



Ministry of Housing,  
Communities &  
Local Government

7 May 2025

## **LOCAL GOVERNMENT REORGANISATION**

### **INTERIM PLAN FEEDBACK: EAST SUSSEX AND BRIGHTON**

To the Chief Executives of:

East Sussex County Council  
Eastbourne Borough Council  
Hastings Borough Council  
Lewes District Council  
Rother District Council  
Wealden District Council  
Brighton and Hove City Council

#### **Overview:**

Thank you for submitting your interim plans. The amount of work from all councils is clear to see across the range of options being considered. For the final proposals, each council can submit a single proposal for which there must be a clear single option and geography and as set out in the guidance, we expect this to be for the area as a whole; that is, the whole of the area to which the 5 February invitation was issued.

Our aim for the feedback on interim plans is to support areas to develop final proposals. This stage is not a decision-making point, and our feedback does not seek to approve or reject any option being considered.

The feedback provided relates to the following interim plans submitted by East Sussex and Brighton and Hove councils:

- the East Sussex Reorganisation Interim Plan from the County and Districts, which includes the responses sent by East Sussex County Council, Eastbourne Borough Council, Lewes District Council, Rother District Council, and Wealden District Council
- the letter submitted by Hastings Borough Council
- the Brighton and Hove City Council Interim Plan

We have provided feedback on behalf of central government. It takes the form of:

1. A summary of the main feedback points;
2. Our response to the specific barriers and challenges raised in your plans; and
3. An annex with more detailed feedback against each of the interim plan asks.

We reference the guidance criteria included in the invitation letter throughout, a copy of which can be found at [Letter: East Sussex and Brighton – GOV.UK](#). Our central message is to build on your initial work and ensure that the final proposal(s) address the criteria and are supported by data and evidence. We recommend that final proposal(s) should use the same assumptions and data sets or be clear where and why there is a difference.

We welcome the work that has been undertaken across proposals to develop local government reorganisation plans for East Sussex and Brighton and Hove. This feedback does not seek to approve or reject any option or proposal, but provide some feedback designed to assist in the development of final proposals. We will assess final proposals against the guidance criteria provided in the invitation letter and have tailored this feedback to identify where additional information may be helpful in enabling that assessment. Please note that this feedback is not exhaustive and should not preclude the inclusion of additional materials or evidence in the final proposals. In addition, your named MHCLG area lead, Chris Lowry, will be able to provide support and help address any further questions or queries.

We note the overlaps with West Sussex in the Brighton and Hove interim plan, and the need for all final proposals to consider the implications of any model of unitary local government for the proposed Sussex and Brighton Mayoral Strategic Authority (MSA). We are providing written feedback to each invitation area individually, but we will be led by you on how verbal feedback is best delivered and who is most appropriate to attend a feedback meeting.

### **Summary of Feedback:**

We have summarised the key elements of the feedback below, with further detail provided in Annex A.

1. The criteria ask that a proposal should seek to achieve for the whole area concerned the establishment of a single tier of local government (see criterion 1).

We note that the proposals submitted cover varying geographies and that you have sought clarity over the footprint that proposals should cover. **Any proposals that cover the East Sussex county footprint should have regard to the implications for Brighton and Hove as per the guidance in the invitation letter. Likewise, any proposals that have implications for West Sussex, should consider the implications for the area covered by those proposals.**

