

Place Overview & Scrutiny

Date: 5 June 2025

Time: **4.00pm**

Venue Hove Town Hall Council Chamber

Members: Councillors: Evans (Chair), Cattell (Deputy Chair), Fishleigh,

Fowler, Winder, Goddard, Loughran, Mackey, Meadows and

Sykes

Co-optees

Mary Davies (Older People's Council) and Mark Strong (CVS)

Contact: Natalie Sacks-Hammond

Overview & Scrutiny Office

Natalie.Sacks-Hammond@brighton-hove.gov.uk

Agendas and minutes are published on the council's website www.brighton-hove.gov.uk. Agendas are available to view five working days prior to the meeting date.

Electronic agendas can also be accessed through our meetings app available through ModernGov: <u>iOS/Windows/Android</u>

This agenda and all accompanying reports are printed on recycled paper

PART ONE Page

1 PROCEDURAL BUSINESS

(a) **Declaration of Substitutes:** Where Councillors are unable to attend a meeting, a substitute Member from the same Political Group may attend, speak and vote in their place for that meeting.

(b) **Declarations of Interest:**

- (a) Disclosable pecuniary interests;
- (b) Any other interests required to be registered under the local code;
- (c) Any other general interest as a result of which a decision on the matter might reasonably be regarded as affecting you or a partner more than a majority of other people or businesses in the ward/s affected by the decision.

In each case, you need to declare:

- (i) the item on the agenda the interest relates to;
- (ii) the nature of the interest; and
- (iii) whether it is a disclosable pecuniary interest or some other interest.

If unsure, Members should seek advice from the committee lawyer or administrator preferably before the meeting.

(c) **Exclusion of Press and Public:** To consider whether, in view of the nature of the business to be transacted, or the nature of the proceedings, the press and public should be excluded from the meeting when any of the following items are under consideration.

NOTE: Any item appearing in Part Two of the Agenda states in its heading the category under which the information disclosed in the report is exempt from disclosure and therefore not available to the public.

A list and description of the exempt categories is available for public inspection at Brighton and Hove Town Halls and on-line in the Constitution at part 7.1.

2 CHAIR'S COMMUNICATIONS

3 PUBLIC INVOLVEMENT

To consider the following items raised by members of the public:

(a) **Petitions:** To receive any petitions presented by members of the public to the full Council or to the meeting itself;

- (b) **Written Questions:** To receive any questions submitted by the due date of 10am on 27th May 2025
- (c) **Deputations:** To receive any deputations submitted by the due date of 10am on 27th May 2025

4 MEMBER INVOLVEMENT

To consider the following matters raised by Members:

- (a) **Petitions:** To receive any petitions submitted to the full Council or to the meeting itself.
- (b) **Written Questions:** A list of written questions submitted by Members has been included in the agenda papers (copy attached).
- (c) Letters: To consider any letters submitted by Members.
- (d) Notices of Motion: To consider any Notices of Motion.

5 DEVOLUTION 7 - 56

Contact Officer: Natalie Sacks-Hammond

Ward Affected: All Wards

The City Council actively welcomes members of the public and the press to attend its meetings and holds as many of its meetings as possible in public. Provision is also made on the agendas for public questions to committees and details of how questions can be raised can be found on the website and/or on agendas for the meetings.

The closing date for receipt of public questions and deputations for the next meeting is 12 noon on the fourth working day before the meeting.

Meeting papers can be provided, on request, in large print, in Braille, on audio tape or on disc, or translated into any other language as requested.

Infra-red hearing aids are available for use during the meeting. If you require any further information or assistance, please contact the receptionist on arrival.

FURTHER INFORMATION

For further details and general enquiries about this meeting contact Anthony Soyinka, (email Natalie.Sacks-Hammond@brighton-hove.gov.uk) or email democratic.services@brighton-hove.gov.uk

WEBCASTING NOTICE

This meeting may be filmed for live or subsequent broadcast via the Council's website. At the start of the meeting the Chair will confirm if all or part of the meeting is being filmed. You should be aware that the Council is a Data Controller under the Data Protection Act 1998. Data collected during this web cast will be retained in accordance with the Council's published policy.

Therefore, by entering the meeting room and using the seats in the chamber you are deemed to be consenting to being filmed and to the possible use of those images and sound recordings for the purpose of web casting and/or Member training. If members of the public do not wish to have their image captured, they should sit in the public gallery area.

ACCESS NOTICE

The Public Gallery is situated on the first floor of the Town Hall and is limited in size but does have 2 spaces designated for wheelchair users. The lift cannot be used in an emergency. Evac Chairs are available for self-transfer and you are requested to inform Reception prior to going up to the Public Gallery. For your own safety please do not go beyond the Ground Floor if you are unable to use the stairs.

Please inform staff on Reception of this affects you so that you can be directed to the Council Chamber where you can watch the meeting or if you need to take part in the proceedings e.g. because you have submitted a public question.

FIRE / EMERGENCY EVACUATION PROCEDURE

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 some distance away and await further instructions; and
- Do not re-enter the building until told that it is safe to do so.

Date of Publication - Wednesday, 28 May 2025

Brighton & Hove City Council

Overview & Scrutiny

Agenda Item 5

Subject: Devolution and Local Government Reorganisation

Date of meeting: 5th June 2025

Report of: Chair of Place Overview & Scrutiny

Contact Officer: Name: Head of Cabinet Office

Tel: 01273 29

Email: alex.voce@brighton-hove.gov.uk

Ward(s) affected: (All Wards);

Key Decision: No

For general release

1. Purpose of the report and policy context

- 1.1 This report informs and updates members on the ongoing programmes of Devolution and Local Government Reorganisation (LGR) for Sussex & Brighton. The appendices to the report present the context for Devolution and LGR and set out the timelines and next steps
- 1.2 Brighton & Hove City Council successfully applied, jointly with East Sussex and West Sussex County Councils, to be considered by Government for the Devolution Priority Programme. This means that the timetable for Devolution for Sussex & Brighton is for a Mayoral Election and new Mayoral Strategic Authority to be in place by May 2026.
- 1.3 The timetable for LGR is for Councils on the Devolution Priority Programme to submit final proposals by 26th September 2025, with the Government's intention being to formally establish shadow Unitary Authorities in April 2027 and new Unitary Authorities by April 2028.

2. Recommendations

2.1 Place Overview & Scrutiny Committee to note the update to members on Devolution and Local Government Reorganisation and to comment on the plans for both programmes.

3. Context and background information

3.1 A briefing paper on Devolution and LGR and supporting slides are attached as Appendices 1 and 2 to this report. A brief summary is set out below.

Devolution

- 3.2 In England, Devolution refers to the transferring of powers from central government to local government. The concept centres around giving regions more control over decision-making, enabling them to tailor policies to their specific economic, social, and geographic circumstances.
- 3.3 On 16 December 2024, the Government published its English Devolution White Paper, setting out its ambition for devolution to all areas of England and inviting applications from areas to join the devolution priority programme. The Devolution Priority Programme (DPP) is for areas who wish to move towards devolution at pace and they must also have local agreement to move forward around a sensible geographical footprint.
- 3.4 Sussex and Brighton & Hove successfully applied to join the priority programme and were confirmed as an area in a statement made by the Deputy Prime Minister to the House of Commons on 5 February 2025. Being on the priority programme means that Sussex and Brighton will be working to the most ambitious timetable for devolution, including the establishment of a Mayoral Strategic Authority by May 2026.
- 3.5 This means a new Mayoral Strategic Authority will be created for Sussex & Brighton. To enable effective working with the public, private and voluntary sectors, the Government will explore wide-ranging legal powers for Strategic Authorities to deliver in their areas of competence. There will be a duty to collaborate with constituent Local Authorities and neighbouring Strategic Authorities in delivering the following areas of competence:
 - Transport and local infrastructure
 - Skills and employment support
 - Housing and strategic planning
 - Economic development and regeneration
 - Environment and climate change
 - Health, wellbeing and public service reform
 - Public safety
- 3.6 There will also be an integrated financial settlement and a statutory duty to produce Local Growth Plans.
- 3.7 Each Upper Tier Council (ESCC/WSCC/BHCC) will be required to consent to the proposed legal framework that will create the new Mayoral Strategic Authority. The Upper Tier Authorities will need to work together with the engagement of all other stakeholders and partners to set up the new Mayoral Strategic Authority.
 - Local Government Reorganisation
- 3.8 Local Government Reorganisation is the process of reconfiguring the structure and responsibilities of local authorities. The Government have set out plans to move away from the current two-tier system of district and county councils. In our area of Sussex and Brighton, this means that East

Sussex County Council and West Sussex County councils and their district and borough councils would cease to exist and new unitary authorities will be established.

