

# Public Document Pack



## EPSOM & EWELL BOROUGH COUNCIL

### TOWN HALL

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10 March 2025

SIR OR MADAM

I hereby summon you to attend an extraordinary meeting of the Council of the Borough of Epsom and Ewell which will be held at the Council Chamber, Epsom Town Hall, Epsom on **TUESDAY, 18TH MARCH, 2025** at **7.30 pm**. The business to be transacted at the Meeting is set out on the Agenda overleaf. A link to the meeting is provided above.

Prayers will be said by the Mayor's Chaplain prior to the start of the meeting.



Chief Executive

## **EMERGENCY EVACUATION PROCEDURE**

No emergency drill is planned to take place during the meeting. If the fire alarm sounds continuously, or if you are instructed to do so, you must leave the building by the nearest available exit. You will be directed to the nearest exit by council staff. It is vital that you follow their instructions.

- You should proceed calmly; do not run and do not use the lifts;
- Do not stop to collect personal belongings;
- Once you are outside, please do not wait immediately next to the building, but move to the assembly point at Dullshot Green and await further instructions; and
- Do not re-enter the building until told that it is safe to do so.

### **Public information**

**Please note that this meeting will be held at the Town Hall, Epsom and will be available to observe live on the internet.**

A link to the online address for this meeting is provided on the first page of this agenda and on the Council's website. A limited number of seats will also be available in the public gallery at the Town Hall. For further information please contact Democratic Services, email: [democraticservices@epsom-ewell.gov.uk](mailto:democraticservices@epsom-ewell.gov.uk), telephone: 01372 732000.

Information about the terms of reference and membership of this Committee are available on the [Council's website](#). The website also provides copies of agendas, reports and minutes.

Agendas, reports and minutes for this Committee are also available on the free Modern.Gov app for iPad, Android and Windows devices. For further information on how to access information regarding this Committee, please email us at [democraticservices@epsom-ewell.gov.uk](mailto:democraticservices@epsom-ewell.gov.uk).

### **Exclusion of the Press and the Public**

There are no matters scheduled to be discussed at this meeting that would appear to disclose confidential or exempt information under the provisions Schedule 12A of the Local Government Act 1972 (as amended). Should any such matters arise during the course of discussion of the below items or should the Mayor agree to discuss any other such matters on the grounds of urgency, the Council will wish to resolve to exclude the press and public by virtue of the private nature of the business to be transacted.

### **Questions and statements from the Public**

Questions and statements from the public are not permitted at meetings of the Council. [Annex 4.2](#) of the Epsom & Ewell Borough Council Operating Framework sets out which Committees are able to receive public questions and statements, and the procedure for doing so.

### **Filming and recording of meetings:**

The Council allows filming, recording and photography at its public meetings. By entering the Council Chamber and using the public gallery, you are consenting to being filmed and to the possible use of those images and sound recordings.

Members of the Press who wish to film, record or photograph a public meeting should contact the Council's Communications team prior to the meeting by email at: [communications@epsom-ewell.gov.uk](mailto:communications@epsom-ewell.gov.uk)

Filming or recording must be overt and persons filming should not move around the room whilst filming nor should they obstruct proceedings or the public from viewing the meeting. The use of flash photography, additional lighting or any non-handheld devices, including tripods, will not be allowed.

# **COUNCIL**

**Tuesday 18 March 2025**

**7.30 pm**

**Council Chamber - Epsom Town Hall,  
<https://www.youtube.com/@epsomandewellBC/playlists>**

For further information, please contact [democraticservices@epsom-ewell.gov.uk](mailto:democraticservices@epsom-ewell.gov.uk) or tel: 01372 732000

## **AGENDA**

### **1. DECLARATIONS OF INTEREST**

To receive declarations of any Disclosable Pecuniary Interests or other registrable or non-registrable interests from Members in respect of any item to be considered at the meeting.

### **2. DEVOLUTION AND LOCAL GOVERNMENT REORGANISATION (Pages 5 - 12)**

On 16 December 2024 the Government published its English Devolution White Paper outlining a very clear ambition for every area in England to move towards setting up a strategic authority, led by an elected mayor.

The Government also set a clear expectation that in two-tier areas, such as Surrey, local government be reorganised (LGR) with new unitary councils established to replace district, borough and county councils.

Via a letter dated 5<sup>th</sup> February, 2025 Local Authorities in Surrey were invited to submit interim proposals for Local Government Reorganisation by 21<sup>st</sup> March, 2025 and a full proposal by 9<sup>th</sup> May, 2025.

