

**CABINET - 8 SEPTEMBER 2026****LOCAL GOVERNMENT REORGANISATION - LEGAL CHALLENGE****JOINT REPORT OF THE CHIEF EXECUTIVE, THE DIRECTOR OF CORPORATE RESOURCES AND THE CHIEF LEGAL OFFICER AND MONITORING OFFICER****PART A****Purpose of the Report**

1. The purpose of this report is to provide the Cabinet with an update following the Notice of Motion agreed by the County Council at its meeting on 6 August.
2. A supplementary report will be circulated to members once the impact of the Government's decision-making process for LGR in Leicester, Leicestershire and Rutland, the next steps, and the implications of legal advice for the County Council have been considered further.

Recommendations

3. The Cabinet is recommended to note this and the supplementary report and consider the latest position with regard to local government reorganisation for Leicestershire.

(KEY DECISION)

Reasons for Recommendation

4. To consider the next steps to be taken by the County Council with regard to local government reorganisation.

Timetable for Decisions (including Scrutiny)

5. The next steps in the timetable for LGR in Leicestershire include receipt of the draft Structural Changes Order (SCO) from the Government in December 2026, the making of the SCO in March 2027, followed by the elections for and the establishment of the "shadow" authority in May 2027.

Policy Framework and Previous Decisions

6. The Cabinet at its meeting on 21 July 2026 considered reports regarding the latest position in respect of LGR. The Cabinet inter alia noted the Secretary of State's announcement, that an SCO would be required and the implications for

the County Council and authorised the Chief Executive, following consultation with the Leader of the Council and the Monitoring Officer, to take steps as necessary (through the usual decision-making and governance processes) to protect the Council's interests during the transition.

7. On 6 August 2026, at an extraordinary meeting of the County Council, it was resolved that -
 - 1) This County Council condemns the government's proposal for Local Government reorganisation in Leicester, Leicestershire and Rutland.
 - 2) Their proposal to drag 100,000s of Leicestershire County residents into Leicester City, overwhelmingly against their will, is an undemocratic disgrace.
 - 3) This Council notes that the Liberal Democrat group opposes the Government's proposal to put the rest of Leicestershire and Rutland into one Unitary authority, believing such an authority will be too remote from many residents. They also oppose City expansion. This Council also notes that the Reform and Conservative groups support a one Leicestershire Council with no expansion of the City.
 - 4) Public consultation on the proposals demonstrated significant opposition to the expansion of Leicester City's boundaries, with 88% of respondents opposing such expansion.
 - 5) Any future local government structure must deliver effective public services, strong local representation, value for money and long-term financial sustainability.
 - 6) This Council believes that:
 - a) Leicester City's existing boundaries should be retained and that communities should not be transferred into Leicester City against their wishes.
 - b) The results of public consultation should be properly respected and reflected in any future proposals.
 - c) Decisions on the future structure of local government in Leicestershire should be based on evidence, sustainability, service effectiveness, and democratic accountability.
 - d) The Government's decision-making process should be transparent, evidence-based, and capable of withstanding public scrutiny. Where decisions appear inconsistent with the evidence submitted or fail to reflect the outcome of public consultation adequately, it is appropriate for the Council to consider all available legal remedies including judicial review.

7) This Council therefore resolves to:

- a) Note that legal advice is being sought on the lawfulness and robustness of the Government's decision-making process in relation to local government reorganisation in Leicester, Leicestershire and Rutland and, subject to that advice, consider what further steps, including any available legal remedies, may be appropriate if reasonable grounds are identified for doing so.
- b) Call on the Government to safeguard local democracy by confirming that, should the timetable for this reorganisation slip beyond 1 April 2028, the scheduled May 2027 elections for the district and borough councils, Leicester City Council, the City Mayor and Rutland Council will proceed as soon as is possible, in order to maintain democratic accountability across Leicester, Leicestershire and Rutland during any extended transition period.
- c) Call on the government and the new Prime Minister to go back to the drawing board and put together new plans for Leicester, Leicestershire and Rutland. Plans which will keep the city boundary the same as it currently is and ensure the residents of Leicestershire and Rutland have local government that can reflect their local needs and interests."

Resource Implications

- 8. Resource implications arising from recommendations to the Cabinet will be considered in more detail in the supplementary report.
- 9. Some expenditure is expected to be incurred around the transition. This is being considered by the Chief Finance Officers of the existing councils and any material financial implications will be reported through the appropriate decision-making process. The Government is expected to provide grants to new authorities to support the process.

Circulation under the Local Issues Alert Procedure

- 10. This report will be circulated to all members of the Council.

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PART B

Background

11. During 2026, local authorities across LLR have been focusing on 'no regrets' activities based on work that was required irrespective of the Government's decision. Following the announcement of this decision on 16 July this preparatory work has continued, for example in connection with the composition of the new authority, transfer of statutory functions, property and land, contracts, rights and liabilities and staff. These and other matters including finance and council tax arrangements will then be confirmed by the SCO.
12. The detailed background to LGR in Leicestershire is set out in the report to the Cabinet on 21 July 2026 -
<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=8309>

Equality Implications

13. Due to the complexity and scope of LGR and possible wide scale impact of the changes proposed, the Council is taking a strategic approach to conducting Equality Impact Assessments during all programme phases and stages.

Human Rights Implications

14. There are no human rights implications arising from this report.

Background Papers

Report to the Cabinet on 21 July 2026 and minutes of the meeting -
<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=8309>

Report to the County Council on 6 August 2026 and minutes of that meeting -
<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=134&MId=8684>

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