

Meeting: Cabinet
Date: 21 March 2025
Classification: Part 1
Key Decision: No
Title of Report: **Submission of an Interim Plan for Local Government Reorganisation in Greater Essex**

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Executive Councillor: Cllr Daniel Cowan, Leader of the Council

1. Executive Summary

- 1.1. The English Devolution White Paper was published in December 2024, setting out plans to redistribute power from central government to local communities and strategic authorities across England.
- 1.2. Alongside devolution, the Government is facilitating a national programme of local government reorganisation (LGR) intended to improve service delivery, ease workforce pressures, simplify accountability via clearer and simpler structures, increase councils' financial resilience and increase value for money.
- 1.3. Greater Essex was accepted onto the Devolution Priority Programme (DPP) in February 2025. Participation in the DPP will see the establishment of a Mayoral Combined County Authority (MCCA) in April 2026, with the first mayoral election in May 2026.
- 1.4. In parallel, the Minister wrote to the Leaders of the two-tier councils and unitary councils in Essex on 5th February 2025 inviting them to work together to develop a proposal for LGR across the Greater Essex area.

2. Recommendations

It is recommended that Cabinet:

- 2.1. **Agrees the content of the Interim LGR Plan at Appendix 2 attached to this report and approves its submission to MHCLG on the 21 March 2025.**
- 2.2. **Supports in principle the five unitary model, including a unitary authority covering the current authorities of Southend-on-Sea City Council, Castle Point Borough Council and Rochford District Council, as its preferred structure for local government in Greater Essex.**

- 2.3. Delegates authority to the Chief Executive and Executive Director for Strategy and Change to make any final changes to the Interim LGR Plan prior to submission by 21 March 2025, in consultation with the Leader of the Council.**
- 2.4. Agrees that a programme of engagement and briefings for Members be developed and delivered, as more information is known, during the period between now and the final deadline for submission of proposals for Local Government Reorganisation in September 2025.**

3. Background

3.1. The link between devolution and LGR

- 3.2. The government plans to introduce an English Devolution Bill, as announced in the King's Speech 2024, furthering their commitment to shift power from Westminster to local communities, as detailed in the English Devolution White Paper of December 2024.
 - 3.3. The central goals are to foster economic growth and improve public services by tailoring policies to local needs. The White Paper suggests a shift to a systematic devolution framework, where devolution is no longer achieved via bespoke "deals" but is available to certain types of local authority and enshrined in law.
 - 3.4. The English Devolution White Paper creates a close relationship between devolution and LGR, by suggesting that whilst it is not a requirement for devolution, LGR is a "key" that will unlock devolution in some areas - by positing LGR as the tool with which to create local government structures that are able to meet the criteria for devolution agreements; making the ability of new unitary structures to support devolution arrangements a criterion for LGR proposals; and by prioritising areas where LGR can "unlock" devolution via the DPP.
 - 3.5. In January 2025, the Council jointly wrote to Government with Essex County Council and Thurrock Council, expressing interest in taking forward devolution within the Greater Essex area by requesting a place on the Government's DPP. The DPP is a fast-track programme for places ready to come together under sensible geographies which met the criteria set out in the White Paper. The Minister of State for Local Government and English Devolution (the Minister) confirmed that Greater Essex had been allocated a place on the DPP on 5th February 2025.
 - 3.6. The programme of LGR is intended to deliver empowered, simplified, resilient and sustainable local government, which Government believes will provide a robust foundation for the devolution of powers from Whitehall and increase value for money for council taxpayers, ease local government workforce pressures, simplify accountability via clearer, simpler structures and strengthen councils financially.
- #### **3.7. Directions from central Government**
- 3.8. The letter received from the Minister on 5th February 2025 (the statutory invitation, see Appendix 1) contained a statutory invitation for proposals for LGR. In it, the Minister sets out the criteria against which proposals for LGR

will be assessed, guidance for the development of the proposals, and the timeline for this process.

