

Brighton & Hove City Council

Cabinet

Agenda Item 37

Subject: Local Government Reorganisation

Date of meeting: 25 September 2025

(Special Full Council: 24 September 2025)
(Place Overview & Scrutiny: 22 September 2025)

Report of: Leader of the Council

Lead Officer: Name: Chief Executive

Contact Officer: Name: Elizabeth Culbert

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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

- 1.1 This report presents Brighton & Hove City Council's Local Government Reorganisation proposal for Sussex and seeks Member approval for submission to the Ministry of Housing, Communities and Local Government by 26 September 2025, in line with the nationally set timetable.
- 1.2 The report builds on earlier consideration of Local Government Reorganisation by the Council, including: Cabinet on 20 March 2025; and Overview and Scrutiny on 5 June 2025 Special Place Overview and Scrutiny on 31 July 2025
- 1.3 This report is being considered by Overview & Scrutiny on 22 September 2025 to allow Members to test the evidence, challenge assumptions and make recommendations. A Special Council will also consider this report on 24 September 2025.
- 1.4 The submission comprises two parts. The first is a statutory Base Proposal framed on whole principal authority boundaries in accordance with the Local Government and Public Involvement in Health Act 2007. The second is a request for ministerial modification to consult on a refined five-unitary model across Sussex, with each council serving approximately 300,000 to 400,000 residents. This approach ensures statutory compliance while also presenting what in the Council's judgement best meets the Government's six published criteria for local government reorganisation.

2. Recommendations

That Cabinet

- 2.1 Agrees the Final Proposal: 'Representative Councils for a Devolved Sussex: A Five Unitary Proposal' as set out at Appendix 1 and approves its submission to the Secretary of State for Housing, Communities and Local Government by 26 September 2025.
- 2.2 Delegates authority to the Chief Executive, in consultation with the Leader of the Council, to make any final adjustments to the Final Proposal before the deadline for submission.

3. Context and Background Information

- 3.1 In February 2025 the Secretary of State for Housing, Communities and Local Government invited principal authorities in East Sussex including Brighton and Hove and in West Sussex to bring forward proposals for Local Government Reorganisation. The invitation requires proposals to be submitted by 26 September 2025.
- 3.2 The invitation confirmed that proposals should be framed from whole district and borough boundaries wherever possible. It also stated that authorities may request refined boundaries where there is strong justification in terms of geography, services or identity.
- 3.3 The purpose of the invitation is to create a clear map of single-tier councils to replace the current county and district arrangements. Government has linked this to its wider policy on devolution and Mayoral Combined Authorities but the two processes are legally distinct. Local Government Reorganisation is about the structure of local councils. Devolution is about the transfer of additional powers to a directly elected Mayor and Combined Authority. A coherent unitary map may support devolution but the decisions are separate.
- 3.4 The Council submitted an interim response in March 2025 describing the unique character of Brighton and Hove, early engagement feedback and the options to be explored. East Sussex and West Sussex also submitted interim responses.
- 3.5 In June 2025 Government published feedback on the interim responses. This did not approve or reject options. It asked all areas to:
 - use common datasets and assumptions
 - present evidence clearly against the six criteria
 - format proposals so that residents and partners can compare options on a like-for-like basis
 - confirm that base proposals used whole districts as building blocks, with any refined boundaries presented as requests for ministerial modification
 - where proposals spanned both invitation areas, set out the implications for East and West Sussex together