2. In some of the options you are considering populations that would be below 500,000. As set out in the Statutory Invitation guidance and in the English Devolution White Paper, we outlined a population size of 500,000 or more. This is a guiding principle, not a hard target – we understand that there should be flexibility, especially given our ambition to build out devolution and take account of housing growth, alongside local government reorganisation. **All proposals, whether they are at the guided level, above it, or below it, should set out the rationale for the proposed approach clearly.**
3. The criteria ask that consideration should be given to the impacts for crucial services such as social care, children’s services, SEND and homelessness, and for wider public services including for public safety (see criterion 3). **For any options where there is disaggregation, further detail will be helpful on how the different options might impact on these services and how risks can be mitigated.**
4. We welcome steps taken to come together to prepare proposals as per criterion 4:
  - a. **Effective collaboration between all councils across the invitation area and wider proposed Sussex and Brighton MSA will be crucial; we would encourage you to continue to build strong relationships and agree ways of working, including around effective data sharing. This will support the development of a robust shared evidence base to underpin final proposals.**
  - b. **It would be helpful if final proposal(s) use the same assumptions and data sets.**
  - c. **It would be helpful if your final proposal(s) set out how the data and evidence supports all the outcomes you have included, and how well they meet the assessment criteria in the invitation letter.**
  - d. **You may wish to consider an options appraisal that will help demonstrate why your proposed approach in the round best meets the assessment criteria in the invitation letter compared to any alternatives.**
5. **Further detail would be welcome in all plans on how the proposed new structures would support arrangements for the proposed Sussex and Brighton MSA (as per criterion 5), and how benefits of mayoral devolution will be achieved for local communities. In this regard it will be helpful for proposals to have regard to the model of unitary government that is proposed across the whole Sussex and Brighton area.**

## **Response to specific barriers and challenges raised**

Please see below our response to the specific barriers and challenges that were raised in your interim plans:

### **1. Capacity Funding Support**

You asked about capacity funding associated with local government reorganisation. £7.6 million will be made available in the form of local government reorganisation proposal development contributions, to be split across the 21 areas. Further information will be provided on this funding shortly.

In terms of transitional costs, we note the estimate of the transition costs outlined in the East Sussex County and Districts' interim plan, and your experience of merging the back-office functions of Lewes District Council and Eastbourne Borough Council. As per the invitation letter, we expect that areas will be able to meet transition costs over time from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects. We also note your points around the financial pressures councils are facing. It would be helpful if detail on the councils' financial positions and further modelling could be set out in detail in the final proposal(s).

### **2. Application of the criteria, including population criterion**

You asked for clarity on the application of the criteria for local government reorganisation, particularly around the 500,000 population size. As set out in the Statutory Invitation guidance and in the English Devolution White Paper, we outlined a population size of 500,000 or more. This is a guiding principle, not a hard target – we understand that there should be flexibility, especially given our ambition to build out devolution and take account of housing growth, alongside local government reorganisation. All proposals, whether they are at the guided level, above it, or below it, should set out the rationale for the proposed approach clearly.

### **3. Speed of decision making**

You noted the importance of timely feedback and decision making to support local government reorganisation work to move at pace. This is our feedback on your interim plans to support you to develop the final proposal(s). Chris Lowry has been appointed as your MHCLG point person and will be ready to engage with the whole area, to support this work to continue at pace.

#### **4. Joined up discussions with other Government departments and across MHCLG**

You noted the importance of joined up communication with other government departments as well as MHCLG. Chris Lowry has been appointed as your MHCLG point person and will be ready to engage with the whole area and able to support your engagement with government.

#### **5. Temporary protection from any negative impacts of the Government's proposed funding reforms**

You asked for further information on local government finance reforms. Government recently consulted on finance reforms and confirmed that some transitional protections will be in place to support areas to their new allocations.

Further details on finance reform proposals and transition measures will be consulted on after the Spending Review in June.

We will not be able to provide further clarification on future allocations in the meantime but are open to discussing assumptions further if we can assist in financial planning.

#### **6. Geography for final proposals**

You asked about whether proposals should be submitted for the invitation area only, or for the whole proposed Sussex and Brighton MSA.

As per criterion 1, proposals should seek to achieve for the whole of the invitation area the establishment of a single tier of local government.

Where any proposal contains a preferred option for a single tier of local government across the whole of the proposed Sussex and Brighton MSA area, such as the option for five unitary councils across Sussex put forward by Brighton and Hove, it is recommended that the impacts for both invitation areas are set out. We would recommend for all local government reorganisation proposals collaboration and data sharing with partners across the proposed Sussex and Brighton MSA area, to work towards proposals that will enable a sensible solution for both areas in the context of the proposed MSA.

We recommend that final proposal(s) use the same assumptions and data sets for any options to enable effective comparisons, explaining where and why there are differences.

Where aspects of the proposal(s) have impacts on neighbouring invitation areas i.e. any expansion of Brighton and Hove into West Sussex, it is recommended that these impacts are considered and set out.

