

## **Leader's County Council Statement on Local Government Reorganisation**

**16 May 2025**

### **Local Government Reorganisation**

Whilst we are several months away from submitting our final LGR proposal to Government, the work is progressing fast, and a considerable amount of activity is underway. I undertook to keep Members updated regularly, including an opportunity for questions at County Council meetings.

Members will have seen the recent update on Local Government Reorganisation which I provided last Friday, and I wanted to take this opportunity to highlight key developments to the Chamber.

Firstly, as you will have read, a programme team has been established, headed up by and independent Programme Director, appointed by all West Sussex Councils. The programme team is drawn from staff across West Sussex councils (including two officers from WSCC).

This team will work on building the evidence base and delivering the business case. The team is already engaged in developing and capturing data and gaining an understanding of current ways of working and the configuration of services to inform this process and their work will continue in earnest over the coming weeks.

Last week we received feedback from the Ministry of Housing, Communities and Local Government on our interim plan, submitted by all West Sussex councils on 21 March. Members should all have received a copy. It provides quite a high-level assessment of the set of options but does not add to the criteria and principles set out in the White Paper in December.

The West Sussex Leaders have also, as has been explained in the recent briefing to members, prepared a short list of four options from the original list set out in the March submission. The programme team will work through the feedback and use it to test the shortlisted options and inform the development of the final submission.

As you will have seen, the written feedback is not clear-cut in terms of ruling anything out at this stage but does state that the business case should include any options that we think are viable, based on sound evidence and that councils should state a clear preference for one of those options.

To get to the short list of options for unitary local government in West Sussex, the council leaders reviewed 14 different options and scored them based on:

**Strategic alignment** (how well would it fit with devolution plans?)

**Economic and geographic fit** (would the areas make sense financially and geographically?)

**Housing and growth** (would it help meet local housing needs across the area?)

**Accelerating reform** (plans should not delay devolution)

**Population scale** (each new council should ideally cover 500,000+ people)

**Service integration** (how the plan could improve local delivery of key areas like social care, housing, and Children's Services)

**Local identity and culture** (would the changes respect local identities and histories?)

The aim of this initial sift was not to find the right and final answer (because we don't yet have the data or evidence to do that). Instead, it was to help narrow down the long list to a workable number of options, agreed by all the leaders, that we can subject to more detailed evaluation over the coming months.

As a result of this work, council leaders have approved four strong options to take forward.

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- **One single unitary on the West Sussex geography**
- **Two unitaries on a West Sussex geography, with a broadly East/West split**
- **Two unitaries on a West Sussex geography, with a broadly North/South split**
- **Two unitaries on an expanded footprint that incorporates the current boundaries of West Sussex and Brighton & Hove.**

Our shortlisted options may change as more detailed modelling is completed and assessed, but for the time being they give us a broad, but manageable, range of options to explore in detail.

West Sussex leaders remain committed to working collaboratively to develop the business case. This is inherently challenging as, while we all represent the residents of West Sussex, we all have different responsibilities and perspectives, and different organisations which inevitably have different priorities.

In recognition of this, we have settled on the fact that no one council is likely to support all the options shortlisted, but all agree that the options identified are worth evaluating against the criteria the criteria set in the English Devolution White Paper.

#### Internal WSCC arrangements

In recognition of the importance of this work, Cllr Steve Waight has been appointed as Cabinet Member with responsibility for Local Government Reorganisation.

A cross-party Local Government Reorganisation Working Group has been established, with all political groups represented. This group is meeting regularly over the coming months, with a focus on ensuring a smooth transition to new unitary arrangements. Councillor Duncan Crow will lead a working group of the Electoral Review Panel to feed into the all-party group on the question of the number of councillors and the optimum size of electorate for each councillor to represent.

There is much to do to make these proposals a reality, but we will not let our work on these proposals detract from the delivery of essential services and our drive to put the needs of our residents first.

During these inevitably uncertain times we will maintain a focus on keeping WSCC running as normal. We have a duty of care to our residents, including statutory responsibilities for vulnerable adults and children, and we will remain steadfast in our commitment to delivering on these, and on the priorities set out in Our Council Plan. We will also continue to strive to achieve a balanced and sustainable budget and plan our financial resilience to face the pressures we know lie ahead.

It is important to remember that the changes that are being discussed are about organisations. The place of West Sussex, the residents that live here, the businesses that

operate, the challenges that we all face as local government, are not materially affected by this work and will be the same in 2028, whichever option is selected.

This agenda is not one that we, as West Sussex County Council, or any of our partner councils in Sussex have asked for. We are undertaking this work having received a formal request from the Minister for Local Government and English Devolution.

Whilst there are undoubtedly many opportunities and potential benefits to be had if this process is managed well, we must acknowledge that there are also significant risks. It is inevitable that it will bring significant additional work and cost in the short term, and that if the wrong options are chosen or the proposal is implemented badly then it could end up costing our taxpayers more not less, and leave them feeling less well served by their local government representatives.

We also cannot ignore the fact that the financial challenges facing local government, particularly in adult social care, children's social care, SEND services, and homelessness easily outweigh the potential benefits from LGR. We must not lose sight of the fact that local government reorganisation is not, and cannot be, a substitute for a fair and sustainable funding solution for local government, or for the wider reform of services.

In this context, and taking into account the criteria in the White Paper, the need for financial stability and the risk of service disaggregation, I think it is more likely that options that create fewer councils are likely to be more financially sustainable than those which increase the number of councils providing upper tier services such as social care, Highways and SEND. That view, and those of others, will be thoroughly tested by the joint programme team and overseen by Chief Executives and Leaders.

The final decision which Cabinet will take on preferred options will be based on the evidence and the one that best meets these criteria:

- Align most closely with the criteria set out in the English Devolution White Paper
- Minimise disruption and turbulence to services during transition
- Be financially and socially resilient and have capacity to deliver – there is strength in complementary and varied places in the county being together, mutually supportive, with a wide and varied economy and resilient council tax base
- Acknowledge we are not working from a blank sheet of paper – West Sussex County Council and West Sussex's district and borough councils exist and are providing services and there will be costs and risks of splitting services and how they are delivered

Not all of the options under evaluation necessarily meet this criteria, but judgement will be reserved until more evaluation has been completed, including public engagement and engagement with stakeholders.

We will keep residents, communities and partners updated as the proposals progress. Key updates will be posted on the 'future of local government in Sussex' webpage on the County Council's website.

## **Devolution**

Work on the Devolution Priority Programme and the creation of a Sussex Mayoral Combined Authority is continuing, separate to, but alongside, Local Government Reorganisation.

We anticipate the Government will announced that they have formally decided to proceed with Sussex devolution as part of the Spending Review in June and we will keep members updated on any announcements.

In the meantime, East Sussex County Council, Brighton & Hove City Council and our own West Sussex County Council Cabinet will take a decision in June to establish a Joint Committee to drive the implementation of devolution and establish the combined authority to start working on the devolution agenda in expectation of the mayoral election.

We remain incredibly excited about the opportunity which will bring valuable funding and new local decision-making powers from central government to our area and enable us to make our own plans for, and deliver on, economic growth, jobs, skills, health, planning and transport for Sussex and with our critical partners across Sussex.