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## **DEVOLUTION AND LOCAL GOVERNMENT REORGANISATION**

<b>Head of Service:</b>	Jackie King, Chief Executive
<b>Report Author:</b>	Piero Ionta
<b>Wards affected:</b>	(All Wards);
<b>Appendices (attached):</b>	Appendix 1 – Interim Plan – TO FOLLOW

### **Summary**

On 16 December 2024 the Government published its English Devolution White Paper outlining a very clear ambition for every area in England to move towards setting up a strategic authority, led by an elected mayor.

The Government also set a clear expectation that in two-tier areas, such as Surrey, local government be reorganised (LGR) with new unitary councils established to replace district, borough and county councils.

Via a letter dated 5<sup>th</sup> February, 2025 Local Authorities in Surrey were invited to submit interim proposals for Local Government Reorganisation by 21<sup>st</sup> March, 2025 and a full proposal by 9<sup>th</sup> May, 2025.

### **Recommendation (s)**

- 1. Full Council is invited to note the initial submission to MHCLG on behalf of the 12 local authorities of Surrey.**
- 2. Full Council is invited to express an initial preference for the future structure of local government in the boundary of Surrey County Council. Specifically, the number of unitary councils created when the 12 current authorities demise.**

#### **1 Reason for Recommendation (s)**

- 1.1** On 5 February 2025, the Minister for Local Government and English Devolution confirmed that he supported LGR across Surrey to the most ambitious timetable.

- 1.2 Authorities across Surrey were asked to submit an Interim Plan by 21 March 2025. All leaders of local authorities across Surrey were invited to work together to develop a proposal for LGR by this deadline, The recommendations above look to support the outcome of that joint work.

## 2 Background

- 2.1 On 16 December 2024 the Government published its English Devolution White Paper. This outlined a very clear ambition for every area in England to move towards setting up a strategic authority, formed when two or more upper-tier authorities work together, led by an elected mayor. The White Paper outlined the powers and funding which could be devolved to such authorities, including those relating to transport, strategic planning, skills and employment, business support, environment and energy, health and public safety.
- 2.2 The Government also set a clear expectation that in two-tier areas, such as Surrey, local government be reorganised with new unitary councils established to replace district, borough and county councils. They stated that this would lead to better outcomes for residents, save significant money and improve accountability.
- 2.3 The White Paper explained that the Government intended to facilitate a phased programme of LGR for all two-tier areas, taking into account where this could unlock devolution, where areas were keen to proceed at pace or where it could help address wider failings.
- 2.4 As Surrey only has one upper-tier authority, and neighbouring areas made it clear that their devolution ambitions did not include Surrey, LGR is essential to unlock devolution and prevent Surrey from becoming a “devolution island.”
- 2.5 Following the publication of the White Paper, leaders of county councils received a letter from the Minister for Local Government and English Devolution. This noted a concern that the timing of the May 2025 elections could affect planning for devolution, particularly where this was happening alongside LGR. The Minister stated that, to help manage these demands, he was minded to lay secondary legislation to postpone local council elections (County). However, it was made clear that this would only be done where it would help the area to deliver both LGR and devolution to the most ambitious timeframe. On 10 January 2025, Surrey County Council (SCC) submitted a request to the Minister asking that he exercise his ministerial powers to lay the necessary legislation to postpone the County Council elections in Surrey. It was explained that this would give time for the Leader of SCC to work with the leaders of Surrey’s district and borough councils to put together proposals for local government reform that are necessary to unlock further devolution for Surrey.

- 2.6 In response, Leaders of the districts and boroughs jointly wrote to the Minister objecting to the proposal to cancel the elections, raising concerns about the pace of change and expressing a strong view that there is a need to allow time for widespread consultation.

On 5 February 2025, the Minister confirmed that he supported LGR across Surrey to the most ambitious timetable and that the forthcoming elections would not proceed. All leaders of local authorities across Surrey were invited to work together to develop a proposal for LGR.

- 2.7 Authorities across Surrey were asked to submit an Interim Plan by 21 March 2025 and a full plan by 9 May 2025. This is with a view to elections for shadow unitary councils being held in May 2026, with new unitary councils going live on 1 April 2027. Surrey County Council and all 11 districts and boroughs across Surrey would continue to operate until the go live date for the new unitary authorities.

### **Guidance and Criteria**

- 2.8 The White Paper explained that new unitary councils must be the right size to achieve efficiencies, improve capacity and withstand financial shocks. It stated that for most areas this will mean creating councils with a population of 500,000 or more but recognised that there may be exceptions to ensure that new structures make sense for an area, including for devolution, and decisions will be on a case-by-case basis.
- 2.9 It was made clear in the White Paper that the delivery of high quality and sustainable public services to citizens and communities will be prioritised above all other issues. In addition, new councils are expected to take a proactive and innovative approach to neighbourhood involvement and community governance so that citizens are empowered.
- 2.10 It was recognised that all levels of local government have a part to play in bringing improved structures to their area through reorganisation, including by sharing information and working proactively to enable robust and sustainable options to be developed and considered. It was stated that there is an expectation that all councils in an area will work together to develop unitary proposals that are in the best interests of the whole area, rather than developing competing proposals. In addition, there is an expectation that all councils in an area will work with relevant government departments to bring about these changes as swiftly as possible.
- 2.11 Further guidance was provided in a letter from the Minister of Local Government and English Devolution to all council leaders across Surrey on 5 February 2025. This also outlined the criteria against which proposals will be assessed.

