

Local Government Reorganisation and Devolution



Report to:	Cabinet
Date:	19 March 2025
Portfolio Holder:	Councillor Dan Swords, Leader of the Council
Lead Officer:	James Gardner, Managing Director (01279) 446449
Key Decision:	No
Forward Plan:	Forward Plan number I018185
Call In:	This item is subject to call in procedures
Corporate Mission:	Not applicable
Wards Affected:	None specifically

Executive Summary

- A** This report provides Cabinet with an update on local government reorganisation.
- B** The report also provides details and update on an Interim Plan for local government reorganisation that is required for submission to Government by 21 March 2025, as requested by the invitation from the Minister of State for Local Government and English Devolution to all Leaders of Councils in two-tier areas and Unitary Councils in Essex.

Recommended that:

- A** Cabinet notes the update on Local Government Reorganisation for Greater Essex and the formal invitation, as set out in Appendix A to the report.
- B** Cabinet endorses the Essex-wide submission and contents of the Interim Plan, as set out in Appendix B to the report.
- C** Cabinet delegates authority to the Leader of the Council to approve any minor amendments to the Interim Plan, as agreed by all signatories, prior to its final submission.

Reason for decision

- A** To ensure that the council meets required timelines for the submission of an Interim Plan in line with guidance provided by the Government.

Other Options

- A** Submit a competing proposal: Although the Government encourages local authorities to collaborate, there is no restriction on submitting competing proposals. In such cases, the Secretary of State may select one proposal for consultation or may consult on multiple proposals before deciding which one to advance. The Minister's invitation (Appendix A) outlines a clear expectation with the following paragraphs:

“Developing proposals for reorganisation - We expect there to be different views on the best structures for an area, and indeed there may be merits to a variety of approaches. Nevertheless, it is not in council taxpayers’ interest to devote public funds and your valuable time and effort into the development of multiple proposals which unnecessarily fragment services, compete against one another, require lengthy implementation periods or which do not sufficiently address local interests and identities”.

The possibility of submitting an alternative Interim Plan was considered and dismissed due to the Government's criteria outlined in the formal invitation. Additionally, this option was further discounted considering the strong collaborative efforts between the Leaders and Chief Executives of Councils in Greater Essex on this matter.

Background

1. In December 2024, the Government set out its English Devolution White Paper which proposed a radical overhaul to local government in England. The White Paper focussed on both devolution and local government reorganisation. Devolution means the creation of a Mayoral Combined Authority for Essex with a directly elected Mayor with powers devolved from Government as has been done across the country. Local government reorganisation refers to the unitarisation of councils by aggregating district councils together and disaggregating Essex County Council so that residents are served by one unitary authority.
2. The White Paper included the creation of the Devolution Priority Programme which would identify those areas which would see fast-tracked devolution and local government reorganisation. The Government asked for upper-tier authorities which wished to be considered to be on the priority programme to make a formal submission.
3. Following the submissions by Essex County Council, Thurrock, and Southend-on-Sea Unitary Councils on 10 January 2025 to join the Government’s new Devolution Priority Programme and commit to local government reorganisation, the Deputy Prime Minister announced on 5 February 2025 the inclusion of 'Greater Essex' in the Priority Programme.
4. Considering this, the Government has legislated that the elections scheduled for May this year for Essex County Council and Thurrock Council have been suspended, as confirmed by the Local Authorities (Changes to Years of Ordinary Elections) (England) Order 2025.

5. An invitation from local government reorganisation for Greater Essex outlined the criteria for assessment for, guidance for proposal development, and the timeline.
6. Councils are required to submit a final proposal by 26 September 2025 and an Interim Plan by 21 March 2025, detailing progress towards their final proposal.
7. The Interim Plan should be a joint submission from all councils and may outline multiple proposals if necessary. It must cover specific matters listed in Appendix A and adhere to the Secretary of State's guidance.
8. The criteria for unitary local government include:
 1. Establishing a single tier of local government.
 2. Ensuring the right size for efficiency, capacity, and financial resilience.
 3. Prioritising high-quality, sustainable public services.
 4. Demonstrating collaborative efforts informed by local needs and views.
 5. Supporting devolution arrangements.
 6. Enabling stronger community engagement and neighbourhood empowerment.

