
Subject:	ENGLISH DEVOLUTION WHITE PAPER – RESPONSE TO LOCAL GOVERNMENT REORGANISATION
Meeting and Date:	Special Cabinet – 17 March 2025
Report of:	Nadeem Aziz, Chief Executive
Portfolio Holder:	Councillor Kevin Mills, Leader of the Council
Decision Type:	Executive Key Decision
Classification:	Unrestricted

Purpose of the report: To provide an update on the White Paper and note Kent’s response to the invitation received from the Ministry of Housing, Communities and Local Government (MHCLG) regarding Local Government Reorganisation (LGR) across Kent.

Recommendation: That Cabinet:

1. Notes the invitation from the Minister of State for Local Government & English Devolution to work with other councils in Kent to submit an interim proposal for local government reorganisation (LGR) by 21 March 2025 outlined in Appendix 1;
 2. Notes the contents of the draft covering letter (Appendix 2) and Kent interim plan outlined in Appendix 3;
 3. Notes the contents of the draft possible unitary geographies (prepared by seven of the twelve district councils in Kent) outlined in Appendix 4; and
 4. Requests the Leader of the Council to finalise a submission to Government in response to the LGR invitation.
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1. Summary

- 1.1 The English Devolution White Paper makes clear Government’s intent to deliver both Devolution and Local Government Reorganisation (LGR). This report provides an update including Kent’s response to an invitation letter from the Ministry of Housing, Communities and Local Government (MHCLG) regarding Local Government Reorganisation.

2. Introduction and Background

- 2.1 On 16 December 2024 the Government published the '*English Devolution White Paper - Power and partnerships: Foundations for growth*' which made clear their intent to deliver both devolution and local government reorganisation¹.
- 2.2 Following the publication of the White Paper, the Minister of State for Local Government and English Devolution, Jim McMahon OBE MP, wrote to upper-tier council leaders inviting them to express an interest in being included in a Devolution Priority Programme (DPP). On 5 February we received notification that Kent had not been selected to be part of the DPP.
- 2.3 Further to this, all two-tier areas that were not included in the DPP received an invitation to submit a bid for LGR on 5 February 2025. The letter stated: "I am writing to you to formally invite you to work with other council leaders in your area to develop a proposal for local government reorganisation, and to set out further detail on the criteria, guidance for the development of proposals, and the timeline for this process ... We ask for an interim plan to be submitted on or before 21 March 2025 ... I will expect any full proposal to be submitted by 28 November 2025."
- 2.4 The Government has stated that it expects local leaders to work collaboratively and proactively to produce robust and sustainable unitary proposals that are in the best interests of the whole area.
- 2.5 A copy of the letter is attached at Appendix 1 which sets out the criteria the government will be assessing reorganisation bids against and a set of points they expect interim plans (to be submitted by 21 March 2025) to address. The letter outlined the following timeline for LGR:
- Interim plan to be submitted on or before 21 March 2025.
 - To set out progress on developing proposals in line with the criteria and guidance.
 - May be more than one potential proposal for the area.
 - Identify likely options for the size and boundaries of the new unitaries.
 - Include indicative costs and arrangements, service transformation opportunities, early view to Cllr numbers, summary of local engagement undertaken and planned, and indicative costs of preparing proposals.
 - Full proposal to be submitted by 28 November 2025.
- 2.6 A draft response including a county-wide covering letter and interim plan has been put together, attached in Appendices 2 and 3 respectively. The response has been pulled together in a very short period of time and is subject to ongoing discussions between council leaders so may change between now and the date of submission. Additional supporting information and data may also be included in the final version for submission or as part of an appendix to that document.
- 2.7 In addition to the draft county-wide response for 21 March 2025, seven of the twelve districts and Kent County Council (KCC) commissioned PWC to undertake a short, time-limited piece of work regarding the financial challenges of LGR geographies for the county. The latest version of this work is outlined for information in Appendix 4.
- 2.8 Work is ongoing to establish one or more possible geographies but, as the response makes clear, there is consensus amongst Kent Council Leaders that there should be

¹ LGR 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 local government system.

either three or four unitaries within the county. The criteria set out by government and additional information provided in briefings to councillors and officers is that new unitary councils are expected to cover geographies of at least 500,000 people and to be made up of existing council boundaries. Following the interim submission, work will be undertaken across Kent to evaluate a number of specific proposals for unitary geographies and set up local engagement activities.

