



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 Worcestershire
By email

16 July 2026

Dear Leaders,

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We won't achieve effective devolution or enable effective place-based public services with outdated and misaligned structures that slow down delivery, fragment public services, hamper housebuilding and slow down important decision making.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

Following this assessment, I have decided to move forward with the implementation of the **two unitary proposal submitted by Bromsgrove District Council, Malvern Hills District**

Council, Redditch Borough Council, Worcester City Council and Wychavon District Council. For ease, this is referred to as "my selected option".

These new councils will comprise the current areas of:

- Bromsgrove District Council, Redditch Borough Council and Wyre Forest District Council (referred to in the proposals as 'North Worcestershire');
- Malvern Hills District Council, Worcester City Council and Wychavon District Council (referred to in the proposals as 'South Worcestershire')

I want to thank you for all of 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 Worcestershire. Your ongoing collaboration will be vital to ensure that my selected option is implemented by April 2028 with the interests of residents at its heart.

Turning to the reasons for my decision, in my judgement, although the other proposal also met the criteria for unitary local government, I consider my selected option to be the better option for Worcestershire. It performed particularly well due to developing tailored economic and housing plans in line with local needs and providing greater devolution flexibility. It effectively demonstrates how it will balance the scale required to deliver public services with local responsiveness to the different characteristics and needs across Worcestershire. This is demonstrated by both feedback in the statutory consultation and support from councils in the area.

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

- **Responsiveness to local identity and need:**
 - While I recognise that a single county-wide approach to local housing, strategic planning could bring benefits in terms of consistency, I consider that the more tailored approach set out in my selected option will better meet the different local needs across Worcestershire. My selected option is better suited to address the different economies, housing pressures, populations and service needs in the north and south of Worcestershire. It will allow each council to shape housing and economic strategies around its own area, including local issues such as land supply, affordability, regeneration, workforce needs and business strengths. In particular, I note the way my selected option will enable a more tailored response to housing supply and local needs; responding to the challenges of land constraints and uneven supply in the North, and land availability and affordability in the South with tailored planning and delivery approaches that reflect these distinct local challenges.
 - I judge that my selected option better reflects the local identity of the area. As set out, the two councils have been shaped to align to different geographies between the more urban, industrial North and more rural, service-based South. It will enable services, partnerships and economic strategies to be better tailored to the distinct needs of each area. My selected option also better demonstrated how it was informed by local views, with it being developed in the light of public consultation with local residents and stakeholders which showed

a preference for this option. In addition, I note that my selected option is supported by more local residents in the statutory consultation, as well as the majority of councils in the area.

- **Place-based prevention and service transformation:** In my view, my selected option offers a better balance between scale and responsiveness, with councils that are closer to communities and better able to pursue early intervention and prevention approaches tailored to the particular demographics and needs of the area. While I am aware of the greater complexity relating to service disaggregation in the two unitary proposals, I am persuaded that my selected option makes a strong case for services being delivered at the “right scale”, with a vision for how services should be delivered across Worcestershire, at neighbourhood, unitary, county and strategic authority level, supported by integrated neighbourhood teams and community-based models that bring services together locally and improve outcomes through prevention.
- **Flexibility for devolution:** While I judge that both proposals are capable of supporting future devolution arrangements, I believe that my selected option will provide greater flexibility by enabling a wider range of future devolution options to be explored that could address the different characteristics and needs of the different parts of the area. Given that a range of potential devolution options are still being considered for the area, this flexibility is important.

I considered the expected costs and benefits set out in the modelling underpinning the proposals, as well as the ability of each new council to be financially resilient. I have noted the projected timescales within my selected option to pay back the upfront costs of reorganisation. However, based on the assessment carried out by my department, I judge that it is still likely to generally represent an overall improvement in sustainability over current structures.

I also considered the fact that both new councils would be below the 500,000 population figure. That figure has always been a guiding principle, not a fixed threshold – and for all the reasons set out above, I am convinced that the rationale for creating councils under that threshold is strong and justified and would produce a better overall outcome for local government in Worcestershire.

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 West Mercia Police and Crime Commissioner.

Yours sincerely,

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

RT HON STEVE REED OBE MP

Secretary of State for Housing, Communities and Local Government