- 3.6 The Final Proposal is entitled 'Representative Councils for a Devolved Sussex: A Five Unitary Proposal' and is set out at Appendix 1. The Proposal has two parts:
1. A statutory Base Proposal, framed on whole district boundaries as the initial basis in accordance with the 2007 Act. This fulfils the Council's legal duty to provide a compliant proposal.
 2. A request for ministerial modification, asking Government to consult on a refined five-unitary model for Sussex.
- 3.7 The Base Proposal ensures statutory compliance. The requested modification presents the option that in the Council's judgement better meets the Government's tests.
- 3.8 Government has set six criteria which it will use to assess all proposals. They are:
- A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.
 - Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.
 - Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.
 - 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.
 - New unitary structures must support devolution arrangements.
 - New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.
- 3.9 It is for Government to decide which proposals meet these criteria. Only those judged viable will be taken forward to statutory consultation later this year. If Ministers decide to proceed, change would be implemented through a Structural Changes Order. This would provide for vesting, transfer schemes for property, rights and liabilities, staffing and pensions, and interim electoral arrangements pending a full review by the Local Government Boundary Commission for England. Day-one continuity of services would be the guiding principle.

4. Analysis and Consideration of Alternative Options

- 4.1 This section sets out the options that have been considered, the statutory requirement to provide a Base Proposal, and the reasons why Cabinet is asked to agree a request for ministerial modification to a refined five-unitary model. It provides Cabinet with a transparent record of the appraisal process.
- 4.2 Under the Local Government and Public Involvement in Health Act 2007 the Council must submit a proposal framed on whole principal authority boundaries. This Base Proposal is a legal requirement. Without it the submission would be invalid. The Base Proposal is set out in Section 4,

Appendix 1 and creates five unitary councils based on existing district and borough boundaries. While compliant, it produces units of uneven size and does not always reflect how residents use services across boundaries.

- 4.3 The Council assessed alternatives using a Sussex-wide evidence base drawn from published datasets. The same assumptions were applied to all options. Options were reviewed against the six Government criteria and with reference to functional geographies, service footprints and population scale. Non-statutory engagement findings within Brighton and Hove's remit informed which alternatives were taken forward.
- 4.4 In developing the submission, three main structural configurations were assessed. Each has advantages and disadvantages when considered against the Government's criteria.
- 4.5 Three unitary councils: This option would be simpler to deliver in the short term and would reduce the number of organisations, creating opportunities for economies of scale. It would however create very large variations in population size. One or two councils would be very large and potentially remote from residents, while others would be relatively small and financially fragile. Councils of this scale would need compensatory governance arrangements to maintain a local connection, which runs against the intention to strengthen neighbourhood and resident led working. Overall, the pattern of resilience and collaboration across Sussex would be uneven.
- 4.6 Four unitary councils: A four council model would be easier to deliver than five and would allow stronger pooling of resources at the outset. It would still produce councils of uneven size, leaving larger units at risk of feeling distant and less recognisable to residents. Over time the structure would remain less balanced and the sense of local identity and accountability would be weaker than under other options.
- 4.7 Five unitary councils: A five council map, modified in accordance with the Final Proposal, would place all authorities within a broad population band of approximately 300,000 to 400,000 residents. This avoids extremes of size, reduces the risk of fragility or remoteness, and provides a fairer basis for collaboration. It aligns more closely to functional geographies, including the coastal corridor and the north to south travel routes, and preserves parishes and principal towns as intact building blocks. It would be more complex and costly to deliver in the short term and would require careful planning to separate and re combine services and systems.
- 4.8 All options have strengths and weaknesses. Three and four unitary councils offer relative ease of delivery at the start, yet leaves long term imbalances in size and accountability. The statutory Base Proposal satisfies the legal requirement yet does not fully reflect how residents use services. In the Council's judgement, the modified five unitary model provides the most balanced and sustainable structure over time and is therefore put forward as the Final Proposal for Government to test through statutory consultation.

- 4.9 Requested modification to the Base Proposal: The Council asks Ministers to modify the statutory Base Proposal in order to consult on a refined five unitary model. The modification proposes ward transfers and one parish transfer where the evidence shows stronger ties in schools, health services, workplaces and transport. The effect is to place each new council within the approximate 300,000 to 400,000 resident band and to align the map more closely to daily use of services and to economic corridors.