- 3.9. The statutory invitation requests that Greater Essex prepares an interim plan setting out progress on developing proposals in line with the criteria and guidance by 21 March 2025, followed by a formal proposal for a single tier of local government (called a “final LGR proposal” in this report) by 26th September 2025.
- 3.10. The criteria for the final LGR proposal and the unitary structures it proposes to create are summarised as follows:
 - 3.10.1. A proposal should aim to establish a single tier of local government for the entire area, based on sensible economic and geographical considerations that avoiding advantaging or disadvantaging any one part of the area.
 - 3.10.2. Unitary local government needs to be appropriately sized to achieve efficiencies, improve capacity and withstand financial shocks, generally aiming for a population of 500,000 or more, while also managing transition costs through existing budgets.
 - 3.10.3. Unitary structures must prioritize the delivery of high quality and sustainable public services to citizens, avoid service fragmentation, and consider the impacts on crucial services like social care and public safety.
 - 3.10.4. Proposals should demonstrate how councils in the area have collaboratively sought to meet local needs and have considered local views, as well as issues of local identity, culture, and historic importance.
 - 3.10.5. New unitary structures must support devolution arrangements by considering how they will function effectively with the planned MCCA.
 - 3.10.6. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment, with clear plans for community involvement.
- 3.11. Additionally, the interim LGR plan should:
 - 3.11.1. Identify any barriers or challenges where further clarity or support would be helpful.
 - 3.11.2. Identify likely options for the size and boundaries of new councils, which will offer the best structures for high-quality, sustainable public services, along with indicative efficiency saving opportunities.
 - 3.11.3. Include indicative costs and arrangements for any options, including planning for future service transformation opportunities.
 - 3.11.4. Include early views on councillor numbers to ensure effective democratic representation and governance, balancing the unique needs of different areas.
 - 3.11.5. Include early views on how new structures will support devolution ambitions.

- 3.11.6. Include a summary of local engagement and future plans for engagement to shape developing proposals.
- 3.11.7. Set out indicative costs of preparing proposals and establishing an implementation team, along with arrangements to coordinate potential capacity funding.
- 3.11.8. Set out any voluntary arrangements to keep all councils involved in discussions, balancing current service delivery needs with key decisions affecting the future success of new councils.

3.12. The indicative timeline through to 2028 is as follows:

2025	March	Deadline for Interim LGR plan
	September	Council and Cabinet consent required to establish a MCCA
Council and Cabinet consent required to submit final LGR proposal Deadline for submission of final LGR proposal to the Government		
2026	April and May	New MCCA created and mayoral elections take place
		Potential creation of new shadow unitary authorities Potential elections to new shadow unitary authorities
2027	April and May	Either: Vesting day for new unitary authorities created in shadow form in 2026 and elections to these OR Creation of new shadow unitary authorities Elections to new shadow unitary authorities
2028	April and May	Vesting day for any new unitary authorities created in shadow form in 2027

3.13. The statutory invitation gives guidance on the development of proposals, with the goal being a single, unified proposal. The proposals should be produced jointly, and the Minister acknowledges that the interim plan due by 21st March 2025 may include more than one potential proposal for the area if there is more than one option under consideration at that point in time.

- 3.14. Collaboration and information sharing among local leaders is emphasised to create sustainable proposals. Proposals should focus on the best interests of the entire area. Engagement with stakeholders is crucial, including Members of Parliament, residents, and public sector providers. Proposals should address local needs and views, considering cultural and historical factors, and existing local government structures should form the basis of proposals, as significant boundary changes will require strong justification. Commissioners' input is vital in areas under Best Value Intervention.

4. The Interim LGR Plan

- 4.1. The draft interim plan for Greater Essex sets out a position statement on the progress made to date by Greater Essex's local authorities in developing a collective view on, and proposals for, LGR across the geography. It has been developed by the fifteen councils working collaboratively, both to explore new unitary structures and the working arrangements required to enable the development of full reorganisation proposals, in the interests of local residents.
- 4.2. Initial exploratory work jointly commissioned by Greater Essex's Leaders and carried out by Grant Thornton identified sixteen initial potential options for new unitary structures across Greater Essex based on different sized unitarisation options of two, three, four and five unitary models.
- 4.3. Ministerial guidance is that "strong justification" would be needed for proposals based on complex boundary changes, meaning that the current Greater Essex councils are the "building blocks" of a new unitary structure, and that boundary changes relating to surrounding areas such as Suffolk, Cambridgeshire and Kent have not been considered
- 4.4. Ministerial guidance and criteria confirmed that new unitary authorities should support a population of c. 500k. There is no stated maximum population size, and the guidance notes that exceptions to this threshold may be considered.
- 4.5. A majority (10 out of 15) of Essex's council leaders have taken an in-principle decision that a five unitary model is most suitable for Greater Essex. This model would lead to the creation of five new unitary authorities with populations in the region of c. 320k to 500k.
- 4.6. Permutations of a five unitary model would see a new unitary authority of c. 356k population size created from reorganising Southend-on-Sea City Council, Castle Point Borough Council and Rochford District Council into one larger unitary authority.
- 4.7. This particular geography and configuration is supported by the Council for several reasons:
- 4.7.1. It represents a sensible, natural geographic area. Given Southend's natural position - a linear form lying along the coast and bordered to the north by Rochford and to the west by Castle Point - this configuration is geographically unavoidable.
- 4.7.2. It would preserve and deepen the existing strong sense of place – the emotive bonds and attachments people develop or experience in

