



Ministry of Housing, Communities & Local Government

Rt Hon Steve Reed OBE MP
*Secretary of State for Housing,
Communities & Local Government*
2 Marsham Street
London
SW1P 4DF

Leaders in Hertfordshire
By email

16 July 2026

Dear Leaders,

Thank you for your continued work to deliver local government reorganisation in Hertfordshire. 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We won't achieve effective devolution or enable effective place-based public services with outdated and misaligned structures that slow down delivery, fragment public services, hamper housebuilding and slow down important decision making.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 through the consultation and all other relevant information.

Following this assessment, I have decided to move forward with the implementation of the **four unitary proposal submitted by Broxbourne Borough Council, Dacorum Borough**

Council, Hertsmere Borough Council, North Hertfordshire District Council, Stevenage Borough Council and Welwyn Hatfield Borough Council (“my selected option”). In doing so, in accordance with the provisions of the Local Government and Public Involvement in Health Act 2007, I will exercise my power to modify the proposal to achieve the boundary change requested alongside their proposal, with the exception of Arbury Ward. For ease, this is now referred to as “my selected option”.

These new councils will comprise the current areas of:

- Dacorum Borough Council and St Albans City and District Council (referred to in the proposal as ‘North West’)
- Hertsmere Borough Council, Three Rivers District Council and Watford Borough Council (referred to in the proposal as ‘South West’)
- North Hertfordshire District Council less five wards, Stevenage Borough Council and Welwyn Hatfield Borough Council less one ward (referred to in the proposal as ‘Central’)
- Broxbourne Borough Council, East Herts District Council plus five wards from North Hertfordshire District Council and one ward from Welwyn Hatfield Borough Council (referred to in the proposal as ‘Eastern’).

In my view, my selected option will enable a better outcome overall for the area than the unmodified proposal, in particular by providing better aligned geographies that reflect how people live, travel and work across the area, as described below. That notwithstanding, I have decided against making every boundary change requested by the proposing councils. Following careful consideration of the consultation responses, I have decided that the ward of Arbury in North Hertfordshire District Council should be in ‘Central’ rather than ‘Eastern’, and so is not one of the five wards from North Hertfordshire District Council to be in ‘Eastern’. I am convinced by the representations received on this issue, including from North Hertfordshire District Council, that the ward of Arbury, with a population of 2,880 people, should be in ‘Central’ due to its links to Baldock and the A1 corridor.

I want to thank you for all of the work that has gone into developing options that seek to deliver new unitary councils that will help to grow the local economy and provide better public services for the people of Hertfordshire. Your ongoing collaboration will be vital to ensure that the proposal as modified is implemented by April 2028 with the interests of residents at its heart.

Turning to the reasons for my decision, in my judgement, although all the other proposals met the criteria for unitary local government, overall I consider my selected option to be the best option for Hertfordshire. It performed particularly well due to the fact that it better supports strong links to local communities; better enables services to be delivered in ways that reflect those communities, allowing for a more tailored approach to public service delivery; and better recognises Hertfordshire’s distinct economic areas.

In more detail, my selected option performed particularly well in the following areas:

- **Connection to local communities and a tailored approach to services:** I consider that my selected option provides the strongest connection to local communities. While I recognise the potential scale advantages of the two and three unitary options, the four unitary option is in my view better designed around places that reflect how residents live, travel, work, learn and use services, and provides a stronger platform for public services

that are shaped around distinct local communities and their specific needs. The requested boundary changes further strengthen this aspect of the proposal by ensuring that the new councils better reflect existing communities and patterns of service use and travel to work areas for residents, with the movement of the ward of Northaw and Cuffley from Welwyn Hatfield Borough Council and the wards of Ermine, Weston and Sandon, Royston Heath, Royston Palace and Royston Meridian from North Hertfordshire District Council. I therefore judge that the four new councils can better support neighbourhood working and empowerment, local accountability for service delivery, and service models that can be tailored to local needs, especially where understanding communities and place matters most.

- **Reflection of Hertfordshire's distinct economic areas:** In my view one of the key advantages of my selected option is that it better reflects the fact that Hertfordshire is not one single economic geography, but a set of different economic areas with distinct strengths and priorities. It will allow the four new councils to organise around their own economic areas and growth patterns, rather than subsuming them into broader combined geographies as seen in the two and three unitary models. To characterise these: 'Central' has university strengths, manufacturing assets, leading life science and defence research and development and links into Cambridge; 'North West' has high-performing centres, history and culture, natural assets and the planned Hemel Garden Communities; 'South West' has a world-class screen and creative economy and a strong service base and significant potential once planned projects are operationalised; and 'Eastern' has market towns with rural neighbourhoods, the planned growth of Harlow-Gilston as well as a growing economy particularly where there is proximity to Cambridge.
- **Support for devolution:** While I found that all of the options put forward would support future devolution arrangements, I consider my selected option has the advantage of underpinning any future strategic authority with constituent local councils with stronger connections to local communities than would be the case under the two unitary and three unitary options, as well as the unmodified proposal. That means devolution could operate through councils that are closer to residents and local economies, helping to translate county-wide strategy into action that is better rooted in place. As set out, the boundary changes also strengthen the support for devolution ensuring that new councils better reflect their local economic and community geographies and will therefore be able to bring a deeper local knowledge and understanding to any future strategic authority.

While I recognise the additional complexity of the required boundary change and disaggregation of services, and that the two unitary proposal had benefits in terms of delivering savings in the short term and a simpler disaggregation of services, I am of the view that this is justified for the reasons set out above and because it would enable better overall outcomes for Hertfordshire driving my assessment that there is a strong public services and financial sustainability related justification.

I considered the expected costs and benefits set out in the joint financial modelling underpinning proposals, as well as the ability of each new council to be financially resilient. I have noted my selected option may take longer to payback the upfront costs of reorganisation, and the requests of government set out in the proposal to improve financial sustainability. However, based on the information provided, and the assessment carried out against the

criteria, I judge that it is likely to represent an overall improvement in sustainability over current structures.

I also considered the fact that the four new councils would be below the 500,000 population figure. That figure has always been a guiding principle, not a fixed threshold. For the reasons set out above, I am satisfied that this option is justified on the basis it would produce a better overall outcome for local government in Hertfordshire.

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.

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 Hertfordshire.

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