3.9 On 21st March 2025, Brighton and Hove submitted their draft interim plan for Local Government Reorganisation to the Minister for Local Government and English Devolution, Jim McMahon. This submission outlines progress and seeks guidance on several critical issues to ensure a successful submission in September 2025. This can be accessed in Appendix 3. Feedback on this plan from the government can be accessed in Appendix 4.

4. Analysis and consideration of alternative options

4.1 The Place Overview & Scrutiny Committee is invited to note the update report.

5. Community engagement and consultation

- 5.1 The Government ran a public consultation in areas chosen for the Devolution Priority Programme which closed on 13 April 2025. The consultation sought views on the proposal to form a Mayoral Combined Authority for the local government areas of East Sussex County Council, West Sussex County Council, and Brighton and Hove City Council. It asked for comments from those living and working in the county about:
 - The proposed geography
 - Governance arrangements
 - Supporting the economy
 - Improving social outcomes
 - Local government services
 - Improving the natural environment
 - Supporting the needs of local communities and reflect local identity
- 5.2 We are currently waiting on the results from this consultation from the Government.
- 5.3 Brighton & Hove City Council conducted their own public engagement exercise on Local Government Reorganisation from 24th February 10th March 2025 which received with 597 responses. Respondents expressed a mix of opinions, with a significant number preferring Brighton & Hove to remain as it is. Further public engagement will be undertaken prior to the submission of final LGR prop0osals in September 2025.

6. Financial implications

6.1 There will be significant financial implications for Brighton and Hove City Council as a result of both local government reorganisation and devolution. Any change in boundary as a result of local government reorganisation will result in the aggregation or disaggregation of budgets previously held in County, District or Unitary organisations, as well as the assets, liabilities and reserves of those organisations. In respect of devolution, it is possible that functions and associated funding previously held by central government will be devolved to the new strategic authority. A number of risks and opportunities will exist for Councils going through this process.

Name of finance officer consulted: John Hooten Date consulted 270525

7. Legal implications

7.1 The Devolution and LGR legal frameworks are set out in the supporting documentation. The powers to set up a Mayoral Combined Authority are already in place through existing primary legislation, in particular the Levelling Up and Regeneration Act 2023 and the Local Democracy, Economy and Construction Act 2009. The English Devolution Bill will provide further detail to this existing legal framework The requirement for all Upper Tier Authorities to consent to the Statutory Instrument which will create the Mayoral Strategic Authority is also set out in the briefing paper. In relation to Local Government Re-organisation, there are significant legal implications that will need to be addressed through the process and considered as the options are developed.

Name of lawyer consulted: Elizabeth Culbert Date consulted 230525

8. Equalities implications

- 8.1 The Mayoral Strategic Authority will prioritise areas such as transport, adult skills, housing and health and may make changes to reduce inequalities in society, for example, making jobs more accessible across local authority boundaries. These changes may also allow for more locally responsive services that reflect the specific needs of diverse communities, including those with protected characteristics.
- 8.2 An Equalities Impact Assessment will be developed against the different elements of devolution and local government reorganisation proposals and will inform the final LGR proposal in September and the decision to approve the Devolution Statutory Instrument in Autumn 2025.

9. Sustainability implications

9.1 One of the areas of competence to be exercised by the Mayoral Combined County Authority under the new devolution framework will be Environment and Climate Change. The ambition set out in the Government's English Devolution White Paper is for the new Mayoral Strategic Authorities to deliver more long-term sustainable development, particularly in the areas of

transport and housing. They will have the power to expand and improve public transport services and promote low-carbon initiatives such as electric vehicles. They could also set sustainability standards for new housing developments to promote energy efficiency, for example.

9.2 Any sustainability implications arising from the development of local government reorganisation will be considered and will inform the final proposal to be submitted in September.

10. Health and Wellbeing Implications:

- 10.1 The Mayoral Strategic Authority will have a duty to improve health and to reduce health inequalities. It is expected that Mayors will have a pivotal role within the area's Integrated Care Partnership and the Mayoral Strategic Authority can take a more coordinated approach to reducing health inequality across the regions.
- 10.2 Any health and wellbeing implications arising from the development of local government reorganisation will be considered and will inform the final proposal to be submitted in September.

11. Conclusion

11.1 Place Overview & Scrutiny Committee is being asked to note the update to members on Devolution and Local Government Reorganisation and to make any comment on the plans to progress both Devolution and LGR Programmes.

Supporting Documentation

1. Appendices

- 1. Devolution and Local Government Reorganisation slides
- 2. Briefing document
- 3. Draft Interim plan for Local Government Reorganisation
- 4. Feedback from the government on the Interim Plan

Devolution and Local Government Reorganisation

Place Overview and Scrutiny Committee

5 June



13

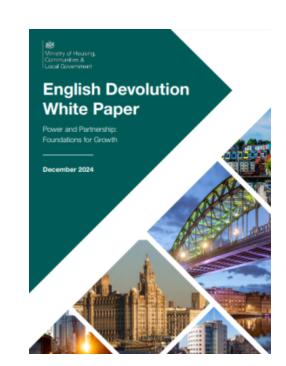
A "Devolution Revolution"

Government's Mission

- Giving local leaders and communities the tools they need to deliver growth for their area and raise living standards in event part of the country.
- Putting in place an efficient and accountable local and regional government with local champions who understand their local places, their identify and strengths and how to harness them.

How?

- English Devolution White Paper published on 16 December 2024
- English Devolution Bill Summer 2025
- Devolution Priority Programme Government led consultation for Sussex ended April 13th 2025
- Local Government Reorganisation Proposals intended to align with Devolution



Devolution – the case for change

Government believes Devolution:

- Can help to deliver growth, trust in politics and greater satisfaction with public services
- Means policy can be tailored to local situations
- Enables coordinated action in a place
- Gives communities a greater say in decisions that affect them
- Done right drives innovation enabling different leaders to trial different methods and learn from what works to ultimately deliver more for citizens.



Key Labour thinktank recommends major new powers for elected mayors

Plans would put mayors at forefront of delivering public sector improvements in areas such as health and education



City and regional mayors outside 10 Downing Street after Labour's general election win in July.

Devolution Priority Programme Areas

6 areas selected for the Priority Programme

- Cheshire and Warrington (Cheshire East Council, Cheshire West and Chester Council, and Warrington Borough Council)
- Cumbria (Cumberland Council, Westmorland and Furness Council)
- Hampshire and the Solent (Hampshire County Council, Portsmouth City Council, Isle of Wight Council, Southampton City Council)
- Greater Essex (Essex County Council, Thurrock Council, Southend-on-Sea City Council)
- Norfolk and Suffolk (Norfolk County Council, Suffolk County Council)
- Sussex and Brighton (East Sussex County Council, West Sussex County Council, Brighton and Hove City Council)

Existing Combined Authorities

- Cambridgeshire and Peterborough— Mayor Paul Bristow (C)
- Greater Manchester Mayor Andy Burnham (L)
- Hull and East Yorkshire Luke Campbell (R)
- Liverpool City Region— Mayor Steve Rotherham (L)
- North East Mayor Kim McGuinness (L)
- North of Tyne Mayor Jamie Driscoll (IND)
- South Yorkshire Mayor Oliver Coppard (L)
- Tees Valley Mayor Ben Houchen (C)
- West Midlands Mayor Richard Parker (L)
- West of England Mayor Helen Godwin (L)
- West Yorkshire Mayor Tracy Brabin (L)
- York North Yorkshire Mayor David Skaith (L)

■ Existing Combined County Authorities

- East Midlands Mayor Claire Ward (L)
- Greater Lincolnshire Mayor Andrea Jenkins (R)
- Lancashire (non mayoral)
- Devon and Torbay (non mayoral)

Timeline for the Devolution Priority Programme (DPP)



April 13th
Sussex Devo
consultation
ended

Mid-Late June
MHCLG to confirm
statutory test met

Pre- Summer Recess English Devolution Bill will be laid Authorities consent to the making of the SI

May 26 – Mayoral election

- Sussex and Brighton & Hove confirmed as an area on the devolution priority programme on 5 February 2025.
- Being on the priority programme means that Sussex and Brighton will be working to the most ambitious timetable for devolution, including the establishment of a Mayoral Strategic Authority by May 2026.
- **Mid to Late June:** Government will confirm its decision on whether the statutory tests have been met & its intention to pursue/not pursue Devolution for Sussex & Brighton alongside release of consultation report.
- **Pre-Summer recess:** English Devolution Bill to be Introduced, session in Parliament to explain the Bill provisions and plan for its passage.
- Late October: Government to lay Statutory Instrument before Parliament for Approval (allow 8 sitting weeks, with Lords and Commons debates taking place within that window)
- Early 2026: Inaugural meeting of the new Mayoral Strategic Authority; constitution agreed and officers appointed.
- May 2026: Mayoral and local elections (where applicable). Mayor takes office.

