

Report to: Cabinet

Date: 20 March 2025

Title: Local Government Reorganisation and Devolution

Report of: Robert Cottrill, Chief Executive

Cabinet Member: Councillor Zoe Nicholson, Leader of the Council and Cabinet Member for Finance, Assets and Community Wealth Building

Ward(s): All

Purpose of report: To seek cabinet approval of an Interim Plan, in conjunction with other East Sussex district and borough councils, and East Sussex County Council (ESCC), for submission to Central Government regarding proposals for Local Government Reorganisation in East Sussex and to seek agreement of cabinet to continue to progress, working with other relevant authorities, to develop a full proposal for a single tier authority for submission to Central Government by 26 September 2025.

Decision type: Key

Officer recommendation(s): Cabinet is asked to:
1) agree the Interim Plan set out at appendix 2,
2) approve the continued development of proposals for the establishment of a single tier authority for the East Sussex area, subject to public and stakeholder engagement, and clarity on population size by MHCLG
3) agree that the Chief Executive, in conjunction with the Leader, provide a formal response to the consultation on Sussex and Brighton Devolution currently being undertaken by central government.

Reasons for recommendations: The plan appended to this document is also being considered by the county council and other district and borough councils in East Sussex, and if approved by all authorities will be submitted to central government, with a view to development of a unitary authority for East Sussex.

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1 Executive Summary

- 1.1 Following the government's White Paper on Devolution, East Sussex County Council approved a report to put forward the East Sussex area, alongside West Sussex and Brighton & Hove to be part of a government Devolution Priority Programme. As a result of this the council is required to contribute to the production of an Interim Plan, setting out Local Government Reorganisation (LGR) initial, high-level proposals. This document is required by government for submission jointly by the East Sussex county, district and borough authorities by 21 March 2025.
- 1.2 This report provides a copy of the proposed joint submission for Cabinet's consideration. It is a high level, indicative document which does not form a formal gateway within the process. Following this, details of the approach to be taken will be worked on further. However, it should be noted that the Plan is required to be a unified submission from all relevant councils. All council Leaders have already worked together to shape this in the East Sussex Council Leaders' group.

2 Introduction

- 2.1 Cabinet received a report at its last meeting in February about the English Devolution White Paper and the subsequent local activity that had taken place in relation to devolution and LGR. The White Paper makes LGR a requirement for all two-tier areas. The council does not have any choice over this decision.
- 2.2 This report provides an update on that work, and in particular sets out the council's proposed response to a letter from Government dated 5 February 2025. The letter, which was from the Minister of State for Local Government and English Devolution, Jim McMahon MP, was sent to both the Leader of the Council and the Chief Executive (a copy of which is set out at appendix 1).
- 2.3 In his letter, the Minister confirmed his preference for the East Sussex area, alongside West Sussex and Brighton & Hove, to become part of a DPP. This means that the area is expected to move forward at pace towards both devolution and LGR, to deadlines set by central government.
- 2.4 As requested by the Minister's letter, Interim Plans for LGR have been developed jointly by the county, district and borough councils of East Sussex. These set out, at a broad and high level, how the relevant councils could work together subject to public and stakeholder engagement, and clarity on population size by MHCLG

3 Developing proposals for reorganisation

- 3.1 Following the requirements set out by government, Lewes District Council, together with the other district and borough councils in East Sussex, and East Sussex County Council, have been working together to resolve the best footprint

for the new authorities. Given current government guidelines the proposal is for a single unitary based on existing county boundaries, subject to further development of the evidence base and any change in the population criteria, and public consultation which whilst not the preferred solutions for all parties reflects the government's criteria for LGR and the simplification of the two tier system of local government as required by the Ministers letter of 5 February 2025.

- 3.2 The resulting Interim Plan document is set out at appendix 2 and has been put together by a cross-council officer project team which was established for this purpose. The project team is accountable to the East Sussex Chief Executive's Group, which in turn is accountable to the East Sussex Leader's group. All councils are seeking member sign off ahead of submission to government by **21 March 2025**.
- 3.3 The letter from the Minister requested that ideally local areas jointly submit one proposal for unitary local government across the whole of the area. As has been noted, the document is very high-level, and allows for further refinement and local shaping following clarification of Government criteria and feedback, and also public consultation.
- 3.4 Assuming approval is given by all councils, following submission of the Interim Plan considerable further work will be undertaken to develop more detailed and specific proposals, and to formalise the structures needed to deliver LGR. The importance of involving all stakeholders fully throughout this process is recognised. As is already indicated in the initial submission, there will be strong focus on community engagement, to ensure the future arrangements respond to local community needs. Given that this approach has been mandated by government, it will be essential to ensure that the final configuration recognises the different needs of the different parts of East Sussex. An emphasis which focuses on meeting the varying needs of rural, urban and coastal communities will be essential which are all an integral part of this District.
- 3.5 The joint council Leader's Group will continue to lead this work, under which the East Sussex Chief Executives and LGR Project team will operate. These bodies will, in close consultation with each constituent council, help to oversee a cross-council approach, developing and agreeing a programme of workstreams for delivery of the new unitary council. Principles which will underpin the approach to be taken by the Leaders have been agreed, as follows.
- decision making will be evidence led
 - we will learn from others' experiences of LGR and Devolution
 - decisions made by all sovereign bodies until vesting day will have the interests of the future unitary council as an explicit consideration
 - there will be full transparency over resources including transition funding and agreed allocations reflecting costs incurred
 - a commitment to appropriate levels for decision making, engagement and local member roles including in parished and non-parished areas
 - a commitment to robust scrutiny arrangements in transition/formation and beyond

