

BROMSGROVE DISTRICT COUNCIL

Council
2025

12 March

Local Government Re-organisation – Interim Plan Proposals for Worcestershire – Bromsgrove

Relevant Portfolio Holder	Councillor Karen May, Leader and Cabinet Member for Strategic Partnerships and Governance
Portfolio Holder Consulted	Yes
Relevant Senior Officers	Sue Hanley, Chief Executive. Claire Felton, Assistant Director for Legal, Democratic and Procurement Services
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Wards Affected	All Wards
Ward consulted Councillor(s)	N/A
Relevant Council Priority	All strategic priorities
If you have any questions about this report, please contact the report author in advance of the meeting.	

1. RECOMMENDATIONS

Members are asked to

- 1.1 CONSIDER the matters set out in this report relating to the Government’s intention to implement devolution and local government reorganisation; and**

RESOLVE

- 1.2 which model of local government re-organisation be included in the Council’s interim response to be sent to the Ministry of Housing Communities and Local Government setting out the Council’s position on devolution. Members may select from the models of organisation listed below at Options 1 to 3.**

OPTION 1: Unitary Authority for the whole of Worcestershire made up of the six district councils and Worcestershire County Council.

OPTION 2: Two Unitary Authorities made up of North Worcestershire (covering the footprint of Bromsgrove, Redditch and Wyre Forest) and South Worcestershire (covering the footprint of Malvern Hills, Worcester City and Wychavon) together with associated County Council functions for each area.

OPTION 3: A response that continues to work up Option 1 and Option 2 to ensure that both can be fully examined prior to submission on 28th November 2025.

- 1.3 Authority be delegated to the Chief Executive and the Assistant Director of Legal Democratic and Procurement Services to make any final amendments to the Council's interim plan response following consultation with Group Leaders.**

2. BACKGROUND

- 2.1 The purpose of this report is to inform Members of the proposals for local government devolution and re-organisation as set out in the recent government White Paper titled English Devolution White Paper published on 16th December 2024 (referred to in this report as the "white paper") by the Ministry of Housing Communities and Local Government ("MHCLG"). A white paper is a statement of intent for future government legislation. It will be followed by an Act of Parliament. The exact timing of this new legislation is not known at this stage. The government has indicated that the new legislation will be titled the "English Devolution Act".
- 2.2 In the White Paper, the Government sets out its ambition to create new Strategic Authorities with an ultimate aim, in due course, for all areas to be covered by a Mayoral Strategic Authority. Alongside these changes increased levels of devolution would be introduced, in areas such as housing and planning, environment and climate change, business and research, skills and employment and transport.
- 2.3 In addition, and as a preparatory step towards the creation of Strategic Authorities for all areas, the Government is seeking local government reorganisation. This will apply to all remaining areas of two tier local government, i.e. areas where there are both County Councils and District Councils. Principal Councils in those areas have been formally invited by the Minister of State for Local Government and English Devolution ("the Minister of State") to put forward proposals for the existing District and County Councils to be replaced by Unitary Councils.

- 2.4 The existing powers in the Local Government and Public Involvement in Health Act 2007 (“the 2007 Act”) do not enable the government to impose unitary structures, and it is for this reason the language used is one of “inviting” proposals. However, it would be open to the government to legislate in the English Devolution Act to re-create powers of direction or to implement re-organisation directly by setting out a new structure to replace county and district councils.
- 2.5 A more detailed chronology of events since December 2024 and key dates going forward is attached at Appendix 1. On 8th January 2025 Worcestershire County Council wrote to the MHCLG asking to defer the 2025 County Council elections. This request was rejected by the MHCLG. On 5th February 2025 the Minister wrote to all the Worcestershire authorities inviting the council leaders in the area to develop a proposal for single tier re-organisation (Appendix 2). The letter included a formal invitation for proposals under section 2 of the 2007 Act and guidance for the development of those proposals. A copy of the guidance is attached at Appendix 3. Senior officers have since been provided with more information on proposed timescales for the implementation of local government re-organisation by officials from the MHCLG.
- 2.6 The next key date in the re-organisation process is 21st March 2025 by which time the Council is required to submit its Interim Plan for re-organisation to the MHCLG. That document must set out the Council’s preferred model or models of re-organisation, together with supporting information as set out at paragraph 3.12 of this report.
- 2.7 As set out in the main body of this report there is a strong emphasis under the White Paper on encouraging neighbouring authorities to collaborate and bring forward joint proposals. This is clearly indicated in the Ministerial Guidance at Appendix 3 which states: - *“the expectation is that one interim plan is jointly submitted by all councils in the area”*.
- 2.8 Discussions have been taking place between the Worcestershire Council Leaders supported by the Chief Executives from all 7 Worcestershire Councils through the Worcestershire Leaders Board. The focus has been to prepare a draft interim plan setting out proposals for a unitary model or models covering the County as a whole. The draft interim plan would then be subject to agreement by each of the Councils in Worcestershire.