Mayoral Strategic Authority (MSA)

A strategic authority is a legal body set up using national legislation that enables a group of two or more councils to collaborate and take collective decisions across council boundaries. Depending on the form of devolution in an area, there are three levels of strategic authority available:

- Foundation Strategic Authority: without an elected mayor. It will have limited devolution.
- Mayoral Strategic Authority: with an elected mayor, a range of powers will be devolved.
- Established Mayoral Strategic Authority: For those Mayoral Strategic Authorities, with additional devolved powers. For example, Greater Manchester.

In Sussex, a proposal was submitted to the Government to form a Mayoral Strategic Authority covering West Sussex, East Sussex and Brighton & Hove. The Government approved this proposal and ran a public consultation ending in April 2025.

The expectation is that a Mayor will be elected in May 2026. Two representatives of West Sussex and East Sussex County Councils and Brighton and Hove Council will sit on the MSA. When the new unitary councils are created, the Leaders from these councils will sit on the Strategic Authority.



2

- A new Mayoral Strategic Authority (MSA) for Sussex &
 Brighton with an Elected Mayor.
- Will move away from a 'Deal based' approach to a set
 Devolution Framework that is automatically available
 when relevant criteria are met.
- Defined functions for the MSA to be set out in law
 - 1. Transport and local infrastructure
 - 2. Skills and employment support
 - 3. Housing and strategic planning
 - 4. Economic development and regeneration
 - 5. Environment and climate change.
 - 6. Health, wellbeing and public service reform
 - 7. Public safety
 - **❖** Integrated funding settlement
 - Statutory Duty to produce Local Growth Plans



Next Steps: Partnership and stakeholder engagement

- Upper Tier Authorities are meeting Partners to discuss the opportunities and challenges and their engagement in the preparations for the Mayoral Strategic Authority
- Government is setting up a range of Devolution Framework implementation sessions with Authorities and Partners (May – September 2025)
- Upper Tier Authorities are considering options for bringing the interested stakeholders together in preparation for the MSA and for decision making
- Greater Brighton Economic Growth Board is commissioning research to understand the economic opportunities of a MSA for Sussex & Brighton
- Joint recruitment of a Director of Transition for Devolution, the establishment of a website and an interim officer Team is underway;
- Funding for the MSA will be confirmed post the June spending review.

Update on Local Government reorganisation (LGR)



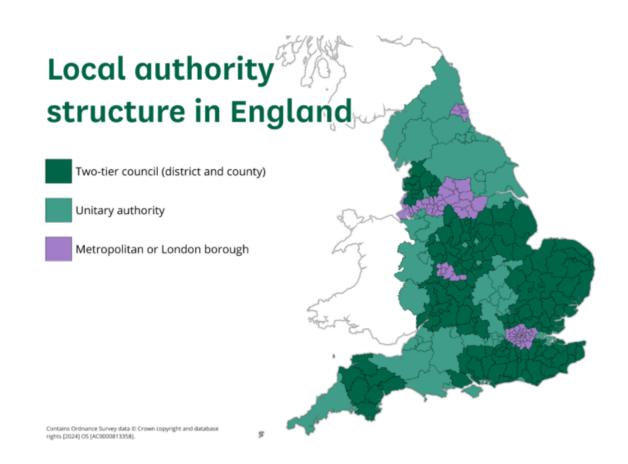
BHCC LGR interim Proposal

BHCC Interim Proposal:

- Five unitary authorities across Sussex, with Brighton and Hove on our existing footprint or growing to form one of these authorities.
- A five-unitary model in Sussex could broadly lead to the creation of five council areas with populations in the region of c300,000 to c400,000.

What will we do by 25 September 2025:

 The aim by the 25th September 2025 deadline is to advance a final proposal supported by robust data and evidence for Government to consider.



2

Interim Plan Feedback: East Sussex and Brighton pt 1

- 1. The criteria ask that a proposal should seek to achieve for the whole area concerned the establishment of a single tier of local government
- We note that the proposals submitted cover varying geographies and that you have sought clarity over the footprint that proposals should cover. Any proposals that cover the East Sussex county footprint should have regard to the implications for Brighton and Hove as per the guidance
- In the English Devolution White Paper, we outlined a population size of 500,000 or more. This is a guiding principle, not a hard target we understand that there should be flexibility, especially given our ambition to build out devolution and take account of housing growth, alongside local government reorganisation
- 2. The criteria ask that consideration should be given to the impacts for crucial services such as social care, children's services, SEND and homelessness, and for wider public services including for public safety (see criterion 3).
- For any options where there is disaggregation, further detail will be helpful on how the different options might impact on these services and how risks can be mitigated.
- 3. Further detail would be welcome in all plans on how the proposed new structures would support arrangements for the proposed Sussex and Brighton MSA (as per criterion 5), and how benefits of mayoral devolution will be achieved for local communities.
- In this regard it will be helpful for proposals to have regard to the model of unitary government that is
 proposed across the whole Sussex and Brighton area.

Interim Plan Feedback: East Sussex and Brighton pt 2

We welcome steps taken to come together to prepare proposals as per criterion 4:

- Effective collaboration between all councils across the invitation area and wider proposed Sussex and Brighton MSA will be crucial; we would encourage you to continue to build strong relationships and agree ways of working, including around effective data sharing. This will support the development of a robust shared evidence base to underpin final proposals.
- It would be helpful if final proposal(s) use the same assumptions and data sets.
- It would be helpful if your final proposal(s) set out how the data and evidence supports all the outcomes you have included, and how well they meet the assessment criteria in the invitation letter.
- You may wish to consider an options appraisal that will help demonstrate why
 your proposed approach in the round best meets the assessment criteria in the
 invitation letter compared to any alternatives.

Next Steps for LGR

- Undertake a data and evidence based review of our interim LGR proposal, guided by the feedback from Government and supported by Ignite consultants;
- Facilitate robust public and stakeholder consultation on options;
- Submit final proposal to Government by 25th September 2025



Questions



English Devolution and Local Government Reorganisation (LGR)

What is English Devolution?

In England, devolution refers to the transfer of powers from central government to cities and regions, with the aim of giving them more control over decision-making, enabling them to tailor policies to their specific economic, social, and geographic circumstances.

Under the last Government, a number of bespoke 'devolution deals' were negotiated with areas, which saw Whitehall devolve powers and funding to combined authorities, made up of constituent local authorities and led by directly elected Mayors.

The first devolution deal in England was agreed in 2014 in Greater Manchester. Since then, a number of other areas have agreed devolution deals including Liverpool City Region, West Midlands, South Yorkshire, Tees Valley, Cambridgeshire and Peterborough. Devolution now covers almost half of England's population and more than half of the country's economic output. Most devolution deals to date have been in the North of England.

What is the Devolution Priority Programme?

When the new Labour government was elected in July 2024, they committed to expanding and deepening devolution to all areas of England. On 16 December 2024, the government published its English Devolution White Paper, setting out its plan for delivering devolution to all parts of England and the intention that all future devolution agreements would be underpinned by the English Devolution Bill, and not through a deals-based approach.

Within the White Paper, the Government announced that areas that wish to move towards devolution at pace, would be able to apply to be on a Devolution Priority Programme (DPP). The Upper Tier authorities of East Sussex County Council, West Sussex County Council and Brighton & Hove City Council collectively expressed an interest in Sussex and Brighton being on the priority programme and were successfully accepted onto it. All areas on the priority programme are expected to move at pace on devolution, with Mayoral elections and the establishment of the Combined County Authority to happen in May 2026.

The new English Devolution Framework

The Government is creating a new devolution framework which will mean that devolution is now available by default rather than by an individual deal.

The White Paper announced that:

• The Government wants to see all of England benefit from devolution. By completing the map, the Government will oversee the rebalancing of power from central government so that local leaders can take back control and increase prosperity for local people. It is the government's strong preference that in filling the map, places do so with a Mayor over a strategic geography. (Page 24 White Paper).

Areas that take on a Mayor will see the following benefits:

- Prioritisation by the Government to agree and establish devolution in their area.
- Powers drawn down from the strengthened Devolution Framework, with a significant devolution offer that will continue to grow over time.
- A clear pathway to unlocking higher levels of devolution reserved for the most mature institutions, including access to the Integrated Settlement which will grow in scope over time.
- Flexible allocated funding, with a long-term investment fund and, once the area has qualified, funding granted through a flexible Integrated Settlement.
- A representative sitting round the table of the Council of Nations and Regions with the Prime Minister, First Ministers from all the Devolved Governments and the Deputy First Minister of Northern Ireland.
- A representative on the Mayoral Council to work with the Deputy Prime Minister on developing devolution and local growth policy.
- A mandate to develop a Local Growth Plan, with local growth priorities agreed with the Government providing focus for central government and regional collaboration.
- Membership of the Mayoral Data Council to join up senior data leaders with central government decision-making on data issues that affect them.