As the Invitation sets out, boundary changes are possible, but that "existing district areas should be considered the building blocks for proposals, but where there is a strong justification more complex boundary changes will be considered."

The final proposal must specify the area for any new unitary council(s). If a boundary change is part of your final proposal, then you should be clear on the boundary proposed, which could be identified by a parish or ward boundary, or if creating new boundaries by attaching a map.

Proposals should be developed having regard to the statutory guidance which sets out the criteria against which proposals will be assessed (including that listed above).

If a decision is taken to implement a proposal, boundary change can be achieved alongside structural change. Alternatively, you could make a proposal for unitary local government using existing district building blocks and consider requesting a Principal Area Boundary Review (PABR) later. Such reviews have been used for minor amendments to a boundary where both councils have requested a review – such as the recent Sheffield/Barnsley boundary adjustment for a new housing estate. PABRs are the responsibility of the Local Government Boundary Commission for England who will consider such requests on a case-by-case.

**ANNEX A: Detailed feedback on asks for interim plan**

<b>Ask – Interim Plan</b>	<b>Feedback</b>
<p>Identify the likely options for the size and boundaries of new councils that will offer the best structures for delivery of high-quality and sustainable public services across the area, along with indicative efficiency saving opportunities.</p> <p>Relevant criteria:</p> <p>1 c) Proposals should be supported by robust evidence and analysis and include an explanation of the outcomes it is expected to achieve, including evidence of estimated costs/benefits and local engagement.</p> <p>&amp;</p> <p>2 a-f) Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.</p> <p>&amp; 3 a-c) Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.</p>	<p>We welcome the initial thinking on the options for local government reorganisation in East Sussex and Brighton and Hove and recognise that this is subject to further work. We note the local context and challenges outlined in the proposals and the potential benefits that have been identified for the options put forward. Your plans set out your intention to undertake further analysis, and this further detail and evidence, on the outcomes that are expected to be achieved of any preferred model, would be welcomed.</p> <p>You may wish to consider an options appraisal against the criteria set out in the letter to provide a rationale for the preferred model against alternatives.</p> <p>For the final proposal(s), each council can submit a single proposal for which there must be a clear single option and geography and, as set out in the guidance, we expect this to be for the area as a whole; that is, the whole of the area to which the 5 February invitation was issued.</p> <p>Where there are proposed boundary changes, the proposal should provide strong public services and financial sustainability related justification for the change.</p> <p>Where a proposal is put forward for the whole of the Sussex and Brighton MSA area, implications for the whole area should be considered and set out.</p> <p>Proposals should be for a sensible geography which will help to increase housing supply and meet local needs, including future housing growth plans. All proposals should set out the rationale for the proposed approach.</p> <p>Given the financial pressures you identify it would be helpful to understand how efficiency savings have been considered alongside a sense of place and local identity.</p> <p>We recognise that the options outlined in the interim plans are subject to further development. In final</p>