### Preparing an Interim Plan

The letter of 5 February 2025 identified the need for an Interim Plan to be provided to MHCLG on or before 21 March 2025. The expectation is that this will set out the progress being made on developing proposals in line with the criteria and guidance contained within the letter. While it was recognised that the level of detail provided may vary from place to place, the expectation is that one Interim Plan is jointly submitted by all councils in the area. Guidance is clear that the Interim Plan may reference more than one proposal, if there is more than one option under consideration.

- 2.11 Further details regarding the content of Interim Plans are contained in Appendix 1.

### Working together across Surrey

- 2.12 Surrey's twelve councils have been working together to make sure the opportunities around devolution and LGR lead to better outcomes and value for residents and businesses. This has involved weekly meetings of all council Leaders to explore the number and structure of potential unitary authorities and consider potential governance structures and geography involving a directly elected mayor, including partners beyond Surrey.
- 2.13 They have been assisted in this work by the Chief Executives of the local authorities who have been meeting together regularly. Section 151 Officers and Monitoring Officers have also provided input.
- 2.14 In approaching this work, it was recognised that the option of a single unitary authority across Surrey could not be pursued as this would not unlock devolution. It was also acknowledged that any proposals for more than three unitary authorities across Surrey should not be pursued due to their population sizes.
- 2.15 In shaping options, Leaders identified the importance of drawing on the latest, most relevant data and insight. To enable this, data repositories have been set up to ensure that councils are using consistent data and insights. This will help ensure that decisions are evidence based.
- 2.16 A copy of the Interim Plan for Surrey shall be attached at Appendix 1 (to follow). This consists of two parts -
- **Part A** sets out the joint challenges and opportunities facing residents and businesses across the county, and outlines how the county, district and borough councils are working together as Surrey progresses on its LGR and devolution journey. It also raises some key issues that authorities would welcome further discussion with government on to support the new arrangements to have the greatest chance.

- **Part B** sets out the twelve councils' proposals for future unitary local government arrangements in Surrey, including the relative advantages and disadvantages of different options, approaches to implementation and engagement, and steps needed to finalise proposals by the government's deadline of 9 May 2025.

### Communications

2.17 Regular communications have been sent out by local authorities across Surrey in order to ensure that residents and businesses are kept informed. Where possible, the communication is issued jointly.

## 3 Risk Assessment

Legal or other duties

### 3.1 Equality Impact Assessment

3.1.1 While there are no equality implications arising as a direct result of this report, the impact on vulnerable and protected characteristic groups will be an important consideration as proposals continue to be designed.

### 3.2 Crime & Disorder

3.2.1 There are no direct implications as a result of preparing and agreeing an Interim Plan

### 3.3 Safeguarding

3.3.1 While there are no safeguarding implications arising as a direct result of this report, the impact on vulnerable groups will be an important consideration as proposals continue to be designed.

### 3.4 Dependencies

3.4.1 Preparing a proposal(s) for a single tier of local government in Surrey and transitioning towards it will have resourcing implications for all local authorities in Surrey. Further details on this are included in the Interim Plan (Appendix 1).

3.4.2 Local Government reorganisation will undoubtedly have significant employment implications for staff across all councils in Surrey. While the exact nature and scale of the employment implications is unclear at this stage, these will be considered in detail as part of any detailed proposal for a single tier of local government in Surrey.

### 3.5 Other

- 3.5.1 There is a risk that not all twelve authorities in Surrey will agree to submit the Interim Plan as attached at Appendix 1. This risk has been negated as far as possible by close working between leaders and chief executives and by recognising that the Plan can reference more than one proposal, where there is more than one under consideration. The proposals contained within an Interim Plan are not binding on a local authority.
- 3.5.2 If all twelve authorities are not able to agree a joint interim plan, MHCLG has accepted that there may be multiple submissions.
- 3.5.3 There is a risk that the Interim Plan may not provide detail on all the areas suggested by the guidance. There is no prescribed content for the Interim Plan and it is recognised that the level of detail provided may vary from area to area.