Issues/Proposals

9. Greater Essex's local authorities are collaboratively developing proposals, led by the Leaders and Chief Executives' Forum, which includes the Police, Fire & Crime Commissioner. They are committed to the Nolan principles and have established four working groups focused on:
 1. **Scale and Value for Money:** to ensure that our new structures can deliver great services and securing good outcomes at best value to taxpayers.
 2. **Quality public services:** to ensure that as we engage in the complex disaggregation and aggregation of sensitive service systems, we do so without compromising our ability to serve our residents effectively and maximise the opportunities to accelerate our transformation ambitions.
 3. **Identity and Community:** to ensure that our new councils continue to reflect the identities and communities of our residents to support their sense of control, agency and trust in local government.
 4. **Supporting Devolution:** to ensure that the new arrangements we put in place dovetail with the new Greater Essex Combined County Authority (GECCA) and enable us to capture the benefits of undertaking both fundamental change activities simultaneously.
10. These working groups are composed of political leaders and chief officers who collaborate to gather evidence and support the business case for reorganisation.
11. A Governance working group has been convened to ensure robust programme management arrangements are established to ensure effective, timely and controlled development of the final proposals.
12. Additional working groups will be established as the programme develops to address other priority topics.

13. During the Essex Leaders and Chief Executives' forum on 28th February, all Leaders endorsed an Interim Plan, which has been shaped by their discussions and debate.
14. The Interim Plan can be read in full within Appendix B.
15. In addition to the initial details regarding the signatories to the Interim Plan and an overview of Greater Essex, the Interim Plan is organised into distinct sections with the following headings:
 - **Section 1:** Working together to develop proposals for reorganisation.
 - **Section 2:** Working with others to develop and refine our proposals.
 - **Section 3:** Emerging concepts for reorganisation.
 - **Section 4:** Shaping LGR to support our devolution ambitions.
 - **Section 5:** The costs of mobilising change.
 - **Section 6:** Support from government.
16. A majority (10 out of 15) of Essex's council leaders have taken an in-principle decision that five new unitary authorities is the right model for Essex's future local governance and retaining a sense of local place and communities, whilst acknowledging that the minority of other leaders do not yet have a settled preference and instead wish to evaluate the evidence.
17. All councils support the need for a robust evidence base, in accordance with the Government's criteria to help them decide what number of unitary authorities are appropriate for Greater Essex.
18. The evidence as to the best configuration is multi-dimensional, including:
 1. Financial sustainability
 2. Socio-demographics
 3. Geography (coastal, urban and rural)
 4. Economic corridors
 5. Travel Infrastructure and movement corridors, and
 6. Communities and community clusters
19. Engagement and research with communities and partners will be a key focus of work moving forward across the evidence areas.
20. This engagement will include, but is not limited to, engagement and research with communities to understand their feelings of identity and their views on emerging proposals.
21. In their approach to these works, the constituent councils are united by their commitment to the places that they represent in all their diversity and difference; and by their optimism and belief that local government (along with public sector partners) has a key role to play in enabling all residents to fulfil their potential.
22. The full and final proposal will be brought before Full Council by the Leader of the Council ahead of the final submission date, which is currently anticipated to be on or before 26 September 2025.

23. The Leader of the Council will bring an update on the development of the final proposal to the Cabinet meeting in June 2025.

Implications

Equalities and Diversity

The council is subject to the Public Sector Equality Duty, which applies in Great Britain and requires public authorities to have due regard to certain equality considerations when exercising their functions, including making decisions. If local government reorganisation results in new Unitary Councils, the duty will apply to those in the same manner.

Climate Change

Regarding devolution, one function of a Strategic Authority would involve collaboration with the Government, particularly on initiatives such as the Great British Energy's Local Power Plan and the Warm Homes Plan. This collaboration would, in turn, influence the progress of the Council's own net zero ambitions (or the policies of a future successor Unitary Council).

Finance

Essex Finance Officer Association (EFOA) of Essex finance leaders and Section 151 Officers meet on a regular basis and have been doing some initial modelling for the March and September submissions. The initial cost modelling of mobilising change is set out within Appendix B.

Harlow Council will continue to monitor resources required for Local Government Reorganisation and Devolution alongside future budget setting cycles and set out within the medium term financial plan.

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Governance

The endorsing of the interim plan falls within the remit of Cabinet functions.

Author: Rebecca Farrant, Assistant Director – Corporate Services and Improvement and Monitoring Officer

Appendices

Appendix A - Local Government Reorganisation Invitation to Essex Leaders

Appendix B - Greater Essex Interim Plan

Background Papers

English Devolution White Paper – Ministry for Housing, Communities and Local Government

Glossary of terms/abbreviations used

LGR – Local Government Reorganisation