Table 1: summary of analysis of different options against the Government criteria

Government criteria	Three unitaries	Four unitaries	Five unitaries (modified proposal)
1. Single tier	Achieved	Achieved	Achieved
2. Right size & resilience	Very uneven size with one very large council and one relatively small council. Higher risk of remoteness at the top end and fragility at the bottom end.	Uneven size remains. Balance improves a little but larger councils still dominate.	All councils within about 300000 to 400000 residents. No council is very large or very small.
3. High quality sustainable services	Fewer organisations but more service hand offs because boundaries cut across how people use schools, care and transport.	Some early pooling of resources but service footprints still split.	Boundaries follow lived corridors. Fewer hand offs and a single discharge and reablement pathway per council footprint.
4. Local views & collaboration	Public concern that councils would feel too big and distant. Collaboration risks if one council dominates.	Some concern about recognition and accountability. Joint working still uneven.	Scepticism remains but design conditions are built in. Five councils collaborate as peers of similar size.
5. Supports devolution	One very large partner at the Mayoral table. Imbalance likely.	Two large, two smaller; imbalance persists	Five balanced partners; none too big or small
6. Community engagement & neighbourhood empowerment	Would need compensatory governance to	Larger councils risk diluting neighbourhood voice	Parishes preserved with neighbourhood

	keep decisions close to residents		standards to be considered
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5. Community Engagement and Consultation

- 5.1 Engagement was designed to inform residents and stakeholders within Brighton and Hove's current boundaries about Local Government Reorganisation, to gather views on principles and options for the Council's future footprint, and to surface the conditions people expect to see if change proceeds. The Council's remit is limited to engagement inside its own borders. It does not extend to consulting residents across Sussex. Only Government can undertake a statutory consultation that will allow residents and partners to compare all proposals on a like-for-like basis across the whole county.
- 5.2 Round 1 took place in April 2025. It sought open views on principles and priorities rather than testing specific options. More than six hundred people responded. Findings were used to shape the options brought forward for the formal consultation.
- 5.3 Round 2 ran from 25 July to 25 August 2025. It invited views on four eastward options for the Council's future footprint and asked what mattered most to people, including identity and continuity of services. In-person sessions were held along the eastern border including a public meeting in Saltdean. Online and paper routes ran in parallel. This round received 2,307 responses.
- 5.4 Participation was open and self-selecting and is therefore not statistically representative. Responses were analysed with support from Ignite Consulting using documented methods with disclosed limitations. The responses highlight themes and concerns but do not provide a statistically representative measure of overall opinion. They have therefore been used to inform the proposal as qualitative evidence rather than as a numerical mandate.
- 5.5 Of the 2,307 responses in Round 2, 31 per cent identified as Brighton and Hove residents, 58 per cent identified as non-residents, 6 per cent identified as staff, partners, businesses or voluntary and community groups, and 5 per cent identified as other or did not state. This pattern reflects interest from neighbouring areas but the Council's formal consultation activity was confined to its own boundaries.
- 5.6 Across both rounds respondents expressed scepticism about structural reform. This reflects national experience, where proposals for reorganisation are often viewed with caution. Within that, the following consistent concerns emerged.
1. Identity and representation: Many respondents feared losing the distinct identity of Brighton and Hove or of the towns and parishes to the east. They emphasised that councils need to remain recognisable in scale

and character. There was concern that larger authorities could feel remote, weakening the link between elected members and residents.