Strategic Authorities:

The Government will create in law the concept of a Strategic Authority. All Strategic Authorities will belong to one of the following levels: (Page 28 White Paper)

- Foundation Strategic Authorities: these include non-mayoral Combined Authorities and Combined County Authorities automatically, and any Local Authority designated as a Strategic Authority without a Mayor.
- Mayoral Strategic Authorities: the Greater London Authority, all Mayoral Combined Authorities and all Mayoral Combined County Authorities will automatically begin as Mayoral Strategic Authorities. Sussex and Brighton would fall within this category.
- Established Strategic Authorities: Those who meet specified eligibility criteria may be designated as Established Mayoral Strategic Authorities. This unlocks

further devolution of powers and funding, most notably an Integrated Settlement.

Competencies:

To enable effective working with the public, private and voluntary sectors, the Government will explore wide-ranging legal powers for Strategic Authorities to deliver in their areas of competence. The Government will also explore enabling Mayors to promote economic, social, and environmental aims and to convene stakeholders with a corresponding duty on public authorities to respond. The areas of competence that the Strategic Authorities will be expected to deliver are:

- Transport and local infrastructure
- Skills and employment support
- Housing and strategic planning
- Economic development and regeneration
- Environment and climate change
- Health, wellbeing and public service reform
- Public safety (Page 29 White Paper)

Funding:

New Strategic Authorities will receive consolidated funding pots covering: local growth, place, housing, and regeneration; non-apprenticeship adult skills; and transport. The detailed funding is anticipated to be announced following the June 25 Spending Review.

30-year investment funds will remain a core part of the Devolution Framework, with existing arrangements honoured, new areas receiving this funding on their creation, and funding for new institutions standardised to increase fairness.

The Government have indicated they will reduce the number of restrictive grants to Local Authorities wherever possible and that funding for service delivery will be consolidated into the Local Government Finance Settlement.

Governance, Accountability and Capacity Building

The English Devolution White Paper outlines a transformative vision for governance in England, but it also signals the beginning of a broader reform agenda.

In addition to the structural and financial changes detailed in the Devolution Framework, the White Paper commits to reviewing several key areas that will shape the long-term success and accountability of devolved governance. These include: Audit and standards, public service reform and prevention, governance, capacity building, accountability and scrutiny, and a more in-depth review of the competencies.

For a full review of all areas covered please refer to the English Devolution White Paper which you can access here: English Devolution White Paper - GOV.UK

Government consultation on Devolution in Sussex and Brighton

The Government ran a local public consultation in all areas chosen for the Devolution Priority Programme (DPP) which **closed on 13 April 2025.**

The consultation sought views on the proposal to form a Mayoral Combined Authority for the local government areas of East Sussex County Council, West Sussex County Council and Brighton and Hove City Council (referred to as Sussex and Brighton in the consultation).

It asked for comments from those living and working in the county about:

- The proposed geography
- Governance arrangements
- Supporting the economy
- Improving social outcomes
- Local government services
- Improving the natural environment
- Supporting the needs of local communities and reflect local identity

Please find the background information here: <u>Sussex and Brighton devolution</u> consultation - GOV.UK

Please find Brighton & Hove City Council's response to the consultation here: Devolution and Local Government Reorganisation APX. n 1.pdf

Local Government Reorganisation

What is Local Government Reorganisation (LGR)?

Local government reorganisation is the process in which the structure and responsibilities of local authorities are reconfigured.

In the context of the English Devolution White Paper, the Government have set out plans to move away from the current two-tier system of district and county councils. In Sussex and Brighton, this means that East Sussex County Council and West Sussex County councils and their district and borough councils would cease to exist and new unitary authorities would take their place.

The structure of Local government

In most of England, there are 2 tiers – county and district – with responsibility for council services split between them.

County Councils

In West and East Sussex there is one county council in each area. County Councils provide services such as education, social services and waste disposal.

District councils

In West Sussex there are seven district and borough councils and one county council alongside a number of town and parish councils.¹ In East Sussex there are there are 5 borough and district councils, and one county council alongside a number of town and parish councils.²

District councils are responsible for local services such as rubbish collection, housing and planning applications.

Unitary Councils

Brighton and Hove City Council is already established as a unitary council. A unitary council provides all local government services in their area.

Local Government Reorganisation Sussex and Brighton Interim Proposal

On 21 March 2025, BHCC submitted an interim plan for Local Government Reorganisation to the Minister for Local Government and English Devolution, Jim McMahon MP. The plan outlined BHCC's initial, high-level position on Local Government Reorganisation for Sussex & Brighton, from the perspective of an established unitary authority and in recognition of the diverse needs of the coastal, rural and urban areas of Sussex.

The interim plan included a summary of the feedback we had received from residents, staff and stakeholders recorded through a short engagement exercise carried out on our Your Voice platform between February and March 2025. Our plan also sought guidance on several critical issues to ensure a successful final proposal submission in September 2025.

You can read Brighton and Hove's City Council Interim Plan here: Devolution+and+Local+Government+Reorganisation+APX.+n+2.pdf

Feedback from the Government on our LGR interim plan

In May 2025, we received feedback from the Ministry of Housing, Communities, and Local Government and you can read the full response here: INSERT THIS – can be a link as now on our website

Next Steps

¹ Local democracy - West Sussex County Council

² District and borough Councils | East Sussex County Council

Taking into account the Government's feedback, the Councils will develop their final proposals for submission to Government on 25th September 2025. BHCC will work with consultants, Ignite, and with Sussex Councils, Partners and Stakeholders to:

- Gather the data and evidence of the impact of different options to be able to come to a final proposal for submission;
- Undertake public and stakeholder engagement between now and September 2025 to inform the final proposal;
- Report to Cabinet and submit to Cabinet a final proposal for Local
 Government Re-Organisation in the East Sussex and Brighton footprint, which
 also takes into account the alignment with proposals for a Mayoral Strategic
 Authority for Sussex & Brighton and any impact on the wider Sussex footprint.

Brighton & Hove City Council's Interim Plan for Local Government Reorganisation

21 March 2025

Summary

On 5 February 2025 the Minister of State for Local Government and English Devolution wrote to all East Sussex authorities and Brighton and Hove City Council inviting us to work with other Leaders across Sussex to develop proposals for Local Government Reorganisation of two-tier areas.

Brighton and Hove City Council supports local government reform to create unitary authorities where currently two-tier authorities exist.

This paper sets out our response to the Minister's invitation. We include our plans to engage further with our neighbouring Councils across Sussex, our residents, communities and key stakeholders on options. Our plan includes how we will build and review the data and evidence on the impact of Local Government Reform on the priorities for our City and the wider Sussex area, including financial sustainability, service delivery and equality.

Brighton & Hove City Council is the only Unitary Authority in Sussex and delivers more than 700 services to people living and working in the city. We are ambitious for the future of our city and are committed to making it "A Better Brighton & Hove for all". Our Council Plan is key to delivering our priorities by 2027 and beyond. Our top priorities are tackling inequalities, the housing and homelessness crisis, and improving the look and feel of the city. We are proud to have continued to balance our budgets through austerity and this period of declining local government finance.

We believe that our current council size is broadly set up appropriately for Brighton & Hove and we do not feel the need to pursue local government organisation arbitrarily. Notwithstanding this, we recognise that there would be benefit in reorganisation if it supports greater efficiency, effectiveness and resilience for the City and we are open to change where the evidence and data supports this. We are keen to explore options that will help us address the critical challenges facing our city, such as homelessness, housing affordability and inequality.

Brighton and Hove sits within Sussex where the differences between rural, urban and coastal areas form the strengths of the future Sussex and Brighton Mayoral Combined County Authority. We believe, and over the coming months will test our assumptions against the data and evidence and the views of our residents, stakeholders and partners, that any Sussex and Brighton MCCA must represent these different but complementary areas. We are of the view that potentially creating five unitaries

authorities across Sussex, with Brighton and Hove on our existing footprint or growing to form one of these new authorities, would ensure the different voices of Sussex are heard at the MCCA table, while ensuring the Unitary authorities are financially viable, efficient and hold local identity. We have seen through our own services and from other smaller unitaries the benefits of big county services being delivered on smaller footprints leading to positive outcomes for residents through the interconnection of universal services with specialist areas.

In this paper we share the findings of our initial engagement with the residents and communities of Brighton and Hove City where we set out four options for Brighton and Hove: remain as we are; grow towards the east; grow towards the west or grow towards the north. We set out our plan to test these options and assumptions further over the next six months in advance of final proposals being submitted on 26 September.

Brighton and Hove City - our unique character

Brighton & Hove is a cosmopolitan, dynamic city by the sea, located on the edge of the South Downs National Park. This inspiring place to live, work and visit is home to over 280,000 people and attracts 10 million visitors each year. The city's success is a result of continually adapting innovating and growing while maintaining its independent spirit and distinct identity.

