

Brighton & Hove City Council

Cabinet

Agenda Item 172

Subject: Devolution and Local Government Reorganisation

Date of meeting: Thursday 20 March 2025

Report of: Leader of the Council

Lead Officer: Director Governance & Law

Contact Officer: Head of Cabinet Office

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

Ward(s) affected: (All Wards);

Key Decision: Yes

Reason(s) Key: Is significant in terms of its effects on communities living or working in an area comprising two or more electoral divisions (wards).

For general release

1. Purpose of the report and policy context

- 1.1 This report sets out the proposed responses from Brighton & Hove City Council to the Government consultation on devolution, which is due to close on 13 April. 2025. The report also sets out the proposed initial submission to Government on local government reorganisation, which is required to be submitted by 21st March 2025.
- 1.2 The Government has set out its strategy for driving economic growth, improving living standards and enhancing public services in its Devolution White Paper and 'Plan for Change'. Both devolution and local government reorganisation provide opportunities to support the Councils' ambition for 'A Better Brighton & Hove for All' through the re-distribution of power from central to local government and the provision of an integrated financial settlement to fund local priorities.

2. Recommendations

That Cabinet:

- 2.1 Agrees to submit the response to the Government's devolution consultation for Sussex & Brighton as attached at Appendix 1.
- 2.2 Agrees to submit the response to the statutory invitation letter on local government reorganisation outlining Brighton & Hove's interim plan as attached at Appendix 2.

- 2.3 Delegates authority to the Chief Executive, following consultation with the Leader, to make formatting, typographical or factual changes to ensure accuracy to the documents referred to at 2.1 and 2.2 prior to final submission.
- 2.4 Notes a further report will come to Cabinet prior to submission of the Council's final proposal on local government reorganisation in September 2025.

3. Context and background information

- 3.1 In July 2024, Deputy Prime Minister, Rt Hon Angela Rayner MP, wrote to the Leaders of all Upper Tier Authorities across England and invited any interested areas to submit an Expression of Interest (EOI) in devolution by 30 September 2024 (Appendix 4).
- 3.2 Following initial discussions with neighbouring authorities and other stakeholders, Brighton & Hove City Council submitted an EOI for devolution on an initial preferred geography of pan-Sussex, to include Brighton & Hove, East Sussex and West Sussex (Appendix 5).
- 3.3 On 16 December, the Government published its Devolution White Paper requiring all local authority areas in geographies made up of two-tier authorities and neighbouring unitaries to collaborate to create Mayoral Combined County Authorities at a preferred population level of at least 1.5 million people.
- 3.4 For the most ambitious places, keen to move forward with devolution, the Government invited areas to express interest in joining the Devolution Priority Programme. The Priority Programme offers the support of Government to establish Mayoral Combined County Authorities by May 2026 and new Unitary Authorities by April 2028, with elections to Shadow Unitary Authorities to take place in May 2027.
- 3.5 Brighton & Hove City Council, in collaboration with East Sussex and West Sussex County Council, submitted an application to be part of the Devolution Priority Programme on 10 January 2025.
- 3.6 On the 5 February the Government announced the 6 areas accepted onto the Devolution Priority Programme. Sussex & Brighton were confirmed as one of the successful applicants.

Proposed Devolution Consultation Response

- 3.7 The Council's proposed response to the Government's devolution consultation is set out at Appendix 1. The response sets out our high level views on how devolution will benefit Brighton & Hove and deliver on the priorities of economic growth, environmental benefits and improving social outcomes. It also includes our response on the proposed governance structures and representation on the MCCA.

- 3.8 Our response makes clear that the Council believes it is critical that local government reorganisation and devolution go hand in hand, so that Brighton & Hove's unique identity is protected and that governance structures support the needs of our diverse communities and reflect local identities.

Local Government Reorganisation Response

- 3.8 Unitary councils have been highlighted in the Devolution White Paper as leading to better outcomes for residents, saving significant finances and improving accountability by delivering a comprehensive range of services. As an existing Unitary Authority, Brighton & Hove is already a single tier authority providing all local government functions to its residents. Whilst the Government has indicated that new Unitary Authorities must be of a size to achieve efficiencies and improve capacity, the indication from Government is that there is flexibility around this, in particular for existing Unitary Authorities with established identities and geographies.
- 3.9 The Council's proposed interim plan is set out at Appendix 2. The interim plan sets out Brighton & Hove's support for local government reform to create unitary authorities where currently two-tier authorities exist. It highlights our unique position as the only existing unitary authority in Sussex. The interim plan includes our intention 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 reorganisation on the priorities for our City and the wider Sussex area, including financial sustainability, service delivery and equality.
- 3.10 The interim plan includes a summary of the initial engagement exercise. At this early stage of the process, no lines are drawn on a map and the interim response sets out clearly that Brighton & Hove City Council remains open to options in relation to population size for the new Unitaries. An indication is given that the current view is that creating five unitary authorities across Sussex, with Brighton and Hove on its existing footprint, or growing to form one of these authorities, would ensure the different voices of Sussex are heard, while ensuring the Unitary authorities are financially viable and retain local identity.
- 3.11 The interim plan proposes the next steps for collaboration, data collection and analysis and future engagement to support the preparation of final proposals by September 2025.

4. Analysis and consideration of alternative options

- 4.1 The White Paper is clear that the Government intends that all of England be devolved by default and is committed to ending the deals-based approach. The Government will also legislate for a ministerial directive to enable it to directly create Strategic Authorities in any places where local leaders in that region have not been able to agree how to access devolved powers. Having submitted a successful expression of interest to join the Devolution Priority Programme, the Council is committed to work collaboratively with

neighbouring authorities to progress devolution and the creation of a Mayoral Combined County Authority.