particular locations and environments - experienced by residents of Southend, Castle Point and Rochford without extending further to areas such as Basildon, Maldon, Chelmsford and Thurrock, where these affective identities begin to weaken.

- 4.7.3. It would provide effective local democracy in the form of local councillors that already have a strong sense of community across the three areas, and a dedication to working in partnership with residents.
- 4.7.4. The area already constitutes part of "Southend E30000268" one of Greater Essex's four main Travel to Work Areas (TTWAs). TTWAs are defined as areas where at least 75% of the area's resident workforce work in the area, and at least 75% of the people who work in the area also live in the area. Transport connections along the A127 and A13 Transport Corridors and the c2c and Greater Anglia train lines link the three local economies to each other, to London and to further economic areas along the Thames Estuary gateway, with the area of the three councils considered as the start of both this and the A127 growth corridor.
- 4.7.5. It would be able to develop the three councils' existing partnerships and strengths – such as Southend Airport and the Airport Business Park, a vibrant and historic culture and tourism offer, and current shared resources – into a full strategic leadership capability with connected and coherent services across the geography, to deliver our shared vision for the future – furthering our shared civic pride, heritage, transport, growth, employment and housing goals, supported by a future devolution deal, a mayor, and a MCCA working towards the same goals.
- 4.8. There is potential that other Councils in the Greater Essex area may have different proposals which they also feel meet the Government's criteria at this time. Council should note that the interim plan will describe more than one potential configuration of local government for the area.
- 4.9. Whilst it is appropriate that Council forms a view on a preferable option, it is reasonable for Council to also remain open to other options which meet Government criteria at this time and that take into account the views of the public, businesses and key stakeholders and are supported by evidence and insight as further work and analysis is undertaken.
- 4.10. The final decision on a proposed restructure is made by the Secretary of State, and a restructure does not require the affected councils to give formal consent. There is no mechanism for the public to support or oppose restructuring through a petition or a referendum (though referendums have been held in the past, mostly during the unitarisation activity that took place in the mid-2000s).

5. Reasons for Decisions

- 5.1. In his correspondence of 5th February 2025, the Minister set an ambitious timeline for areas participating in the Devolution Priority Programme to produce interim, and then final, proposals for LGR. This has catalysed close, agile working between the county, unitaries and district councils of Greater

Essex, working together towards to first milestone of delivering an interim plan to Government by 21st March 2025.

- 5.2. The issues set out in this report will have significant implications for Southend-on-Sea City Council alongside all other local authorities in England.

6. Other Options

- 6.1. The Council could produce its own proposal. However, the statutory invitation is clear that the Minister expects local leaders to work collaboratively to achieve consensus on a single proposal for the Greater Essex area, rather than devoting public funds to producing competing proposals, and that local leaders should "...jointly submit one proposal for unitary local government across the whole of your area".

- 6.2. The council could choose to make no proposal in relation to LGR, as this is currently an invitation rather than a mandatory requirement for proposals. However, the Government has made it very clear that devolution and LGR are cornerstones of its Plan for Change, and crucial enablers of achieving the Five Missions as set out in its manifesto. Proposals for LGR should be complementary to devolution plans. Based on this and the content of the White Paper, two scenarios could arise if this option were selected:

- 6.2.1. Greater Essex's devolution agreement may be delayed or deprioritised if LGR does not take place, or if the Council does not participate in the process, given that restructuring is needed to create principal authorities of the correct size, structure and capacity to achieve outcomes relating to resilience and value for money. Areas without a Mayoral Strategic Authority may have limited access to certain powers, functions, and funding streams, including an Integrated Settlement.
- 6.2.2. Areas that do not undertake LGR may find themselves at a disadvantage compared to areas that do, as unitary councils are seen as leading to better outcomes, saving money, and improving accountability.