2. Trust and governance: Comments often referred to confidence in delivery. Some respondents expressed doubts about the Council's track record and wanted stronger assurances that a new authority would be well-governed, transparent and responsive. This mirrors national feedback in other reorganisations, where governance credibility is a central issue.
3. Services and infrastructure: Respondents highlighted the importance of continuity in frontline services such as waste, adult social care, special educational needs and school admissions. There was also anxiety about whether infrastructure such as roads, transport links and healthcare facilities could cope with further demand. A key theme was that reorganisation must not disrupt essential services.
4. Boundaries and alternatives: There was uncertainty and sometimes suspicion about why certain areas were included or excluded in the options. Some respondents questioned whether boundaries were being drawn for political convenience rather than functional logic. Others suggested alternatives, including westward integration or keeping existing arrangements. This demonstrates the importance of explaining the rationale for boundaries in terms of daily life, travel and service use.
5. Finance and council tax: Concerns were raised about how the costs of reorganisation would be met, how council tax levels would be harmonised, and whether debt would be fairly shared. Residents wanted transparency about financial impacts and guarantees that frontline services would not be reduced to fund change.
6. Safeguards for vulnerable groups: Respondents often asked what reorganisation would mean for children with special educational needs, families at risk of homelessness, and adults receiving care. There was a strong desire to ensure that the most vulnerable would not experience disruption or reduced access during transition.
7. Process and transparency: Finally, many respondents felt the process was rushed and wanted clearer information about what decisions could and could not be made locally. Some were unsure whether they would have the option to stay with their existing council. This aligns with experiences in other parts of the country where clarity about statutory process is crucial.

5.7 These concerns echo the themes raised in other areas of England undergoing reorganisation, where residents are cautious about change but focus on conditions such as identity, continuity, clear accountability, and protection of vulnerable groups.

5.8 This feedback has been used to inform the submission. In the Final Proposal at Appendix 1, Councils are kept within an indicative population band of 300,000 to 400,000 so they remain recognisable and do not feel remote. Parish and neighbourhood voice is protected through the retention of town and parish councils and the intention is set out to consider neighbourhood standards in each new authority. Day-one continuity is the guiding principle, with safeguarding and care pathways maintained under the Structural Changes Order. Financial candour is reflected in a single neutral method,

published assumptions and explicit guardrails on reserves, and a clear approach to council tax harmonisation to be set through the Order. Where respondents asked for clearer rationales for inclusions and exclusions, the requested modification uses evidence on daily travel, service use and anchors such as schools, hospitals and transport corridors.

- 5.9 Submission of the Final Proposal does not implement change. It is for Government to decide which proposals meet the published criteria. Only Government can run the statutory consultation that will cover all of Sussex. That consultation will present the proposal(s) Ministers judge viable, enabling residents and partners across the county to have their say before any decision is taken on implementation.

6. Financial Implications

- 6.1 Local government reorganisation has the potential to unlock significant annual savings. Financial modelling undertaken by Ignite suggests that, once fully implemented, net benefits could reach around £52 million to £60 million per year by year ten across Sussex. These figures are indicative and should not be relied upon in the Council's medium-term financial strategy without further validation and delivery planning.
- 6.2 Financial modelling included in these proposals has been undertaken by Ignite, drawing on publicly available financial data from across Sussex and Brighton, with assumptions for costs of change and potential benefits based on experience of LGR elsewhere in the country and research carried out in other county areas.
- 6.3 Modelling shows uneven pressures across the unitary areas. The largest in-year shortfall before transformation is around £75 million (9% of expenditure), with others showing smaller pressures and one showing a surplus. This illustrates that some councils would begin life under tighter financial strain than others, if no adjustments are made for this through the Fair Funding Review.
- 6.4 There are a number of factors that we believe are not adequately reflected in the proposed needs assessment formulas:
- Housing Costs: Brighton & Hove has some of the highest housing costs outside London, yet this is not factored into the cost of delivering services. We face over £25 million in pressures in temporary accommodation and social care placements in 2026/27 alone.
 - Urban and Coastal Pressures: As an urban coastal authority, we experience high levels of complexity in adult social care, particularly linked to mental health and substance misuse, contributing to significant additional service pressures.
 - Children and Young People's Services (CYPS): The formula does not reflect key drivers such as SEND and parental risk factors.
 - Tourism and International Visitors: Our economy is significantly shaped by international visitors, yet this is not captured in the proposed formulas.
 - Remoteness Factors: The removal of urban weightings in areas such as highways maintenance further disadvantages cities like ours.