	<p>proposal(s) it would be helpful to include a high-level financial assessment which covers transition costs and overall forecast operating costs of the new unitary councils.</p> <p>We will assess final proposals against the criteria in the invitation letter. Referencing criteria 1 and 2, you may wish to consider the following bullets:</p> <ul style="list-style-type: none"> <li>• high-level breakdowns, for where any efficiency savings will be made, with clarity of assumptions on how estimates have been reached and the data sources used, including differences in assumptions between proposals</li> <li>• information on the counterfactual against which efficiency savings are estimated, with values provided for current levels of spending</li> <li>• a clear statement of what assumptions have been made and if the impacts of inflation are taken into account</li> <li>• a summary covering sources of uncertainty or risks, with modelling, as well as predicted magnitude and impact of any unquantifiable costs or benefits</li> <li>• where possible quantified impacts on service provision, as well as wider impacts</li> </ul> <p>We recognise that financial assessments are subject to further work and note the financial pressures outlined in the interim plans. The bullets below indicate where information would be helpful across all options. As per criteria 1 and 2, it would be helpful to see:</p> <ul style="list-style-type: none"> <li>• data and evidence to set out how your final proposal(s) would enable financially viable councils across the whole area, including identifying which option best delivers value for money for council taxpayers</li> <li>• further detail on potential finances of new unitaries, for example, funding, operational budgets, potential budget surpluses/shortfalls, total borrowing (General Fund), and debt servicing costs (interest and MRP); and what options may be available for rationalisation of potentially saleable assets</li> <li>• clarity on the underlying assumptions underpinning any modelling e.g. assumptions of future funding, demographic growth and pressures, interest costs, Council Tax, savings earmarked in existing councils' MTFS</li> </ul>
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	<ul style="list-style-type: none"> <li>• financial sustainability both through the period to the creation of new unitary councils as well as afterwards</li> <li>• as criterion 2e states and recognising that Eastbourne Borough Council has received Exceptional Financial Support, proposals must additionally demonstrate how reorganisation may contribute to putting local government in the area as a whole on a more sustainable footing, and any assumptions around what arrangements may be necessary to make new structures viable</li> </ul> <p>We note that the joint county and districts' plan for a single unitary council avoids fragmentation of services currently delivered county-wide. For proposals that would involve disaggregation of services, we would welcome further details on how services can be maintained where there is fragmentation, such as social care, children's services, SEND, homelessness, and for wider public services including for public safety. Under criterion 3c you may wish to consider:</p> <ul style="list-style-type: none"> <li>• how each option would deliver high-quality and sustainable public services or efficiency saving opportunities</li> <li>• what are the potential impacts of disaggregating services?</li> <li>• what would the different options mean for local services provision, for example: <ul style="list-style-type: none"> <li>• do different options have a different impact on SEND services and distribution of funding and sufficiency planning to ensure children can access appropriate support, and how will services be maintained?</li> <li>• what is the impact on adults and children's care services? Is there a differential impact on the number of care users and infrastructure to support them from the different options?</li> <li>• what partnership options have you considered for joint working across the new unitaries for the delivery of social care services?</li> <li>• do different options have variable impacts as you transition to the new unitaries, and how will risks to safeguarding be managed?</li> <li>• do different options have variable impacts on schools, support and funding</li> </ul> </li> </ul>
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	<p>allocation, and sufficiency of places, and how will impacts on schools be managed?</p> <ul style="list-style-type: none"> <li>• what are the implications for public health, including consideration of socio-demographic challenges and health inequalities within any new boundaries and their implications for current and future health service needs? What are the implications for how residents access services and service delivery for populations most at risk?</li> </ul> <p>We would encourage you to provide further details on how your proposals would maximise opportunities for public service reform, so that we can explore how best to support your efforts.</p>
<p>Include indicative costs and arrangements in relation to any options including planning for future service transformation opportunities.</p> <p>Relevant criteria: 2d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.</p>	<p>We note the estimate of transition costs, and initial thinking on service transformation and back-office efficiencies in the joint county and districts' plan and would welcome further clarity in all final proposals on the assumptions and data used to calculate transition costs and efficiencies (see criterion 2d).</p> <p>As per criterion 2, the final proposal(s) should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.</p> <ul style="list-style-type: none"> <li>• within this it would be helpful to provide more detailed analysis on expected transition and/or disaggregation costs and potential efficiencies of proposals. This could include clarity on methodology, assumptions, data used, what year these may apply and why these are appropriate</li> <li>• detail on the potential service transformation opportunities and invest-to-save projects from unitarisation across a range of services e.g. consolidation of waste collection and disposal services, and will different options provide different opportunities for back-office efficiency savings?</li> <li>• where it has not been possible to monetise or quantify impacts, you may wish to provide an estimated magnitude and likelihood of impact</li> </ul>

