

**MINUTES OF THE MEETING OF THE CABINET
HELD ON 8 JANUARY 2025 AT 2.30PM
COUNCIL CHAMBER, WOODHATCH PLACE,
11 COCKSHOT HILL, REIGATE, SURREY, RH2 8EF**

These minutes are subject to confirmation by the Cabinet at its next meeting.

Members: (*present)

- * Tim Oliver OBE (Chairman)
- * Natalie Bramhall
- * Clare Curran
- * Kevin Deanus
- * Matt Furniss
- Marisa Heath
- * David Lewis
- * Sinead Mooney
- * Mark Nuti
- * Tim Oliver OBE
- * Denise Turner-Stewart

Deputy Cabinet Members

- * Maureen Attewell
- * Steve Bax
- * Paul Deach
- * Jonathan Hulley

Members in attendance:

Cllr Fiona Davidson, Chairman of the Children, Families, Lifelong Learning and Culture Select Committee
Cllr Jonathan Essex, Leader of the Green Party Group
Cllr Robert Hughes, Chairman of the Resources and Performance Select Committee
Cllr Catherine Powell, Leader of the Residents Association/Independent Group

PART ONE
IN PUBLIC

1/25 APOLOGIES FOR ABSENCE [Item 1]

Apologies for absence were received from Marisa Heath.

2/25 DECLARATIONS OF INTEREST [Item 2]

There were none.

3/25 RESPONSE TO THE ENGLISH DEVOLUTION WHITE PAPER [Item 3]

The report was introduced by the Leader of the Council, who noted that the Government's English Devolution White Paper, published on 16 December

2024, and the subsequent letter from the Minister for Local Government and English Devolution set a clear direction for two-tier areas to move towards establishing unitary authorities as a means of delivering devolution.

He summarised the timetable set out by the Government, whereby all two-tier authorities were asked to submit interim local government reorganisation (LGR) proposals by March 2025, with final proposals in either May 2025 or Autumn 2025 depending on whether councils were accepted onto an accelerated programme. Councils on the accelerated programme would be expected to introduce shadow unitary authorities in May 2026, which would mean the potential postponement of the May 2025 elections. Any postponement of elections would be a decision for the Government requiring the laying of secondary legislation before Parliament.

The Leader highlighted the importance of ensuring that any proposals were in the best interests of Surrey residents. This would involve considerable work with district and borough councils, as well as partners in the NHS and Surrey Police. Discussions would need to start now if we are to achieve the March deadline. It was recognised that it would be a challenge to find a solution that all partners could agree on. The situation was complicated by the issue of debt in some district and borough councils, and it was proposed that the letter to the Minister would be amended to request that the Government write off the debt of such councils.

He went on to emphasise that the timetable had been set out by Government and was not the council's choice; however, there was a necessity to engage with the Government and use leverage in order to avoid a unitary solution being imposed. Work would begin to establish a steering group and working groups with the 11 district and borough councils, and officers had already been tasked with drawing up terms of reference for these.

The Leader added that the County Council had been given the opportunity that morning to debate the report at an Extraordinary Meeting, and had voted in favour of writing to the Minister.

The Cabinet expressed their support for the recommendations. Key points raised included:

- The importance of achieving the best deal possible for Surrey.
- The inevitability of the introduction of unitary authorities, and the importance of engaging with the Government early in the process in order to maintain some control.
- Many residents would appreciate the clarity of dealing with one council for all matters as the current two-tier system could be confusing.
- The Government would consult with local residents on any proposals, and local authorities would be expected to support this process.
- The collective debt of some district and borough councils, and the reduction in their revenue streams meant that timely action was required.
- The opportunity this presented to shape the future of Surrey and ensure that residents are better off in future.
- Postponing the May 2025 elections would enable detailed proposals to be drawn up and consulted on, freeing up officer time and avoiding the restrictions of the pre-election period. Even if the election were to go

ahead, proposals would still be required by the autumn, and a newly elected cohort of councillors would be required to mobilise very quickly to prepare proposals. The current cohort of councillors had the skills, experience and knowledge of their local areas and were best placed to take the work forward.

- Misgivings around the timetable were expressed, but it was accepted that this was not the council's decision.
- Holding an Extraordinary Council to discuss this issue had been a significant step forward and it was important for residents and staff that all elected Members were given the opportunity to express their views. Although there was disagreement about the postponement of elections, there were very few dissenting voices regarding the introduction of unitary local government.
- Surrey County Council has a strong record on public engagement which it will use to support the Ministerial consultation.
- The draft letter is diligent and considerate, and sets an appropriate tone.
- Devolution provides an opportunity to take action on matters important to residents, including integrated transport, congestion, planning and housing.
- The current local government structure has hampered delivery for residents in many areas.
- The 11 district and borough councils estimate that the combined cost of running the county council elections on behalf of SCC was around £2.5 million. This cost would be incurred by SCC if the elections were to go ahead, so postponement would represent a cost saving.
- The hard work of all SCC, district and borough council staff was acknowledged. The Leader noted that the uncertainty of this situation was unhelpful for staff, and that the sooner the position could be clarified, the better.

RESOLVED:

That the Cabinet:

1. Agreed that the Leader should respond to the Government as outlined in the letter set out in Annex 2, as amended below:

“A postponement of the county elections will also allow time to give consideration in any business case to how we can best manage the unique, significant financial risk of the level of debt currently held across the Surrey local government footprint. Any proposals for local government reorganisation will need to adequately consider how to ensure the sustainable operation of any new authority/ies ~~in the absence of exceptional financial support from Government or a level of write-off~~ **and we will request the government to write off those debts.**”

Reasons for decisions:

The English Devolution White Paper presents an important opportunity for Surrey County Council to bring more expansive and flexible devolved powers and funding into the county for the benefit of residents. As such it is recommended that Cabinet agrees to respond to the Minister's letter (Annex

1) requesting the postponement of the 2025 County Council elections to allow the Surrey County Council Leader time to work with district and borough Leaders to develop a proposal for local government reform that will unlock the benefits of further devolution for Surrey.

The function of deciding whether and how to respond to the Minister's letter of 16 December 2024 is an executive function as set out in the Constitution under Responsibility for Executive Functions (Part 3), the Cabinet has the power to provide formal response to any Government White Paper "...likely to lead to policy changes or have impact upon service not otherwise delegated to officers" (Scheme of Delegation 8.2 (L)).

(In accordance with Standing Order 56.1 (Special Urgency), the Chairman of the Resources and Performance Select Committee has agreed that the decisions on this item cannot reasonably be deferred and therefore it is not subject to call in.)

4/25 EXCLUSION OF THE PUBLIC [Item 4]

There were no Part 2 items.

5/25 PUBLICITY FOR PART 2 ITEMS [Item 5]

There were no Part 2 items.

Meeting closed at 15:30

Chairman