to work with the area to establish one, how that institution and its governance arrangements will need to change to continue to function effectively; and set out clearly (where applicable) whether this proposal is supported by the CA/CCA /Mayor.
- b) Where no CA or CCA is already established or agreed then the proposal should set out how it will help unlock devolution.
- c) Proposals should ensure there are sensible population size ratios between local authorities and any strategic authority, with timelines that work for both priorities.

6. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.

- a) Proposals will need to explain plans to make sure that communities are engaged.
- b) Where there are already arrangements in place it should be explained how these will enable strong community engagement.