

Chair:Cllr Graham ButlandChief Executive:Cairistine Foster-Cannan

Jim McMahon OBE MP 2 Marsham Street London SW1P 4DF

Please ask Matthew Stewart for: Mobile: 07816 367334 email: Matt.stewart@eelga.gov.uk Date: 27 March 2025

Dear Minister,

Devolution and Local Government Reform in the East of England

Last week saw the submission of the interim local government reorganisation plans produced by councils in the East of England, in line with the government's deadline of 21 March. Our member authorities have been working hard to publish the required documentation, and plan for what the future might hold. These interim plans were pulled together at very short notice due to the government's tight timescales and have required a considerable amount of work from senior local government officers and members in the East.

Many of these plans have outlined what our member authorities need to meet the government's reorganisation objectives and timescales going forward. While we welcome the support announced in the Ministerial Statement on 24 March, the support provided does not match the identified needs of the region. We have read through these interim proposals and, along with conversations with stakeholders in the region, we have collated together the requests of our member authorities. **In summary, we ask for:**

- Timely and clear feedback
- Ongoing advice and support
- Adequate resourcing to support the production of final proposals, and to enable business-as-usual service provision to continue unabated through the local government reform process.

We ask the Minister to make the provision of these preconditions available to our members, so that devolution and local government reform can proceed smoothly with as seamless a transition as possible from current structures to new ones.

Resourcing and capacity

The interim plans indicate that the anticipated costs of both developing the full plans for submission in the Autumn¹, and completing the transition to new unitary authorities, will be in the millions of pounds for each county footprint. Essex has predicted that the costs to reach the full business plan stage alone could reach £7m, with one-off transition costs on top; Hertfordshire suggests that the one-off transition costs will be approximately £52m – £54m; and Suffolk and Norfolk expect that one-off transition costs could fall anywhere between £19m and £32m per county area. This means that local government reform costs for Suffolk, Norfolk and Hertfordshire alone could be as high as £118m - far more than the £7.6m total support for the entire of the country announced on 24 March².

This is a considerable amount of money for a sector already identified as being systemically weak financially³. Local government reorganisation and devolution must work for our residents, while not disrupting business-as-usual services. For example, there is a real danger that councils will have no choice but to cut back on addressing the crisis in homelessness and housebuilding, in order to free up staff time to work on reorganisation.

Therefore, we ask that local authorities receive adequate resources to both produce the full reorganisation plans and enable the transition. Furthermore, details around this resourcing, such as the level of funding to be made available and a timescale for receipt, should be made clear as promptly as possible. Particular areas of expenditure include:

- Building internal capacity to manage unitarisation processes
- Acquisition of specialist expertise and establishing a robust data-led evidence base
- Risk management around audit process and due diligence

Looking forward, more information about how local government will be funded more generally is needed, both now and in the future. This will enable informed estimates as to appropriate geographies. We would also ask that any negative impacts that could come from planned reforms to local government finances are compensated during the transition process. Finding savings during the transition process will be difficult and will draw valuable resource away from either front-line services, or the transition process itself.

Timetabling and feedback

The government has made its intention clear that it wishes for devolution and local government reform to take place as quickly as possible. We ask that details of this timetable are agreed and formalised as soon as possible, to enable local authorities to plan effectively.

In particular, clarity about future election timing would be greatly appreciated, particularly for those areas that have postponed their 2025 election. We would like to know as soon as possible whether any future elections will need postponing as well, and when they will be scheduled for.

Clear criteria

¹ September for Norfolk, Suffolk and Essex, November for Hertfordshire.

² <u>https://questions-statements.parliament.uk/written-statements/detail/2025-03-24/hcws545</u>

³ <u>https://www.nao.org.uk/reports/local-government-financial-sustainability-2025/?nab=0</u>

To support the proposed quick turnaround of work and avoid inefficiency, we ask that any feedback to our members' interim plans be promptly delivered, available publicly, and written down, to reduce the chance of misinterpretation. In particular, the government should be clear about the parameters of what they consider to be an acceptable business plan.

Civic arrangements and sense of place

The civic and ceremonial arrangements in place should be maintained. An identity already exists within the counties, unitaries, cities, districts and boroughs of the East. Therefore, there should be a transposition of such ceremonial titles and roles, such as historic mayoralties in cities and boroughs, to keep that sense of place alive.

Central government advice and support

Local government reform will be a complicated undertaking. While we are aware of the ministerial statement stating that civil servants will liaise with local authorities in the reorganisation process, this support should be in place across government, not just the Ministry for Housing, Communities and Local Government. There are already areas of the transition that will require direct advice from central government, with examples raised including:

- How local plan provision will work
- The future of the statutory override of Dedicated Schools Grant
- Whether other boundaries, such as health boundaries, will match new authority borders
- Expectations around costs for new town, parish and community councils

In addition to civil servant support, direct ministerial engagement would also be welcome to ensure that there is mutual understanding of the level of resources needed and the scale of change required, to undertake local government reform effectively.

Government policy to take local government reform and devolution into account

We are aware that the government is keen to make progress with its regulatory and legislative agenda alongside reorganisation. We ask that the government consider the impacts of local government reorganisation and devolution when it is rolling out these changes, such as reduced local government capacity, the opportunities this reorganisation may offer for service delivery and how these regulations will interact with local authorities both during and after transition.

TUPE and Human Resources considerations

The devolution and local government reorganisation process will generate a considerable amount of change management for councils. It would be appreciated if the government could provide clear guidance around TUPE (Transfer of Undertakings and Protection of Employment) for all councils nationally to utilise, similar to the document which was published in 2008⁴.

If this is planned, or the government would like to re-issue guidance for the current reorganisation process, EELGA would be happy to support MHCLG in producing an updated version which can be

⁴ <u>https://lgpsregs.org/timelineregs/Statutory%20Guidance%20and%20circulars/Staffing_Issues_Guidance080605.pdf</u>

utilised by councils nationally. The new draft could also incorporate any changes proposed in the Employment Rights Bill.

Conclusion

In summary, we ask for the following support for our member authorities:

- Adequate resource to cover the costs of transition and a promise that any negative impacts of local government finance reform are delayed until this process is completed
- Timely and clear feedback to the interim plans and more information around timetabling
- A maintenance of civic and ceremonial roles and titles
- Dedicated civil service support and direct ministerial engagement
- An holistic approach to local government policy to best take advantage of both reorganisation and devolution
- Up-to-date guidance around the TUPE process

We thank you for your time and for reading this letter, and hope to hear back from you or your department in due course. We would also request a meeting with yourself, or other ministers or officials within your department, to better outline the needs of our local authorities during the devolution and local government reform process.

Yours sincerely

Cllr Graham Butland Chair of the East of England Local Government Association Leader of Braintree District Council