

Jim McMahon OBE MP
Minister of State for Local Government and English
Devolution
2 Marsham Street
London
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21 March 2025

Dear Mr McMahon

Thank you for your letter of 5 February.

Fenland District Council accepts the desirability of Local Government Reorganisation (LGR). However, we have substantial concerns about the way in which Government is undertaking this process, and the timescales involved. We do not believe that optimal solutions for LGR will be produced by the current process. Nevertheless, we recognise Government's right to pursue this matter as it sees fit, and we will co-operate fully both with Government and with our nearby local authorities in seeking the best available outcome for our area.

Cambridgeshire and Peterborough are in a unique position in relation to the Government's proposals. We are the only Mayoral Combined Authority area with two-tiers of local government, which also includes a unitary authority.

All authorities in Cambridgeshire and Peterborough have set legal budgets for 2025/26. Looking ahead, both upper tier authorities are at risk from the current uncertainty surrounding the future of the high needs block statutory override due to expire in April 2026, and the anticipated business rates reset, and Fair Funding review will put funding in the area at further risk of reduction.

Cambridgeshire and Peterborough, with its three cities (Cambridge, Peterborough and Ely), is a diverse area with a large rural population, three economic areas (CPIER final report); and a number of challenges including an ageing population, significant infrastructure gaps, high growth areas, demand for housing and extreme housing affordability challenges in some areas. Around 25% of the population of Cambridgeshire and Peterborough live in areas that are below the national median for indices of multiple deprivation, with areas across Fenland and Peterborough that are within the 10% most deprived areas nationally. Cambridge and

Peterborough are two of the fastest growing cities in England, and the government has given Cambridge a prominent role in its national plans for sustainable economic growth and innovation.

Leaders from Cambridgeshire and Peterborough have been working closely and effectively together and have been meeting regularly with Chief Executives to work through the various options in relation to local government reorganisation (LGR). A working group of officers from all our authorities is also meeting regularly to develop a shared evidence base that can inform subsequent proposals.

We are entering into LGR with an open mind and spirit of wanting the best for all our residents and for the local area as a whole. Not all of us would have chosen this path but we accept that it is the path we are on.

We are not currently in a position to respond to all the points raised in your letter in the time available. Our Councils have been focused on setting legal budgets, driving efficiencies and improving services. Pre-election period begins on 25th March and local attention is now turning to Mayoral and County Council elections which may have a bearing on the development of our LGR plans.

Currently leaders are considering different unitary scenarios. However, further work will be required following local elections to reach a shared understanding of how best to progress these to the next stage/business case. These scenarios will take account of historic community identities, the interests of residents, economic geographies, and local politics. A strong economic base is a priority for us to counteract the significant pressures around Children's services (including education) and Special Educational Needs, Adult Social Care and Housing.

We will be spending the next few months considering the options, using data to inform our thinking, and using the LGR structures at officer and political level that have been put in place to enable a collaborative approach based on a jointly developed evidence base. We are focused on ensuring that any proposals ensure that future unitarities are financially sound – this is a shared principle amongst all leaders. We see no local exceptional circumstance which would justify the splitting of any existing District Council between two different Unitary Authorities.

We oppose any proposals to make the whole of Cambridgeshire & Peterborough as a single Unitary Authority, and we oppose any proposals to create a single Unitary Authority on the footprint of the existing County Council, on the grounds that there would be insufficient community of interest binding together any such Unitary Authority and it would be seen as being too remote for too many local residents.

We accept that in any area including Fenland a financially sustainable Unitary authority would need a population of at least 500,000 to provide the resilience and tax base needed for a successful Unitary Authority. Fenland has an extraordinarily low tax base for an Eastern Region local authority. However, we believe that exceptional circumstances exist in the area covering the districts of Cambridge City and South Cambridgeshire which, whilst having a current population of approximately 313,000, has sufficient growth potential and existing prosperity to

form a viable Unitary Authority (with or without East Cambridgeshire) despite its existing population being below 500,000. This would also be consistent with the Government currently identifying that area as having the highest growth potential in the country.

We recognise that any new council configurations will reduce the number of leaders compared with our current arrangements for the Mayoral Combined Authority, which under the government's plans would become a Strategic Mayoral Authority. There is a risk this could have an impact on democratic accountability across our area which will need careful consideration.

You asked about Council size for the new Unitary Authorities. The transition period and first few years of the new Unitary Councils will be difficult, and there will be a need so far as is possible to preserve the corporate memory of the Councillors from the predecessor authorities. We note, for example, that the new Unitary Authorities in Durham and Buckinghamshire initially had Council sizes of 126 and 147 respectively, but that these Council sizes are being reduced this May to under 100 members each. We believe that any new Unitary Authorities covering part of the Cambridgeshire and Peterborough area should have initial Council sizes of about 100, although that number (and the electoral boundaries of the wards/divisions) should be reviewed by the Local Government Boundary Committee for England (LGBCE) within the first term of office. In the North of the Cambridgeshire & Peterborough area, existing County Division boundaries and Peterborough Ward boundaries could be used to form the boundaries for the shadow elections, which would be a very practical solution given the limited resources available in the LGBCE to conduct full reviews in the next two years. The only adjustment needed would be to amalgamate Peterborough City Council's two smallest wards, Barnack and Wittering, and then to assign a number of councillors to each ward/division based on electorate. In the southern part of Cambridgeshire & Peterborough, the smaller total electorate may permit existing District Council wards to be used as initial electoral areas, rather than using the much larger existing County Divisions.

You asked about potential financial savings following LGR, but we believe it is far too early to make any such predictions, especially prior to the new Unitary Authority boundaries being settled. We have grave concerns that savings will end up proving to be minimal, all across the country.

We welcome a further meeting with MLCHG where we can work through the areas where we would appreciate more support.

Yours faithfully



Cllr Chris Boden
Leader of Fenland District Council