- 2.9 The Government has made clear that it does not expect to make any decisions on unitarisation on the basis of the March submission and they have indicated that they will provide sector support to areas working up full proposals by the 28 November deadline. Accordingly, it is expected that Kent councils will procure one or more external partners to support them in this process and to ensure that options and the submission are independently evaluated.

3. Identification of Options

- 3.1 Not applicable.

4. Evaluation of Options

- 4.1 Not applicable.

5. Resource Implications

- 5.1 **Financial Implications** - One of the drivers of LGR is to make savings and economies. At this stage there are too many uncertainties around timescale, geography and enabling legislation to provide a detailed assessment of the broad range of financial implications.

- 5.2 However, there are likely to be three stages to consider. Before vesting (assuming vesting is on 1 April), the shadow authority will probably need the resources to have statutory staff in place (and TUPE arrangements established) and a constitution and be able to set a Council Tax Base, the budget, Council Tax and Council Tax Reduction scheme.

- 5.3 In the immediate aftermath of vesting, the new council will need to consolidate its systems, processes, assets and staff sufficient to provide safe and sustainable services.

- 5.4 In the longer term, the new council will have to complete the consolidation of systems and processes and establish equalisation or merger processes across the new council's area for a range of services and charges such as Council Tax, Council Tax reliefs and premia, Council Tax Reduction Scheme, local plans, waste collection services, sundry fees and charges and car parking, published accounts and their disclaimers, novation of contracts and alignment etc, while the predecessor councils are simultaneously being wound down and final accounts produced.

- 5.5 It is not yet clear how LGR will be financed and what contributions to this (and allocation of assets and liabilities) will be made from the predecessor bodies, especially from KCC.

- 5.6 **Staffing resource** - The intent set out in the White Paper could have implications for staffing. If the proposals are implemented, the White Paper will lead to Dover District Council ceasing to exist as an entity and the Council's functions being subsumed into a new, larger unitary authority. The Council is keeping staff engaged and informed on developments with regards to the White Paper and, as this progresses, there will need to be dedicated workstreams introduced as part of any programme and project management arrangements to manage the impact on staff and to ensure the Council

maintains business as usual. The White Paper has the potential to impact on the recruitment and retention of staff and we will do all that we can to manage this.

- 5.7 **Risk management** - There are clear risks associated with the White Paper and any move to reorganise local government. This would include the risk to service delivery, performance and staffing as attention and resources are diverted towards the abolition of Dover District Council. There will be reputational risks with partners and contractors in dealing with an organisation that may not exist after April 2028. The impact of LGR will be all consuming with the risk that decision-making is undertaken for a shorter time frame with sub-optimal outcomes. We have updated the Council's strategic risk register to include LGR and this was presented to Governance Committee on 27 February and we will continue to update that as necessary. Furthermore, detailed risks will be included as part of any programme that is put in place to manage and deliver local government reorganisation.

6. **Climate Change and Environmental Implications**

- 6.1 All East Kent Councils are progressively working towards 2030 net zero targets and a new unitary authority could be carbon neutral by 2030. Regular, joint meetings are being held between climate change officers at Dover District Council, Thanet District Council, Canterbury City Council and Folkestone and Hythe District Council.

7. **Corporate Implications**

- 7.1 Comment from the Director of Finance (linked to the MTFP): At this stage there is insufficient information and detail in the LGR proposals to make a conclusive finance comment. It is anticipated that the issues outlined above, inter alia, will be addressed as details are provided by government and in the LGR business case (MD).
- 7.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make (HR).
- 7.3 Comment from the Equalities Officer: This report providing an update on the White Paper and noting Kent's response to the invitation received from MHCLG re: Local Government Reorganisation across Kent does not specifically highlight any equality implications. In discharging their duties Members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15/section/149> (KM).

8. **Appendices**

Appendix 1 – MHCLG Letter to Kent Council Leaders re: Local Government Reorganisation.

Appendix 2 – Draft Kent-wide covering letter (version, as of 12 March 2025).

Appendix 3 – Draft Kent-wide Interim Plan to MHCLG (version, as of 12 March 2025).

Appendix 4 – Draft possible unitary geographies prepared by seven of the 12 districts in Kent (version, as of 12 March 2025).

9. **Background Papers**

English Devolution White Paper: [English Devolution White Paper](#)
Kent Devolution Webpage: [Devolution - Kent County Council](#)

Contact Officers:

Nadeem Aziz, Chief Executive

Louise May, Director of Environment & Place (Deputy Chief Executive)
Suzy Tigwell, Continuous Improvement Manager