#### **4 Financial Implications**

- 4.1 Part B of Appendix 1 outlines the financial assumptions and high-level financial modelling for each of the proposals being considered. Ultimately LGR and devolution will have significant financial implications for the operation of local government across Surrey. The full plan, to be submitted in May 2025, will require a full business case which will set out detailed analysis of the financial and non-financial impacts of the final proposal, including confirmation of the costs of implementation.
- 4.2 There will be costs associated with preparing a proposal for a single tier of local government. These costs will be on top of existing service pressures and do not take into account leadership time and other opportunity costs which are being absorbed. The joint interim plan makes it clear that authorities across Surrey are seeking support from the Government to fully fund those costs.
- 4.3 Part A of the joint interim plan (Appendix 1) identifies the challenges posed by moving forward with local government funding reform at the same time as LGR. It explains that whilst local authorities focus on the creation of new unitaries in Surrey, and smoothing the transition of services for residents, authorities would welcome the Government's support in stabilising the collective funding base. The Plan explains that, during this transition period, the ability to accommodate negative financial adjustments arising from implementation of a new distribution methodology will be limited and asks that funding reductions are waived during the period of transition. Alternatively, the costs of Local Government Reorganisation could be taken into account in any transitional arrangements. Part A also seeks early clarification on the amount of government grant each council would receive from day one to assist with financial planning.

- 4.4 **Section 151 Officer's comments:** The interim plan at Appendix 1B will set out the high-level assumptions and financial modelling that has been undertaken to support the submission. At the time of going to print, the financial assumptions are not consistently agreed across all Councils and need further refinement as the process of setting up new councils, and how they will operate, is still being debated. Therefore, the financial modelling is incomplete, and the benefits and costs shown should be treated with caution. At present, MHCLG do not require a full business case laying out the detailed cost and savings behind each option. This will be for the formal submission on 9 May. The assumptions and financial modelling will continue to be refined over coming days and as part of the development of the business case which will be presented to Government by 9th May 2025.

## 5 Legal Implications

- 5.1 The English Devolution White Paper sets out an expectation that all two-tier areas such as Surrey will develop proposals for reorganisation.
- 5.2 In his letter to council leaders of 5 February 2025, the Minister for Local Government and English Devolution outlined that the Secretary of State for Housing, Communities and Local Government, in exercise of his powers under Part 1 of the Local Government and Public Involvement in Health Act 2007 ('the 2007 Act'), invited any principal authority in the area of the county of Surrey, to submit a proposal for a single tier of local government.
- 5.3 This may be one of the following types of proposal as set out in the 2007 Act:
- Type A – a single tier of local authority covering the whole of the county concerned
  - Type B – a single tier of local authority covering an area that is currently a district, or two or more districts
  - Type C – a single tier of local authority covering the whole of the county concerned, or one or more districts in the county; and one or more relevant adjoining areas
  - Combined proposal – a proposal that consists of two or more Type B proposals, two or more Type C proposals, or one or more Type B proposals and one or more Type C proposals.
- 5.4 Proposals must be submitted in accordance with paragraphs 1 to 3:
1. Any proposal must be made by 9 May 2025.

2. In responding to this invitation an authority must have regard to the guidance from the Secretary of State set out in the Schedule to his letter of 5 February 2025 and to any further guidance on responding to this invitation received from the Secretary of State.

3. An authority responding to this invitation may either make its own proposal or make a proposal jointly with any of the other authorities invited to respond.

5.5 In support of this formal invitation, local authorities are asked to submit an Interim Plan on or before 21 March 2025, in line with the guidance in the annexe attached to the letter of 5 February 2025.

5.6 Following submission of the final plan (by 9 May), should the Minister decide to implement any proposal, legislation will have to be agreed by parliament prior to moving to elections to new “shadow” unitary authorities. At this stage it is envisaged that these elections would be held in May 2026.

5.7 A shadow authority is one that is elected to carry out the preparatory functions of a new unitary council until the day that it formally comes into effect. This is commonly called “vesting day.” At this stage it is envisaged that vesting day would be 1 April 2027. All existing councils across Surrey would continue to operate and deliver services until vesting day.

5.8 **Legal Officer’s comments:** The key legal implications relevant to this report and its recommendation are as set out above.

## 6 Policies, Plans & Partnerships

6.1 **Council’s Key Priorities:** The following Key Priorities are engaged:

6.2 **Service Plans:** The matter is not included within the current Service Delivery Plan.

6.3 **Climate & Environmental Impact of recommendations:** There are no direct implications as a result of preparing and agreeing an Interim Plan

6.4 **Sustainability Policy & Community Safety Implications:** There are no direct implications as a result of preparing and agreeing an Interim Plan

6.5 **Partnerships:** There are no direct implications as a result of preparing and agreeing an Interim Plan

## 7 Background papers

7.1 The documents referred to in compiling this report are as follows:

- None