- 2.9 At the time of publishing this report (4th March) discussions between County leaders are on-going and circulation of the draft interim plan will be delayed pending a further meeting of the Leaders Board on 6th March. This report therefore gives Members as much information as is currently available regarding the move to unitary status and options for future models. An addendum to this report will be issued as early as possible before Council meets setting out the conclusions reached following the discussions taking place through the Leaders Board together with a further appendix (Appendix 5).

3. OPERATIONAL ISSUES

Devolution

- 3.1 The principle of devolution is nothing new in terms of central government devolving power, funding and responsibilities held in Whitehall departments or central government bodies, down to local areas. To date devolution has been principally facilitated through the creation of new Combined Authorities as an additional tier of government under the democratic accountability of an Elected Mayor. These arrangements have been well established primarily in City Regions such as the Greater London Authority, Greater Manchester Combined Authority and West Midlands Combined Authority.
- 3.2 The previous Government sought to further progress devolution through the principle of County Deals, which aimed to provide a vehicle for devolution to be taken up in areas across England without a devolution deal. The County Deal approach was formulated in the February 2022 White Paper which committed to establishing a new model of Combined Authority that would enable devolution deals to be agreed by County Councils and/or Unitary Councils. Within the White Paper the Government announced nine areas which were to be negotiated first.
- 3.3 Following the election of a new Government, in July 2024 the Deputy Prime Minister and Secretary of State for Local Government wrote to all Local Government Leaders setting out the new Government's ambition to widen and deepen devolution across England.

The English Devolution White Paper

- 3.5 On 16 December 2024 the Government published the English Devolution White Paper setting out a programme of devolution and Local Government reorganisation across England. The vision outlined by the Government is for all parts of England to be part of regional Strategic Authorities that have a regional Mayor. These Strategic Authorities will

work in a similar way to existing Mayoral Combined Authorities. Strategic Authorities will have responsibility for driving growth and shaping public services across wider regional geographies.

3.6 There are three levels of Strategic Authorities proposed:

- **Foundation Strategic Authorities:** these include non-mayoral Combined Authorities and Combined County Authorities automatically. In exceptional circumstances, the Secretary of State will have the power to designate an individual Local Authority as a Foundation Strategic Authority.
- **Mayoral Strategic Authorities:** the Greater London Authority, all Mayoral Combined Authorities and all Mayoral Combined County Authorities will automatically begin as Mayoral Strategic Authorities.
- **Established Mayoral Strategic Authorities:** Those existing Combined Mayoral Authorities that meet specified eligibility criteria may be designated as Established Mayoral Strategic Authorities. This unlocks further devolution, most notably an Integrated Settlement

3.7 Under the new devolution framework, the government's preference is for partnerships that bring together more than one Local Authority over a wider geography. All combined authorities will be referred to as Strategic Authorities with the aim that all areas will have Mayoral Strategic Authorities.

3.8 Strategic Authorities will have defined areas of competence. These areas are:

- Transport and local infrastructure.
- Skills and employment support.
- Housing and strategic planning.
- Economic development and regeneration.
- Environment and climate change.
- Health, wellbeing and public service reform.
- Public safety.

Local Government Re-organisation

3.9 As a preparatory step to establishing Strategic Authorities, the Government is pushing forward a programme of local government re-organisation under which all remaining areas with two tier Councils will

be expected to move to a unitary model. This will affect the remaining “shire” counties covering 21 two-tier areas.