- 6.5 The costs of reorganisation and transition are significant, ranging from and estimated £109m to £197m with the five authority model being the most expensive and complex to deliver.
- 6.6 It is unrealistic to assume that existing authorities across Sussex will be able to fund the costs of reorganisation and transition from existing reserves and budgets, these costs will need to be funded by central government. Councils across Sussex face significant financial challenges, particularly in respect of statutory, demand led services such as adults and children's social care, temporary accommodation and SEND. It is also important to understand that reorganising local government, whether the end result is a 3, 4 or 5 unitary model, will not deal with these underlying challenges. There is currently insufficient funding across the sector and the scale of savings from LGR is fairly marginal compared to the underlying and growing cost pressures faced by authorities in the region.
- 6.7 Cabinet is asked to note that the Council will request the following from Government as part of submission:
- capacity funding to support transition costs to ensure safe delivery of services over this period;
 - clear technical directions on debt, reserves, opening balances and council tax harmonisation;
 - recognition of particular coastal and other demographic pressures in the Fair Funding Review and in future multi-year settlements.

Finance Officer consulted: John Hooton

Date: 16/09/2025

7. Legal Implications

- 7.1 The relevant legislation is the Local Government and Public Involvement in Health Act 2007 (the Act). Under Section 2 of the Act the Secretary of State has issued an invitation to councils in East Sussex and to Brighton & Hove City Council to submit proposals for a single tier of local government. The invitation and subsequent feedback confirm that councils may also explore options across a wider geography within a strategic authority area.
- 7.2 The Act provides for different "Types" of proposal. The proposals in this report are a combination of Type B (a single tier covering one or more existing districts) and Type C (a single tier covering districts in a county together with one or more adjoining areas).
- 7.3 The Council is required to submit a Base Proposal framed on whole district boundaries to satisfy the statutory requirement to ensure the submission is valid. In addition, Cabinet is asked to approve a request for ministerial modification under Section 7 of the Act so that the Secretary of State may consider a refined five-unitary model.
- 7.4 Section 7 gives the Secretary of State power to implement proposals, with or without modification, but prevents any Order being made unless consultation

has been carried out with all affected authorities and others considered appropriate. This statutory consultation will be led by Government and is separate from the Council's own engagement activity.

- 7.5 If Government decides to proceed, the necessary legislation will be prepared in the form of a Structural Changes Order (SCO) for parliamentary approval. The SCO will establish the new single tier of local government and make provision for the abolition of predecessor councils. The Secretary of State may, where appropriate, designate an authority as a Continuing Authority with boundary changes rather than abolishing and creating a new authority. This is the request being made in relation to the proposed Unitary Authority 'A', including Brighton & Hove.
- 7.6 The SCO would place a duty on all affected councils to co-operate, to provide information as reasonably requested, and to prepare for the transfer of functions, property, rights and liabilities.
- 7.7 If implemented, there will be significant contractual, property and staffing implications requiring further legal advice, which will be addressed through the transition process.

Legal Officer consulted: Elizabeth Culbert
Date: 16/09/2025

8. Equalities Implications

- 8.1 An initial high-level Equality Impact Assessment (EIA) has been prepared to support this submission. The EIA has reviewed the potential impact of Local Government Reorganisation on residents across Brighton & Hove and the potential merger areas, using the nine protected characteristics and additional factors such as poverty, socio-economic disadvantage, migrant and refugee status, and homelessness.
- 8.2 The assessment identifies both potential positive and negative impacts. Potential positive impacts include improved coordination of services, the extension of Brighton & Hove's equalities expertise and infrastructure across a wider geography, and greater consistency in service standards. Potential risks include dilution of minority voices within a larger authority, reduced proportional representation for some groups, rural access challenges, the loss of specialist services if rationalised, and uncertainty during the transition period.
- 8.3 These risks are consistent with those identified in other areas undergoing reorganisation. The EIA concludes that the Council should "proceed with caution", with mitigation measures built into delivery. These include:
- maintaining parish and neighbourhood voice and representation, with consideration of neighbourhood standards in new councils
 - ensuring day-one continuity of services, especially safeguarding and support for vulnerable groups
 - retaining local access points for essential services, with accessible transport and non-digital routes for engagement