Economic Strength

As a city, Brighton & Hove is in a strong economic position, punching well above our weight for our size and performing well by traditional economic measures. External research has shown that we have some of the best conditions for investment of anywhere outside of London. ¹ We are proudly ranked as the 5th best city in which to live and work, and the 5th best city in which to start a business.²

Cultural and Creative Hub

Brighton & Hove is an internationally recognised cultural offer and are a hotspot for creative talent and technological innovation. City landmarks include the iconic Royal Pavilion, the Palace Pier, and The Lanes shopping area. With an abundance of bars, restaurants, independent shops and attractions.

Festivals and Events

Our city's cultural offering is huge - the Brighton Festival of performing arts has been held in the city for 50 years and boasts the biggest fringe festival in England. Annual major sporting events include the Brighton Marathon, the biggest outside London. We are home to a Premier League football team, Brighton & Hove Albion, who play at the

¹ BRIGHTON & HOVE ECONOMIC EVIDENCE pg 7

² BRIGHTON & HOVE ECONOMIC EVIDENCE pg.7

state-of-the-art Brighton Community Stadium, which also hosts the club's Women's Super League team and international games.

Educational Excellence

Our city's two top-flight universities attract students from around the world. The University of Sussex is ranked 25th in the index for the best universities in the UK and Brighton University is leading the way in the fields of advanced engineering and design. Brighton, Hove & Sussex Sixth Form College (BHASVIC) which is also located in the city – is in the top 10 Further Education colleges nationally and rated the No1 non-selective college in the country, drawing students from across Sussex.

Natural Beauty and Green Spaces

Key to the success of Brighton & Hove – both historically and in the present day – is its outstanding environment. We are ideally situated between the coast and the South Downs. Both are areas of outstanding natural beauty, and we are proud to be recognised as a UNESCO World Biosphere Region, known as The Living Coast. Our famous seafront promenades and undercliff walks provides 13km of off-road walking for residents and visitors. In the city centre, there is a green space or park in easy reach wherever you go in the city. We have approximately 147 parks including heritage parks, playing fields and green spaces. Of our major parks, 7 have been awarded Green Flags by the Keep Britain Tidy Campaign.

Diversity and Inclusion

Brighton & Hove is a diverse and unique city. We are unofficially referred to as the LGBTQIA+ capital of Britain and we are proud to host the UK's biggest Pride Festival. More than 20% of the city's population were born outside the UK, and we have a higher migrant population than elsewhere in the southeast – and much of England. As a City of Sanctuary, we are committed to being a welcoming place of safety, acceptance and freedom of expression for all – and to offer sanctuary for people fleeing violence and persecution.

Challenges

While there is much to celebrate, Brighton & Hove faces significant challenges. The national housing crisis is severely impacting the city, with 7,500 households currently on the Housing Register, including 1,800 people currently living in temporary or emergency accommodation.

We are a city of deep inequalities, with areas of significant deprivation. Out of 317 authorities, Brighton & Hove is ranked 131 most deprived authority in England (2019 IMD). 15 neighbourhoods (9%) are in the 10% most deprived lower super output areas in England.

Healthy life expectancy shows that Brighton & Hove women can expect to live 25% of their life in poor health (23% in England), while males in Brighton & Hove can expect 22% of their life to be lived in poor health (20% in England). In addition, there are

significant health inequalities across our population. For example, there is a gap in life expectancy of 10 years in men and six years in women between the most and least disadvantaged areas in the city. Local data highlights relatively good health and wellbeing in younger children. However, we have high rates of smoking, substance misuse and mental health needs in young people.

Looking Forward: Devolution and Local Government Reorganisation (LGR)

To address these challenges and build on our success, devolution and LGR present promising routes for further development. By gaining greater control over local resources and decision-making for the region. Brighton & Hove can tailor solutions to its unique needs and aspirations. This approach we believe will empower the city to enhance public services, drive economic growth, and reduce inequalities, ensuring a brighter future for all residents.

An evidence-based approach to LGR to support devolution

Our approach to options development is evidence based. We have mapped out the type of data and evidence we will need to test our proposals and assumptions including the detailed work we will undertake between now and submitting a final proposal in September.

Please see a monthly high-level programme plan outline below:

Table 1: High Level Programme Plan

| Date and Task | Summary |
|--|---|
| March/April 25 - Data Collection and Analysis | Collect financial, service performance, sociodemographic, and geographical data. Share reports with the Devolution and LGR programme board. |
| April 25 - Evaluation Criteria | Define evaluation criteria, assess reports, and develop reorganisation scenarios. |
| May 25 - Develop and Test Scenarios | Create and test multiple reorganisation scenarios using financial models and simulations. Refine scenarios based on feedback. |
| June 25 - Evaluate against Criteria | Develop scoring system, perform cost-benefit analysis, assess risks, and conduct sensitivity analysis. |
| July 25 - Review Proposal | Validate data, conduct peer reviews, and finalise submission documents. |
| August 25 - Refine Proposal | Review and refine proposals, ensure alignment with government criteria, submit for internal approval, and plan for transition. |
| September 25 - Submit Proposal | Prepare comprehensive documentation, submit final proposals to government, and prepare for implementation. |

Local Government Reorganisation Options to be considered

In relation to size and geography, for Sussex and Brighton & Hove, we feel it is important to consider:

Rural, coastal and urban needs

Rural areas face challenges such as low internet and mobile coverage, limited transport and access to services, youth migration, and an ageing population. Urban areas, on the other hand, deal with limited access to green spaces, affordable housing issues, congestion, air pollution, and other environmental and infrastructure problems. Coastal areas have tourism, low wage economies, hidden inequality and deprivation. To address these diverse needs, we need to ensure that unitary authorities reflect the unique characteristics of rural, coastal and urban areas, promoting balanced growth and improving the quality of life for all residents. We believe, and over the coming months will test our assumptions against the data and evidence and the views of our residents, stakeholders and partners, that any Sussex and Brighton MCCA must represent these different but complementary areas.

Equality of representation

The government has stated that it is supportive of places having Mayors because they have a mandate to take big decisions affecting more people, as well as the convening power to tackle shared problems, and are accountable to the local electorate for the decisions they take. It is important to ensure that new unitaries make the most of the strategic capacity and capability that the new Mayoral institution can bring, to deliver for local communities. To achieve this, we believe that it is vital that there is equal representation of areas across Sussex, both rural and urban.

Number of unitaries for Sussex

We are currently of the view that potentially creating five unitary authorities across Sussex, with Brighton and Hove on our existing footprint or growing to form one of these authorities, would ensure the different voices of Sussex are heard at the MCCA table, while ensuring the Unitary authorities are financially viable, efficient and hold local identity inclusive of rural, coastal and urban identity.

We have seen through our own services and from other smaller unitaries the benefits of big county services being delivered on smaller footprints leading to positive outcomes for residents through the interconnection of universal services with specialist areas. A five-unitary model in Sussex could broadly lead to the creation of five council areas with populations in the region of c300,000 to c400,000 (with Brighton and Hove being 280,000 if we were to remain as we are).

We remain open to options other than the five unitaries while we consider the evidence and test our assumptions. Our aim by the September deadline is to advance a single consensus proposal or a small number of alternative options for Sussex for Government to consider.

At this early stage of the process, we appreciate that other councils will submit different configurations, but we are committed to working with all neighbouring authorities to achieve consensus. There is recent precedent for this. In September 2024, the three Upper Tier authorities (UTAs) in Sussex (Brighton & Hove City Council, East Sussex County Council and West Sussex County Council) submitted expressions of interest to government on devolution, but with different views on the preferred geography. When the Government published the English Devolution White Paper and invited areas to express interest in being on the priority programme, the Leaders and CEOs of the three UTAs worked together to reach consensus on submitting a proposal for devolution for the whole of Sussex. This led to all three councils taking reports to Cabinet on 9 January setting out Mayoral devolution for Sussex as the preferred option. To support the application, officers in the policy, legal, and communications teams at all three councils worked closely together to ensure aligned stakeholder and communications plans were developed and implemented.

Since the announcement that Sussex and Brighton have been successful in our application to the priority programme, we have continued to work together and are committed to doing so going forward to ensure we achieve dual delivery of successful local government reorganisation and the implementation of devolution at the same time.

Working together to develop proposals

Our approach to both devolution and LGR is to be as open and transparent as possible. We have continued to regularly communicate with key City stakeholders and meet with our Sussex partners including all Sussex Councils. We have regularly briefed Councillors, staff and Unions. We will continue to do this over the next six months as we engage more deeply on the options we are proposing for Brighton and Hove City and Sussex on LGR.