- 3.10 As referred to in paragraph 2.4, Worcestershire County Council was not successful in requesting a delay to its elections. Accordingly, it is one of the 15 County areas which has been given until November 2025 by the government to present its proposals for re-organisation. Members are referred to the timetable at Appendix 1. For the immediate future the most important upcoming dates are as follows: -

21st March 2025 – Deadline for Interim Plan to be sent to the MHCLG

28th November 2025 - Deadline for final proposals for re-organisation to be sent to MHCLG

- 3.11 As set out in paragraph 2.7, the expectation is that one interim plan will be jointly submitted by all the councils in the area. This is made very clear as can be seen from the following quotes.

3.11.1 The White Paper states “All levels of local government have a part to play in bringing improved structures to their area through re-organisation, including by sharing information and working proactively to enable robust and sustainable options to be developed and considered. We expect all Councils in an area to work together to develop unitary proposals that are in the best interests of all councils in an area to work with us to bring about these changes as swiftly as possible”.

3.11.2 The Minister’s letter of 5th February states “We therefore expect local leaders to work collaboratively and proactively, including by sharing information to develop robust and sustainable unitary proposals that are in the best interests of the whole area to which this invitation is issued, rather than developing competing proposals. This will mean making every effort to work together to develop and jointly submit one proposal for unitary local government across the whole of your area.”

- 3.12 The government acknowledges that at this stage plans may still be in the early phases of taking shape. As set out in Appendix 3, the interim plan should address the following issues: -

- Any barriers or challenges where government support is needed
- Options for a unitary structure
- Costs of a unitary structure
- Councillor numbers and electoral arrangements
- Views on how new structures would support devolution

- Plans for local engagement
- Preparatory costs
- Plans for joint working with other authorities in the area

Options for unitary structures

3.13 As already noted, the Minister's letter at Appendix 2 includes a statutory invitation under section 2 of the Local Government and Public Involvement in Health Act 2007 for proposals to be submitted by principal councils in the county of Worcestershire for a single tier of local government. A proposal could include: -

- A single unitary council for the whole of Worcestershire.
- Two or more unitary councils for Worcestershire.
- A single tier proposal involving areas neighbouring Worcestershire.

3.14 In relation to the third option above (also known as a Type C proposal) the 2007 Act states that such a proposal can be made with a "relevant adjoining area". This is defined as an area that "must adjoin the county concerned and is currently a county in England, a district in England or two or more such counties or districts".

3.15 Based on this definition, then technically a unitary model for Worcestershire could be considered to include any of the following county areas; Herefordshire, Shropshire, Warwickshire, Gloucestershire and Staffordshire. Officers are of the view that the 2007 Act would preclude a cross boundary arrangement with a metropolitan unitary authority. However, this is not entirely clear from wording in the White Paper which refers to re-organisation being available for: -

"those unitary councils where there is evidence of failure or where their size or boundaries may be hindering their ability to deliver sustainable and high-quality services for their residents".

3.16 The above points have been considered by the Worcestershire Leaders Board and whilst there is a third option of a Type C proposal, albeit that the exact details are unclear, the view of the Leaders is not to pursue a cross boundary option. This therefore leaves the two remaining options of a single unitary authority for the whole of Worcestershire model or two or more unitary authorities for Worcestershire.

3.17 The guidance from the secretary of state at Appendix 3 sets out a suite of considerations which authorities should take into account when formulating proposals. Of particular note is the guidance in section 2 which states that new councils should aim for a population figure of

500,000 or more. The guidance further states that “there may be certain scenarios in which this 500,000 figure does not make sense for an area, including on devolution, and this rationale should be set out in a proposal”.