- embedding cultural competency training and inclusive service design in the new authorities
 - protecting minimum funding levels for specialist services
 - collecting and monitoring equalities data consistently across the new councils
- 8.4 The EIA notes that the forthcoming statutory consultation by Government will provide further opportunity for engagement with groups most affected, and that a full, boundary-specific EIA will be required once the Secretary of State has confirmed the final geography. The EIA will be updated at key milestones during transition if Government proceeds.
- 8.5 Cabinet is asked to note that equality considerations are live throughout the process, that risks have been identified transparently, and that further work will be brought forward alongside transition planning should Government decide to proceed.

9. Sustainability Implications

- 9.1 Local Government Reorganisation is not being driven by net zero or place-shaping objectives. However, a single-tier structure could provide opportunities for more coherent planning across wider functional geographies. In particular, integration of local transport, planning, housing and climate strategies may be easier where responsibility is consolidated in one authority.
- 9.2 Engagement referenced environmental and infrastructure issues, and respondents highlighted transport and sustainability as matters of concern. Should Government decide to proceed, there will be opportunities to align climate action, coastal management, and infrastructure investment at a more strategic level within each new council and in partnership with a Sussex Mayoral Combined Authority. These opportunities will be assessed in detail as part of transition planning. This includes opportunities to coordinate coastal management and flood risk programmes across coherent geographies.

10. Health and Wellbeing Implications

- 10.1 Local Government Reorganisation creates an opportunity to strengthen health and wellbeing by giving each area a single, accountable council for adult social care, children's services and public health. This can make local services easier to navigate, reduce hand-offs, and give clearer place leadership for prevention and early help.
- 10.2 NHS Sussex has noted concerns about disruption to coterminous boundaries. The health system itself is also restructuring and operating at larger scale. In this context, a five-unitary map would provide the NHS with a stable set of comparable local partners and create a stronger platform for neighbourhood models of care. While there are concerns about disruption, LGR offers the potential to create clearer local partners for the NHS and a stronger basis for neighbourhood working. With strong safeguards in place,

it provides an opportunity to protect what works well and make services more consistent and accessible for residents.

11. Conclusion

- 11.1 Cabinet is asked to agree that the balanced five unitary model set out at Appendix 1 be submitted to Government as the Council's Final Proposal. The statutory Base Proposal, required under the Local Government and Public Involvement in Health Act 2007, will accompany the submission to ensure validity.
- 11.2 Submission does not implement change. Government will assess proposals against the published criteria, decide which to take to statutory consultation, and only then determine whether to bring forward a Structural Changes Order.
- 11.3 In the Council's judgement the five unitary model proposed best meets the six criteria. Three and four unitary options are cheaper and simpler to deliver but leave uneven size and weaker resilience. Five carries higher one off costs but avoids extremes of scale, offers greater long term benefits, and provides five comparable partners for future devolution.
- 11.4 Cabinet is asked to note the financial risks set out in Section 6 and the need for strong safeguards if Government proceeds. If reorganisation is implemented, the Council will prioritise Day 1 continuity of services, protection of vulnerable residents, and close partnership with NHS and other agencies to ensure a safe and effective transition.

12. Supporting Documentation

Appendix 1 – 'Representative Councils for a Devolved Sussex: A Five Unitary Proposal submission for Local Government Reorganisation'.

Appendix 2 - LGR Engagement Document, July to August 2025