- a comprehensive and inclusive approach to stakeholder and partnership engagement.

- 3.6 In line with government requirements, a full proposal for the East Sussex unitary arrangements will need to be submitted to government by **26 September 2025**. Therefore, a key task for the joint council Leader's group in conjunction with the East Sussex Chief Executives will be to ensure appropriate joined up arrangements are in place to develop these proposals in full, cross-council. As part of that, extensive informal and formal processes will be put in place at each council to ensure a full dialogue and individual council input at all stages.
- 3.7 Following the 26 September submission, it will then be down to central government to decide next steps and agree whether to implement the relevant legislation to enable a unitary shadow authority to be elected in May 2027.

4 Consultation

- 4.1 Communication and engagement will be key to ensuring that staff, partners and the wider community and other stakeholders are kept informed, and can help shape, these changes in a timely way. Consideration is being given to developing a cross-council engagement plan to this end. As can be seen in appendix 2, this is an area that government have asked for information on as part of the Interim Plan submission.
- 4.2 As was noted earlier in the report, central government are currently undertaking a consultation exercise on Devolution. With Cabinet's agreement, a formal council response will be developed following this meeting for sign off by the Leader.

5 Corporate Plan and Council policies

- 5.1 The corporate plan runs from 2024 – 2028, so consideration is being given to which elements of this plan are a priority for delivery in the remaining term of the council. The importance of the council achieving a lasting legacy has been stressed and a continued focus on delivering such a legacy will need receive focus, alongside work to deliver LGR.

6 Financial Appraisal

- 6.1 There are no immediate financial implications associated with this report. The principal resource will be the officer time required to support the development of proposals for the establishment of a single tier authority for the East Sussex area.

7 Legal implications

- 7.1 The letter of 5 February 2025 from the Minister of State for Local Government and English Devolution to the Leaders of two-tier authorities in East Sussex includes the statement “If I decide to implement any proposal, and the necessary legislation is agreed by Parliament, we will work with you to move to elections to new ‘shadow’ unitary councils as soon as possible as is the usual arrangement in the process of local government reorganisation.” (See also paragraph 3.5 above).

The “necessary legislation” will transform relevant parts of the English Devolution White Paper into law, after being debated and approved in Parliament as a Bill. The timeline for drafting the Bill and introducing it to Parliament is not yet known.

- 7.2 The Council’s legal team considered this report on 26 February 2025 (Iken ref - 13186-LDC-OD).

8 Risk management implications

- 8.1 As this work progresses a full programme management office will need to be established to oversee the multiple and complex workstreams required to deliver the move to a unitary authority in the prescribed timescales. As part of that work, a risk log will be established to ensure full and on-going assessment, and management of risk.
- 8.2 At this stage the most significant risk is that a single, unified response cannot be delivered to government within the required timescales. The main mitigation to this risk has been the early work undertaken to establish robust cross-council arrangements at both strategic and operational level.

9 Equality analysis

- 9.1 One of the key workstreams when undertaking this fundamental change programme will be to ensure that full Equality and Fairness Analyses are undertaken for all relevant aspects. This will be formalised as part of the programme planning as this is formulated.

10 Environmental sustainability implications

- 10.1 There are no specific environmental implications arising from this report. However, all aspects of the programme will seek to ensure the sustainability aspirations of all constituent council are fully considered in the development of the new unitary council.

11 Contribution to Community Wealth Building (CWB)

- 11.1 There are no specific community wealth implications arising from this report. However, in developing the programme, the risk of a reduced focus on CWB is recognised. To counter this, the importance of taking a CWB approach will be stressed in relevant cross-council negotiations as proposals for the new unitary council develop.

12 Appendices

Appendix 1 – Letter from Jim McMahon MP to Leaders of two-tier councils and unitary council in East Sussex

Appendix 2 – Interim Plan for Local Government Reorganisation in East Sussex

13 Background papers

The background papers used in compiling this report were as follows:

- [English Devolution White Paper - GOV.UK](#)
- [English Devolution White Paper – report to LDC Cabinet 6 February 2025](#)
- [Sussex and Brighton devolution consultation - GOV.UK](#)