Timetable for implementation of new arrangements

- 3.18 The additional information provided by officials at MHCLG has set out that the proposed commencement date for any new unitary structure or structures in Worcestershire would be April 2028. Following submission of final proposals in November 2025, there would be a period of consultation from January to April 2026. Between May and August 2026 a government decision would be made and the enabling legislation laid before Parliament. Elections to the new style authority(ies) would take place in May 2027 which is referred to as “Shadow Authority(ies)”. In April 2028 the Shadow Authority(ies) would take over as the unitary authority(ies) for Worcestershire.
- 3.19 Based on the examples of previous two tier districts which have changed to a unitary structure there are different options as to the transition arrangements and the timing of elections for the new authority(ies) and the cessation of the original councils. In some examples the County Council has continued to operate as the Shadow Council for a further twelve months up to the implementation date with an increased number of members to reflect the eventual make up of the new unitary structure. Another model is for the County Council to be abolished and for the Shadow Council to be made up of all the County and District Councillors in the area with elections to the new unitary structure taking place after the abolition of the County Council and the District Councils. There are financial implications arising from the procedure for the Shadow Authority in terms of the levels of member allowance payable and this is set out in more detail in the Interim Plan.

Implications for Worcestershire

- 3.20 Leaving aside a cross border type C proposal, there are essentially two alternative options for Worcestershire as follows: -

Option 1: A unitary council for the whole county with an estimated population of 614,000; or

Option 2: Two unitary councils, one made up of the three southern districts of Malvern Hills, Worcester City and Wychavon (population 323,000) and the other made up of the three northern districts Bromsgrove, Redditch and Wyre Forest (population 291,000).

- 3.21 As noted in paragraph 3.17 the government has identified that exceptions to the guidance on population of 500,000 may arise in certain scenarios. If this option were to be adopted for the final proposals it will be necessary to set out a well argued rationale to justify the lower population numbers.
- 3.22 As referred to in paragraph 2.9, officers are waiting to be updated regarding the draft interim plan following the latest round of discussions through the Leaders Board. It is clear that there is unlikely to be unanimity of views across the 7 councils. Realistically, and given the time constraints imposed by government, it is not going to be possible for the interim plan to commit to one particular outcome. The alternative would be to have a twin track approach with a plan that identifies the options under consideration and provides details of both of those options together with indicative preparation costs.
- 3.23 Whilst the population numbers for a two unitary model would be below the threshold of 500,000, there are strong arguments that a proposal of two unitary councils would build on the existing and very well established models of partnership working in both the North and South of the County.
- 3.24 This is not an exhaustive list but examples of current shared working arrangements include: -
- Shared Services in operation between Bromsgrove and Redditch Council since 2012 resulting in services currently being delivered jointly across both council areas by one team of staff.
 - Shared Services for North Worcester Water Management and Building Control operated jointly by Bromsgrove, Redditch and Wyre Forest Councils
 - Shared Services (for some but not all service areas) of Wychavon Council and Malvern Hills District Council since 2014.
 - Shared Revenues and Benefits Service for the Southern Districts

Achieving devolution in Worcestershire

- 3.26 Whilst the seven councils in Worcestershire have control over shaping proposals for a new unitary governance structure, the inclusion in those plans of any devolution will be dependent on the outcome of discussions with neighbouring authorities. There is a range of options for the footprint of a strategic authority. The government suggests a minimum population of 1.5 million and states that strategic authorities should cover sensible economic geographies with a particular focus on functional economic areas.

- 3.27 Worcestershire's neighbouring areas are listed at paragraph 3.15 and various combinations would be possible to make up a population of 1.5 million. Members are referred to the Council area populations at Appendix 4. A further factor to note is the government's desire as set out in the White Paper to achieve public sector boundary alignment for strategic authorities. If two unitary councils were established, it would be possible for them to be in different strategic authorities.

Challenges and Risks

- 3.28 The changes needed to be implemented to move to a unitary structure in Worcestershire and to be able to access greater devolution through belonging to a strategic authority are challenging and far reaching. The White Paper sets out what would be the most significant programme of local government re-organisation for two tier authorities in decades. There are a number of unknowns and challenges that have been identified in the preparation of this report as follows: -

3.28.1 The ability of the 7 councils in Worcestershire to work collaboratively to agree a high level plan for the way forward and to expand that plan into detailed final proposals that meet the government's criteria. Achieving consensus across the whole County will be difficult where there are different opinions and different approaches in the mix. Whilst it would be possible for more than one final proposal to be presented to MHCLG working on different scenarios would create duplication of effort and potentially stretch the available resources.

3.28.2 There is limited time to proceed with the next stage of formulating final proposals as that work has to be completed by November 2025. There may be practical issues around making plans such as the ability to gather data in a timely way and the need for authorities to co-operate in sharing data.