	<ul style="list-style-type: none"> <li>• summarise any sources of risks, uncertainty and key dependencies related to the modelling and analysis</li> <li>• detail on the estimated financial sustainability of proposed reorganisation and how debt could be managed locally</li> </ul> <p>We note the financial pressures that councils are facing, as outlined in the joint county and districts' plan. It would be helpful if detail on the councils' financial positions and further modelling is set out in detail in the final proposal(s).</p> <p>We note that there are some existing shared services across the county footprint as set out in the joint county and districts' plan. It would be helpful if final proposals set out the impact on these services, such as, the transitional costs, any further reform opportunities or disaggregation costs, and to include how information has been calculated including data sources used, and how they differ between each option.</p>
<p>Include early views as to the councillor numbers that will ensure both effective democratic representation for all parts of the area, and also effective governance and decision-making arrangements which will balance the unique needs of your cities, towns, rural and coastal areas, in line with the Local Government Boundary Commission for England guidance.</p> <p>Relevant criteria: 6) New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.</p>	<p>We welcome the assessment in the joint county and districts' plan that has been started on the options for councillor numbers.</p> <p>New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.</p> <p>Additional details on how the community will be engaged, specifically how the governance, participation and local voice will be addressed to strengthen local engagement, and democratic decision-making, would be helpful.</p> <p>In final proposal(s) we would welcome detail on your plans for neighbourhood-based governance, the impact on parish councils, and thoughts about formal neighbourhood partnerships and area committees.</p>
<p>Include early views on how new structures will support devolution ambitions.</p>	<p>Further detail would be welcome in all plans on how the proposed new structures would support</p>

<p>Relevant Criteria: 5a-c) New unitary structures must support devolution arrangements.</p>	<p>arrangements for the proposed Sussex and Brighton MSA.</p> <p>We would recommend collaboration and data sharing with partners across the proposed Sussex and Brighton MSA area, to work towards local government reorganisation proposals that will enable a sensible solution for both areas in the context of the proposed MSA.</p> <p>Across all proposals, looking towards a potential future MSA, it would be beneficial to provide an assessment that outlines if there are benefits and disadvantages in how each option would interact with an MSA and best benefit the local community, including meeting devolution statutory tests.</p> <p>More detail would be welcome on the implications of the various local government reorganisation options for the timelines and management of devolution across the Sussex and Brighton area. While we cannot pre-judge devolution decisions, we are happy to discuss further any eventual transition period as the new unitary authorities and potential MSA are established.</p> <p>We would welcome continued engagement with the Police and Crime Commissioner, Members of Parliament and wider local stakeholders as you continue to develop your proposal(s)</p> <p>An MSA is the same as a Mayoral Combined Authority or Mayoral Combined County Authority</p>
<p>Include a summary of local engagement that has been undertaken and any views expressed, along with your further plans for wide local engagement to help shape your developing proposals.</p> <p>Relevant criteria: 6a-b) new unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.</p>	<p>We welcome your interim updates against criterion 6, and the engagement undertaken so far and your plans for the future. We also welcome the consideration of culture, identity and history in all of the plans submitted. It is for you to decide how best to engage locally in a meaningful and constructive way with residents, the voluntary sector, Neighbourhood Boards, local community groups and councils, public sector providers such as health, police and fire, and local businesses to inform your proposal.</p> <p>For proposals that involve disaggregation of services, you may wish to engage in particular, with those residents who may be affected. It would be helpful to see detail that demonstrates how local ideas and views have been incorporated into the final proposal(s).</p>

<p>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.</p> <p>Relevant criteria: Linked to 2d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.</p>	<p>We recognise that work is ongoing to consider the costs of preparing proposals and standing up an implementation team.</p> <p>We would welcome further detail in your final proposal(s) over the level of cost and the extent to which the costs are for delivery of the unitary structures or for transformation activity that delivers benefits.</p> <p>£7.6 million will be made available in the form of local government reorganisation proposal development contributions, to be split across the 21 areas. Further information will be provided on this funding shortly.</p>
<p>Set out any voluntary arrangements that have been agreed to keep all councils involved in discussions as this work moves forward and to help balance the decisions needed now to maintain service delivery and ensure value for money for council taxpayers, with those key decisions that will affect the future success of any new councils in the area.</p> <p>Relevant criteria: 4 a-c) 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.</p>	<p>We welcome the steps taken to facilitate joint working across the area.</p> <p>Effective collaboration between all councils in the invitation area, and the proposed MSA area will be crucial; areas will need to build strong relationships and agree ways of working, including around effective data sharing.</p> <p>This will enable you to develop a robust shared evidence base to underpin final proposals (see criterion 1c). We recommend that final proposals should use the same assumptions and data sets or be clear where and why there is a difference.</p> <p>We would expect the final proposal(s) to have regard to the implications for the whole invitation area, proposed MSA area and/or neighbouring invitation areas where proposal(s) overlap.</p>