Between 24 February and 10 March, we conducted local engagement using our engagement platform "Your Voice" engaging residents, council staff and wider stakeholders across Brighton & Hove. A total of 597 respondents took part in the survey, offering a range of views on local government reorganisation. A summary of the engagement is indicated in the table below.

Table 2: Summary of engagement feedback

| Questions | Summary Responses | | |
|--------------------------|---|--|--|
| | Respondents had mixed opinions on local government reorganisation for | | |
| | Brighton & Hove. Many opposed changes due to fears of losing local | | |
| | identity, reduced accountability, and negative impacts on services, while | | |
| What are your thoughts | others supported reorganisation for potential efficiency and financial | | |
| on local government | savings. There was interest in expanding boundaries to nearby areas but | | |
| reorganisation and how | not merging with East or West Sussex, as this could dilute Brighton's | | |
| it relates to Brighton & | progressive values. Overall, the predominant sentiment was caution and a | | |
| Hove? | desire to maintain Brighton & Hove's distinctiveness and autonomy. | | |
| | | | |

| | Responses to potential local government changes in Sussex are mixed. | |
|--------------------------|--|--|
| | Many fear that merging Brighton & Hove with other areas could dilute its | |
| | unique character, reduce tailored services, and lead to less local | |
| | accountability. Some see benefits in efficiency and cost savings through | |
| | reduced duplication and economies of scale. There is a call for more | |
| What are your thoughts | detailed information on the proposals, with concerns about job losses and | |
| on potential changes to | increased workloads for council employees. Overall, while some support | |
| local government in | reorganisation for efficiency, there is significant apprehension about losing | |
| Sussex? | local identity and representation, and a demand for more transparency. | |
| | Respondents had mixed feelings about local government reorganisation in | |
| | Sussex. Many feared job losses, reduced local accountability, and Brighton | |
| | & Hove losing its unique identity to larger areas. Concerns about increased | |
| | bureaucracy and costs were also common. On the positive side, some | |
| What impacts, if any, | anticipated improved efficiency, better service delivery, and cost savings, | |
| do you think local | with hopes for more integrated services and strategic planning. However, | |
| government | uncertainty due to a lack of detailed information was prevalent. Overall, | |
| reorganisation in | there was tension between the potential for streamlined services and the | |
| Sussex could have? | risk of losing local identity and accountability. | |
| | Most respondents believe Brighton & Hove should remain unchanged, | |
| | emphasizing its unique identity and specific needs. Many are concerned | |
| | about losing local identity and potential negative impacts on service delivery | |
| | if merged with other areas. Some are open to minor expansions to nearby | |
| | areas like Saltdean or Peacehaven. A smaller group supports combining | |
| | with other councils for shared expertise and economies of scale, but many | |
| Should Brighton & | want more information on the benefits and drawbacks before deciding. | |
| Hove stay the same or | Concerns about financial implications and maintaining quality services were | |
| be changed? | also highlighted. | |
| | Many respondents oppose combining Brighton & Hove with areas east of | |
| | the city due to different needs, identities, and concerns about transport | |
| | infrastructure and service quality. Saltdean's unification under one authority | |
| | is widely supported, and some see benefits in including Peacehaven and | |
| | Newhaven for economic reasons. There is strong sentiment for careful | |
| | consideration with local input and a clear understanding of benefits and | |
| Should Brighton & | drawbacks. Some are open to the idea if it improves services or saves costs. | |
| Hove combine with | Overall, responses reflect opposition, conditional support, and calls for more | |
| areas east of the city? | information before deciding. | |
| | Respondents are divided on combining Brighton & Hove with areas west of | |
| | the city, with many opposing the idea due to concerns about losing local | |
| | identity and distinct character. Some suggest including Shoreham-by-Sea | |
| | due to its proximity and connections, but there is less support for including | |
| Should Brighton & | Worthing. While some are open to the idea for improved services or | |
| Hove combine with | economic benefits, others feel more information is needed. Overall, there is | |
| areas west of the city? | a clear split in opinion, with many preferring to maintain current boundaries. | |
| | A significant majority of respondents oppose combining Brighton & Hove | |
| | with areas north of the city due to differing identities, demographics, and | |
| | needs. Many view the South Downs as a natural boundary, with northern | |
| | areas seen as too rural or distinct. Concerns include administrative | |
| | challenges and dilution of local identity. A minority see potential economic | |
| Should Brighton & | and infrastructure benefits, particularly with Crawley and the Gatwick | |
| Hove combine with | corridor, but even they prefer careful consideration of specific areas and | |
| areas north of the city? | potential impacts on services and community identity. | |
| | | |

Communications and Engagement Plan March – September 2025

As we develop the final proposal, we will aim to create a mutual understanding and shared vision for Brighton and Hove that aligns with the needs and aspirations of our communities.

The engagement plan below outlines how we'll work with communities and stakeholders to prepare a formal proposal to government as part of Sussex-wide plans for local government reorganisation.

| Participants | How we will engage | Methods of communication |
|--|---|--|
| Councillors in Brighton & Hove | Regular updates, briefings and focus groups to ensure alignment with council priorities, using their local knowledge to involve less heard from residents and businesses. | Briefing sessions One-on-one meetings Council committees Email updates |
| Council Staff | Internal engagement with staff and Trade Union colleagues to ensure awareness and implementation of initiatives. | Staff newsletters Internal workshops Intranet updates CLT supporting in-person meetings Printed materials Frontline service newsletter Online meetings with Senior Leadership and Administration |
| Sussex Council Leaders, CEOs, and MPs | Collaborative working to build strong partnerships and develop shared goals for Sussex-wide policies. | Leadership forums Joint strategy meetings Formal email correspondence |
| Wider Stakeholders and Partners | High-level engagement to align regional priorities and influence decision-making through partnership forums and round table discussions. | Stakeholder forums Networking events Partnership meetings Online consultations Formal email correspondence |
| Communities (Residents, Businesses, and Interest Groups) | Transparent, accessible and proactive engagement to encourage participation and collaboration including roadshows, themed focus groups and digital channels. | Public meetings and consultations Social media and online platforms Surveys and feedback forms Council website updates Media press releases Community events |

Conclusion

Brighton and Hove City is unique, with distinct strengths and challenges. As we consider local government reorganisation (LGR) within Sussex, it is crucial to address the diverse needs of rural, coastal, and urban areas, ensuring equality of representation and an appropriate number of unitary authorities. Our approach will be evidence-based, developing and testing scenarios for LGR, including the potential creation of five unitary authorities.

Our initial findings from local consultations have been shared, and these will be reviewed alongside our data and evidence. We have outlined how we will continue to develop our proposals, maintaining a comprehensive communications and engagement plan that involves various stakeholders, both internal and external.

In the coming months, we will further refine and test our proposals, with the aim of creating an inclusive, efficient, and representative governance structure that meets the needs of all residents in Brighton and Hove and the region of Sussex. We are committed to ensuring that our approach is thorough and inclusive.



7 May 2025

LOCAL GOVERNMENT REORGANISATION INTERIM PLAN FEEDBACK: EAST SUSSEX AND BRIGHTON

To the Chief Executives of:

East Sussex County Council
Eastbourne Borough Council
Hastings Borough Council
Lewes District Council
Rother District Council
Wealden District Council
Brighton and Hove City Council

Overview:

Thank you for submitting your interim plans. The amount of work from all councils is clear to see across the range of options being considered. For the final proposals, each council can submit a single proposal for which there must be a clear single option and geography and as set out in the guidance, we expect this to be for the area as a whole; that is, the whole of the area to which the 5 February invitation was issued.

Our aim for the feedback on interim plans is to support areas to develop final proposals. This stage is not a decision-making point, and our feedback does not seek to approve or reject any option being considered.

The feedback provided relates to the following interim plans submitted by East Sussex and Brighton and Hove councils:

- the East Sussex Reorganisation Interim Plan from the County and Districts, which includes the responses sent by East Sussex County Council, Eastbourne Borough Council, Lewes District Council, Rother District Council, and Wealden District Council
- the letter submitted by Hastings Borough Council
- the Brighton and Hove City Council Interim Plan

We have provided feedback on behalf of central government. It takes the form of:

- 1. A summary of the main feedback points;
- 2. Our response to the specific barriers and challenges raised in your plans; and
- 3. An annex with more detailed feedback against each of the interim plan asks.

We reference the guidance criteria included in the invitation letter throughout, a copy of which can be found at <u>Letter: East Sussex and Brighton – GOV.UK.</u> Our central message is to build on your initial work and ensure that the final proposal(s) address the criteria and are supported by data and evidence. We recommend that final proposal(s) should use the same assumptions and data sets or be clear where and why there is a difference.