- 4.2 As an existing unitary authority, Brighton & Hove City Council is not required to restructure. However, local government re-organisation presents an opportunity to consider options for reform to ensure that Brighton & Hove residents and businesses are best served. Not responding to the invitation from government would preclude the Council from fully exploring these options and from having a say in what governance structures would be best for Sussex in the context of devolution.

5. Community engagement and consultation

- 5.1 On 17 February 2025, the Government launched its public consultation on devolution in areas on the priority programme, including Sussex & Brighton. Brighton & Hove City Council is a respondent to that consultation. The deadline for all responses is 13 April 2025.
- 5.2 At the request of Government and to ensure our residents and stakeholders have the opportunity to respond to the consultation, the Council has proactively promoted and shared the consultation link on the Council website, on social media channels, in all Councillor briefings, by email to key partners and stakeholders, on the Wave internal staff site and through newsletters to our communities.
- 5.3 The Council made a commitment to our residents to remain open and transparent about devolution and local government reorganisation. An initial engagement exercise on local government reorganisation, utilising our engagement platform Your Voice, has been undertaken. This engagement has been promoted through internal and external communications channels, and we have encouraged participation from residents, council staff, trade unions, public sector partners, businesses and wider stakeholders across Brighton & Hove.
- 5.4 A total of 597 respondents took part in the survey, offering a range of views on local government reorganisation. A full summary report of our Your Voice LGR engagement can be found at Appendix 3.

6. Financial implications

- 6.1 The high-level programme plan set out in appendix 2 covers the activity between now and September 2025. This plan will require additional short-term internal staffing resources and external consultancy support and the financial planning assumption is this will require between £0.200m and £0.300m.
- 6.2 The Government has said that areas on the Devolution Priority Programme will receive capacity funding to deliver; the level of funding has yet to be announced and therefore there is a risk that additional costs incurred by this council will not be fully covered. The council will reflect any financial

implications of this initial stage within the Targeted Budget Management process during 2025/26.

Name of finance officer consulted: Craig Garoghan Date consulted: 05/03/25

7. Legal implications

- 7.1 The Devolution White Paper sets out the proposals for a Devolution Bill which will confer all the powers and functions in the Devolution Framework to the Mayoral Combined County Authority once it is established.
- 7.2 The Mayoral Combined County Authority would receive devolved funding from central government, including relating to the following policies:
- Housing and regeneration
 - Local growth
 - Adult skills (except apprenticeships)
 - Local transport
- 7.3 In addition, the devolution consultation document indicates that the Mayoral Combined County Authority would receive a 30-year 'Investment Fund' from central government and that the amount of this fund would be confirmed at the government's Spending Review in June 2025.
- 7.4 The necessary powers are already in force to enable local government re-organisation to proceed under existing legislation (the Local Government and Public Involvement in Health Act 2007).

Name of lawyer consulted: Elizabeth Culbert Date consulted: 04/03/25

8. Risk implications

- 8.1 A key risk related to the report is ensuring sufficient support for the devolution and local government reorganisation programmes to enable this work to be undertaken within the required timescales whilst maintaining service delivery.
- 8.2 Government has indicated that support will be available to support Councils through these processes and that the details will be shared with Councils shortly.
- 8.3 A BHCC Programme Board has been established with representatives from relevant service areas and this Board will oversee delivery of the projects and will commission additional support where this is required.

9. Equalities implications

- 9.1 An Equalities Impact Assessment will be developed against the different elements of devolution and local government re-organisation proposals and will inform the final local government re-organisation proposal in September.

10. Sustainability implications

- 10.1 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. Powers will include local nature recovery strategies, property retrofit and heat network zoning.
- 10.2 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.

11. Health and Wellbeing Implications

- 11.1 The Mayoral Combined County Authority will have a duty to improve health and to reduce health inequalities. The White Paper expects that Mayors, or their appointees, will sit on the board of, or Chair, their area's Integrated Care Partnership. Mayors and Strategic Authorities will support partners in driving public service reform and the new devolution framework will set clearer expectations for Mayors' roles in local health systems and in improving population health.
- 11.2 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.

Other Implications

12. Crime & disorder implications

- 12.1 The Devolution White Paper sets out the Government's intention that where the geographies of the Mayoral Combined County Authority align with Police and Crime Commissioner and Fire and Rescue Authorities, Mayors will, by default, be responsible for those services.

13. Conclusion

- 13.1 Devolution and local government reorganisation presents an opportunity to drive significant economic and social benefits. The Sussex region stands to gain enhanced powers, financial resources, greater strategic control and improved infrastructure, as well as the ability to deliver more responsive public services helping Brighton and Hove to address some of our critical challenges. We believe it is critical that local government reorganisation and devolution go hand in hand, so that our unique identity is protected and that governance structures support the needs of our diverse communities and reflect local identities. This is vital to ensuring that the government's aim of bringing power closer to people.

Supporting Documentation

Appendices

1. BHCC response to Devolution consultation led by Government for submission by 13th April 2025.
2. BHCC response to the statutory invitation letter on local government re-organisation outlining Brighton & Hove's interim plan for submission on 21st March 2025.
3. Summary report of our Your Voice LGR engagement
4. Letter inviting expressions of interest on devolution September 2024
5. Sussex & Brighton expression of interest