7. Financial Implications

- 7.1. There are no direct financial implications arising from the recommendations to this report.
- 7.2. During 2025, there may be financial implications from any capacity funding that is provided to the councils of Greater Essex to support LGR discovery, design and implementation activity. This is requested in the draft Interim LGR plan (see Appendix 2) as Greater Essex seeks funding from Government to fully fund these costs.
- 7.3. The Government has indicated that it intends to provide some funds to support the preparation of LGR proposals. Guidance contained in the statutory invitation asks that plans identify any barriers or challenges where further clarity or support, such as capacity funding, would be helpful; and 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.

- 7.4. The statutory invitation also states that new unitary structures should be designed to ensure that new authorities are able to manage transition costs through existing budgets.

8. Legal Implications

- 8.1. The legislation under which the Government propose to undertake local government reorganisation is the Local Government and Public Involvement in Health Act 2007 (“the Act”). These are the powers that have been used in previous local government reorganisations most recently in Cumbria, North Yorkshire, and Somerset.
- 8.2. The Secretary of State has issued a Statutory Invitation under section 2 of the Act to all 15 local authorities in Greater Essex inviting them to submit proposals for a single tier of local government. By virtue of section 7 of the Act, once a proposal (it only takes one proposal from any of the ten authorities) has been submitted the Secretary of State’s power to reorganise the area is activated. Section 7 gives the Secretary of State power, by Order, to implement the proposal with or without modification.
- 8.3. Section 7 of the Act also sets out that the Secretary of State may not make an Order to implement a proposal unless they have consulted with every authority that is affected (i.e., the authorities in the area the proposal suggests should have a single tier of local government) by the proposal, and any other persons considered appropriate. However, this does not apply if the proposal was made jointly by every authority affected by it.
- 8.4. LGR in the Greater Essex area will result in Southend-on-Sea City Council becoming part of a larger unitary authority spanning a broader geographical area than at present. Leadership and governance arrangements would need to reflect the new leadership structure and operating methods of the new unitary authority.
- 8.5. Under new arrangements, the constitutions of the existing authorities that will be reshaped and transformed to create new, larger unitary authorities will require significant amendment in order to create one constitution for the new unitary authority.

9. Policy Context

- 9.1. The Council’s Corporate Plan sets out the outcomes the Council wishes to achieve over the period 2024-2028.

10. Carbon Impact

- 10.1. There is no direct carbon impact arising from the recommendations to this report.

11. Equalities

- 11.1. There are no direct equality and diversity impacts arising from the recommendations to this report.
- 11.2. As the LGR programme progresses, there will be significant equality and diversity impacts arising from the need to engage and consult with residents and stakeholders on various aspects of the emerging LGR proposals and implementation plans,
- 11.3. A programme of stakeholder engagement and equality analysis will be designed as the programme progresses to ensure that plans and new services and policies arising comply with the public sector equality duty.

12. Consultation

- 12.1. The Council will need to ensure that the public can shape and inform decisions on Southend's future governance, consulting with a wide range of stakeholders and communities to do so, during the period of developing the final LGR proposal (March to August 2025) and during any public consultation that might be undertaken by Government on the final proposal after its submission in September 2025.

13. Background papers

- 13.1. [English Devolution White Paper, December 2024](#)
- 13.2. [Briefing: English Devolution White Paper, January 2025](#)
- 13.3. [Progressing Devolution in Essex: Extraordinary Council, 8th January 2025](#)
- 13.4. [Progressing Devolution in Essex: Special Cabinet, 9th January 2025](#)

14. Appendices

- 14.1. **Appendix 1:** Statutory Invitation for LGR from Minister, 5 February 2025
- 14.2. **Appendix 2:** Local Government Reorganisation in Greater Essex: Interim Plan 21 March 2025

15. Report Authorisation

This report has been approved for publication by:		
	Name:	Date:
Executive Director(s)	Claire Shuter	07/03/2025
S151 Officer	Joe Chesterton	07/03/2025
Monitoring Officer	Susan Zeiss	11/03/2025
Relevant Cabinet Member(s)	Cllr Daniel Cowan	11/03/2025