We welcome the work that has been undertaken across proposals to develop local government reorganisation plans for East Sussex and Brighton and Hove. This feedback does not seek to approve or reject any option or proposal, but provide some feedback designed to assist in the development of final proposals. We will assess final proposals against the guidance criteria provided in the invitation letter and have tailored this feedback to identify where additional information may be helpful in enabling that assessment. Please note that this feedback is not exhaustive and should not preclude the inclusion of additional materials or evidence in the final proposals. In addition, your named MHCLG area lead, Chris Lowry, will be able to provide support and help address any further questions or queries.

We note the overlaps with West Sussex in the Brighton and Hove interim plan, and the need for all final proposals to consider the implications of any model of unitary local government for the proposed Sussex and Brighton Mayoral Strategic Authority (MSA). We are providing written feedback to each invitation area individually, but we will be led by you on how verbal feedback is best delivered and who is most appropriate to attend a feedback meeting.

Summary of Feedback:

We have summarised the key elements of the feedback below, with further detail provided in Annex A.

1. The criteria ask that a proposal should seek to achieve for the whole area concerned the establishment of a single tier of local government (see criterion 1).

We note that the proposals submitted cover varying geographies and that you have sought clarity over the footprint that proposals should cover. Any proposals that cover the East Sussex county footprint should have regard to the implications for Brighton and Hove as per the guidance in the invitation letter. Likewise, any proposals that have implications for West Sussex, should consider the implications for the area covered by those proposals.

- 2. In some of the options you are considering populations that would be below 500,000. As set out in the Statutory Invitation guidance and in the English Devolution White Paper, we outlined a population size of 500,000 or more. This is a guiding principle, not a hard target we understand that there should be flexibility, especially given our ambition to build out devolution and take account of housing growth, alongside local government reorganisation. All proposals, whether they are at the guided level, above it, or below it, should set out the rationale for the proposed approach clearly.
- 3. The criteria ask that consideration should be given to the impacts for crucial services such as social care, children's services, SEND and homelessness, and for wider public services including for public safety (see criterion 3). For any options where there is disaggregation, further detail will be helpful on how the different options might impact on these services and how risks can be mitigated.
- 4. We welcome steps taken to come together to prepare proposals as per criterion 4:
 - a. Effective collaboration between all councils across the invitation area and wider proposed Sussex and Brighton MSA will be crucial; we would encourage you to continue to build strong relationships and agree ways of working, including around effective data sharing. This will support the development of a robust shared evidence base to underpin final proposals.
 - b. It would be helpful if final proposal(s) use the same assumptions and data sets.
 - c. It would be helpful if your final proposal(s) set out how the data and evidence supports all the outcomes you have included, and how well they meet the assessment criteria in the invitation letter.
 - d. You may wish to consider an options appraisal that will help demonstrate why your proposed approach in the round best meets the assessment criteria in the invitation letter compared to any alternatives.
- 5. Further detail would be welcome in all plans on how the proposed new structures would support arrangements for the proposed Sussex and Brighton MSA (as per criterion 5), and how benefits of mayoral devolution will be achieved for local communities. In this regard it will be helpful for proposals to have regard to the model of unitary government that is proposed across the whole Sussex and Brighton area.

Response to specific barriers and challenges raised

Please see below our response to the specific barriers and challenges that were raised in your interim plans:

1. Capacity Funding Support

You asked about capacity funding associated with local government reorganisation. £7.6 million will be made available in the form of local government reorganisation proposal development contributions, to be split across the 21 areas. Further information will be provided on this funding shortly.

In terms of transitional costs, we note the estimate of the transition costs outlined in the East Sussex County and Districts' interim plan, and your experience of merging the back-office functions of Lewes District Council and Eastbourne Borough Council. As per the invitation letter, we expect that areas will be able to meet transition costs over time from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects. We also note your points around the financial pressures councils are facing. It would be helpful if detail on the councils' financial positions and further modelling could be set out in detail in the final proposal(s).

2. Application of the criteria, including population criterion

You asked for clarity on the application of the criteria for local government reorganisation, particularly around the 500,000 population size. As set out in the Statutory Invitation guidance and in the English Devolution White Paper, we outlined a population size of 500,000 or more. This is a guiding principle, not a hard target – we understand that there should be flexibility, especially given our ambition to build out devolution and take account of housing growth, alongside local government reorganisation. All proposals, whether they are at the guided level, above it, or below it, should set out the rationale for the proposed approach clearly.

3. Speed of decision making

You noted the importance of timely feedback and decision making to support local government reorganisation work to move at pace. This is our feedback on your interim plans to support you to develop the final proposal(s). Chris Lowry has been appointed as your MHCLG point person and will be ready to engage with the whole area, to support this work to continue at pace.

4. Joined up discussions with other Government departments and across MHCLG

You noted the importance of joined up communication with other government departments as well as MHCLG. Chris Lowry has been appointed as your MHCLG point person and will be ready to engage with the whole area and able to support your engagement with government.

5. Temporary protection from any negative impacts of the Government's proposed funding reforms

You asked for further information on local government finance reforms. Government recently consulted on finance reforms and confirmed that some transitional protections will be in place to support areas to their new allocations.

Further details on finance reform proposals and transition measures will be consulted on after the Spending Review in June.

We will not be able to provide further clarification on future allocations in the meantime but are open to discussing assumptions further if we can assist in financial planning.

6. Geography for final proposals

You asked about whether proposals should be submitted for the invitation area only, or for the whole proposed Sussex and Brighton MSA.

As per criterion 1, proposals should seek to achieve for the whole of the invitation area the establishment of a single tier of local government.

Where any proposal contains a preferred option for a single tier of local government across the whole of the proposed Sussex and Brighton MSA area, such as the option for five unitary councils across Sussex put forward by Brighton and Hove, it is recommended that the impacts for both invitation areas are set out. We would recommend for all local government reorganisation proposals collaboration and data sharing with partners across the proposed Sussex and Brighton MSA area, to work towards proposals that will enable a sensible solution for both areas in the context of the proposed MSA.

We recommend that final proposal(s) use the same assumptions and data sets for any options to enable effective comparisons, explaining where and why there are differences.

Where aspects of the proposal(s) have impacts on neighbouring invitation areas i.e. any expansion of Brighton and Hove into West Sussex, it is recommended that these impacts are considered and set out.

As the Invitation sets out, boundary changes are possible, but that "existing district areas should be considered the building blocks for proposals, but where there is a strong justification more complex boundary changes will be considered."

OFFICIAL

The final proposal must specify the area for any new unitary council(s). If a boundary change is part of your final proposal, then you should be clear on the boundary proposed, which could be identified by a parish or ward boundary, or if creating new boundaries by attaching a map.

Proposals should be developed having regard to the statutory guidance which sets out the criteria against which proposals will be assessed (including that listed above).

If a decision is taken to implement a proposal, boundary change can be achieved alongside structural change. Alternatively, you could make a proposal for unitary local government using existing district building blocks and consider requesting a Principal Area Boundary Review (PABR) later. Such reviews have been used for minor amendments to a boundary where both councils have requested a review – such as the recent Sheffield/Barnsley boundary adjustment for a new housing estate. PABRs are the responsibility of the Local Government Boundary Commission for England who will consider such requests on a case-by-case.

ANNEX A: Detailed feedback on asks for interim plan

Ask – Interim Plan

Identify the likely options for the size and boundaries of new councils that will offer the best structures for delivery of high-quality and sustainable public services across the area, along with indicative efficiency saving opportunities.

Relevant criteria:

1 c) Proposals should be supported by robust evidence and analysis and include an explanation of the outcomes it is expected to achieve, including evidence of estimated costs/benefits and local engagement.

&

2 a-f) Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.

& 3 a-c) Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens

Feedback

We welcome the initial thinking on the options for local government reorganisation in East Sussex and Brighton and Hove and recognise that this is subject to further work. We note the local context and challenges outlined in the proposals and the potential benefits that have been identified for the options put forward. Your plans set out your intention to undertake further analysis, and this further detail and evidence, on the outcomes that are expected to be achieved of any preferred model, would be welcomed.

You may wish to consider an options appraisal against the criteria set out in the letter to provide a rationale for the preferred model against alternatives.

For the final proposal(s), each council can submit a single proposal for which there must be a clear single option and geography and, as set out in the guidance, we expect this to be for the area as a whole; that is, the whole of the area to which the 5 February invitation was issued.

Where there are proposed boundary changes, the proposal should provide strong public services and financial sustainability related justification for the change.

Where a proposal is put forward for the whole of the Sussex and Brighton MSA area, implications for the whole area should be considered and set out.

Proposals should be for a sensible geography which will help to increase housing supply and meet local needs, including future housing growth plans. All proposals should set out the rationale for the proposed approach.

Given the financial pressures you identify it would be helpful to understand how efficiency savings have been considered alongside a sense of place and local identity.

We recognise that the options outlined in the interim plans are subject to further development. In final

proposal(s) it would be helpful to include a high-level financial assessment which covers transition costs and overall forecast operating costs of the new unitary councils.

We will assess final proposals against the criteria in the invitation letter. Referencing criteria 1 and 2, you may wish to consider the following bullets:

- high-level breakdowns, for where any efficiency savings will be made, with clarity of assumptions on how estimates have been reached and the data sources used, including differences in assumptions between proposals
- information on the counterfactual against which efficiency savings are estimated, with values provided for current levels of spending
- a clear statement of what assumptions have been made and if the impacts of inflation are taken into account
- a summary covering sources of uncertainty or risks, with modelling, as well as predicted magnitude and impact of any unquantifiable costs or benefits
- where possible quantified impacts on service provision, as well as wider impacts

We recognise that financial assessments are subject to further work and note the financial pressures outlined in the interim plans. The bullets below indicate where information would be helpful across all options. As per criteria 1 and 2, it would be helpful to see:

- data and evidence to set out how your final proposal(s) would enable financially viable councils across the whole area, including identifying which option best delivers value for money for council taxpayers
- further detail on potential finances of new unitaries, for example, funding, operational budgets, potential budget surpluses/shortfalls, total borrowing (General Fund), and debt servicing costs (interest and MRP); and what options may be available for rationalisation of potentially saleable assets
- clarity on the underlying assumptions underpinning any modelling e.g. assumptions of future funding, demographic growth and pressures, interest costs, Council Tax, savings earmarked in existing councils' MTFS

- financial sustainability both through the period to the creation of new unitary councils as well as afterwards
- as criterion 2e states and recognising that Eastbourne Borough Council has received Exceptional Financial Support, proposals must additionally demonstrate how reorganisation may contribute to putting local government in the area as a whole on a more sustainable footing, and any assumptions around what arrangements may be necessary to make new structures viable

We note that the joint county and districts' plan for a single unitary council avoids fragmentation of services currently delivered county-wide. For proposals that would involve disaggregation of services, we would welcome further details on how services can be maintained where there is fragmentation, such as social care, children's services, SEND, homelessness, and for wider public services including for public safety. Under criterion 3c you may wish to consider:

- how each option would deliver high-quality and sustainable public services or efficiency saving opportunities
- what are the potential impacts of disaggregating services?
- what would the different options mean for local services provision, for example:
 - do different options have a different impact on SEND services and distribution of funding and sufficiency planning to ensure children can access appropriate support, and how will services be maintained?
 - what is the impact on adults and children's care services? Is there a differential impact on the number of care users and infrastructure to support them from the different options?
 - what partnership options have you considered for joint working across the new unitaries for the delivery of social care services?
 - do different options have variable impacts as you transition to the new unitaries, and how will risks to safeguarding be managed?
 - do different options have variable impacts on schools, support and funding

9

OFFICIAL

- allocation, and sufficiency of places, and how will impacts on schools be managed?
- what are the implications for public health, including consideration of sociodemographic challenges and health inequalities within any new boundaries and their implications for current and future health service needs? What are the implications for how residents access services and service delivery for populations most at risk?

We would encourage you to provide further details on how your proposals would maximise opportunities for public service reform, so that we can explore how best to support your efforts.

Include indicative costs and arrangements in relation to any options including planning for future service transformation opportunities.

We note the estimate of transition costs, and initial thinking on service transformation and back-office efficiencies in the joint county and districts' plan and would welcome further clarity in all final proposals on the assumptions and data used to calculate transition costs and efficiencies (see criterion 2d).

Relevant criteria:

2d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.

As per criterion 2, the final proposal(s) should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.

- within this it would be helpful to provide more detailed analysis on expected transition and/or disaggregation costs and potential efficiencies of proposals. This could include clarity on methodology, assumptions, data used, what year these may apply and why these are appropriate
- detail on the potential service transformation opportunities and invest-to-save projects from unitarisation across a range of services e.g. consolidation of waste collection and disposal services, and will different options provide different opportunities for back-office efficiency savings?
- where it has not been possible to monetise or quantify impacts, you may wish to provide an estimated magnitude and likelihood of impact

- summarise any sources of risks, uncertainty and key dependencies related to the modelling and analysis
- detail on the estimated financial sustainability of proposed reorganisation and how debt could be managed locally

We note the financial pressures that councils are facing, as outlined in the joint county and districts' plan. It would be helpful if detail on the councils' financial positions and further modelling is set out in detail in the final proposal(s).

We note that there are some existing shared services across the county footprint as set out in the joint county and districts' plan. It would be helpful if final proposals set out the impact on these services, such as, the transitional costs, any further reform opportunities or disaggregation costs, and to include how information has been calculated including data sources used, and how they differ between each option.

Include early views as to the councillor numbers that will ensure both effective democratic representation for all parts of the area, and also effective governance and decision-making arrangements which will balance the unique needs of your cities, towns, rural and coastal areas, in line with the Local Government Boundary Commission for England guidance.

We welcome the assessment in the joint county and districts' plan that has been started on the options for councillor numbers.

New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.

Additional details on how the community will be engaged, specifically how the governance, participation and local voice will be addressed to strengthen local engagement, and democratic decision-making, would be helpful.

In final proposal(s) we would welcome detail on your plans for neighbourhood-based governance, the impact on parish councils, and thoughts about formal neighbourhood partnerships and area committees.

Relevant criteria:

6) New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.

Further detail would be welcome in all plans on how the proposed new structures would support

Include early views on how new structures will support devolution ambitions. Relevant Criteria: 5a-c) New unitary structures must support devolution arrangements. arrangements for the proposed Sussex and Brighton MSA.

We would recommend collaboration and data sharing with partners across the proposed Sussex and Brighton MSA area, to work towards local government reorganisation proposals that will enable a sensible solution for both areas in the context of the proposed MSA.

Across all proposals, looking towards a potential future MSA, it would be beneficial to provide an assessment that outlines if there are benefits and disadvantages in how each option would interact with an MSA and best benefit the local community, including meeting devolution statutory tests.

More detail would be welcome on the implications of the various local government reorganisation options for the timelines and management of devolution across the Sussex and Brighton area. While we cannot pre-judge devolution decisions, we are happy to discuss further any eventual transition period as the new unitary authorities and potential MSA are established.

We would welcome continued engagement with the Police and Crime Commissioner, Members of Parliament and wider local stakeholders as you continue to develop your proposal(s)

An MSA is the same as a Mayoral Combined Authority or Mayoral Combined County Authority

Include a summary of local engagement that has been undertaken and any views expressed, along with your further plans for wide local engagement to help shape your developing proposals.

Relevant criteria:
6a-b) new unitary
structures should enable
stronger community
engagement and deliver
genuine opportunity for
neighbourhood
empowerment.

We welcome your interim updates against criterion 6, and the engagement undertaken so far and your plans for the future. We also welcome the consideration of culture, identity and history in all of the plans submitted. It is for you to decide how best to engage locally in a meaningful and constructive way with residents, the voluntary sector, Neighbourhood Boards, local community groups and councils, public sector providers such as health, police and fire, and local businesses to inform your proposal.

For proposals that involve disaggregation of services, you may wish to engage in particular, with those residents who may be affected. It would be helpful to see detail that demonstrates how local ideas and views have been incorporated into the final proposal(s).

12

OFFICIAL

OFFICIAL

Set out indicative costs of preparing proposals and standing up an implementation team as well as any arrangements proposed to coordinate potential capacity funding across the area.

Relevant criteria:
Linked to 2d) Proposals
should set out how an
area will seek to manage
transition costs, including
planning for future service
transformation
opportunities from existing
budgets, including from
the flexible use of capital
receipts that can support
authorities in taking
forward transformation and
invest-to-save projects.

We recognise that work is ongoing to consider the costs of preparing proposals and standing up an implementation team.

We would welcome further detail in your final proposal(s) over the level of cost and the extent to which the costs are for delivery of the unitary structures or for transformation activity that delivers benefits.

£7.6 million will be made available in the form of local government reorganisation proposal development contributions, to be split across the 21 areas. Further information will be provided on this funding shortly.

Set out any voluntary arrangements that have been agreed to keep all councils involved in discussions as this work moves forward and to help balance the decisions needed now to maintain service delivery and ensure value for money for council taxpayers, with those key decisions that will affect the future success of any new councils in the area.

Relevant criteria: 4 a-c) Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views. We welcome the steps taken to facilitate joint working across the area.

Effective collaboration between all councils in the invitation area, and the proposed MSA area will be crucial; areas will need to build strong relationships and agree ways of working, including around effective data sharing.

This will enable you to develop a robust shared evidence base to underpin final proposals (see criterion 1c). We recommend that final proposals should use the same assumptions and data sets or be clear where and why there is a difference.

We would expect the final proposal(s) to have regard to the implications for the whole invitation area, proposed MSA area and/or neighbouring invitation areas where proposal(s) overlap.