3.28.3 It is not known at this stage what the contents of the English Devolution Bill will be and whether a mechanism for compelling the creation of unitary authorities will be introduced for any councils who are unable to formulate acceptable plans in the current timescales.

3.28.4 A further unknown is the government position on achieving coterminous boundaries between new local government structures and the existing boundaries of other public authorities such as the police, the fire service and health authorities. The White Paper implies that the government would wish to see an alignment of the geographical boundaries of public authorities but there is little detail on this element.

- 3.28.5 There is a government expectation of public engagement taking place to inform the new unitary structures but there is limited time available to achieve this.
- 3.28.6 Plans to access additional devolution benefits would be contingent on the new unitary structure or structures forming part of a larger regional footprint as a member of a combined authority. Given the very short timetable for submitting final proposals, it will be a challenge at the same time to twin track this with discussions with authorities outside Worcestershire regarding formation of a combined authority. If such plans cannot be formulated, then accessing devolution benefits will be delayed.
- 3.28.7 In light of the scale of change that will be needed to move to a unitary system, it is inevitable that this is going to give rise to uncertainty. This could be stressful for staff employed by the Council. Equally it could place strain on working relationships with other partners and colleagues from other authorities where services are delivered jointly or under shared services arrangements. These issues will have to be managed carefully as good working relationships will be essential to implementing the final proposals once they are known.
- 3.28.8 There is a risk that the focus needed by staff to formulate and implement the alternative unitary structure may detract from the ongoing delivery of day to day services for local residents. The impending changes may also make contract renewal and procurement more difficult and slow down or impede progress on projects that are currently being worked on.
- 3.28.9 There may be wider economic implications for Worcestershire as a whole while businesses/investors wait to see what changes will be introduced.

Next Steps

- 3.29 Following submission of the Council's interim response, further detailed analysis of the merits of either a County wide model or a two unitary model will have to be explored. This will have to address the financial feasibility of both options together with a wide range of other issues including electoral arrangements, future funding implications and service delivery of both district and county functions. The government will be expecting final submissions to be well researched and supported by evidence based on the criteria set out in the guidance (Appendix 3).
- 3.30 Accordingly, there may be the requirement for the Council to commission additional expertise to undertake more detailed work.

3.31 Whilst at this stage it is hoped that the collaborative working through the Leaders Board will result in the submission of a single draft interim plan, as individual councils proceed to explore their preferred model it is inevitable that contra views on the way forward are likely to arise. This highlights the need for the resources to be available to fully explore the merits of both models.

4. FINANCIAL IMPLICATIONS

4.1 The setting up of any new Local Government structure will have associated costs relating to:

- The initial evaluation of options.
- The establishment of the agreed final Option and associated shadow arrangements.
- Redundancy costs.
- Costs of moving to single systems and processes from multiple Councils in any final solution.

4.2 The Government is not offering any funding for this process and so it is expected that the costs of moving to any new structure will be funded from the existing Councils and/or operational savings going forward. For either option proposed, it would be expected that there would be ongoing operational savings however the magnitude of those savings and final costs will depend on which option is taken forward.

4.3 There is significant work involved in undertaking these financial evaluations and the outcomes will then need including with operational and other delivery requirements of the different options being evaluated to come to a final solution. The Council is scoping out and commissioning the initial remit for this.

4.4 It should be remembered that services being delivered by all Councils up to vesting day must continue.

5. LEGAL IMPLICATIONS

5.1 As set out in the main body of the report, the existing legislation which enables local government reorganisations to be implemented is the Local Government and Public Involvement in Health Act 2007. This is the legislation which has been used previously to create county unitary authorities. It is not clear whether the government intends to add to these

existing powers regarding reorganisation when it brings forward legislation for reorganisation and devolution. New legislation will be needed to implement other parts of the White Paper including the creation of Strategic Authorities and other aspects of devolution.

- 5.2 In this regard, the government has stated that it is committed to bringing forward “the English Devolution Bill “in the first session (of Parliament) subject to parliamentary time”. No further details of this bill are available at this time.
- 5.3 Whilst government has requested that an Interim Plan be submitted to MCHLG by 21st March, it should be noted that the response is not binding upon the Council. Further work will have to be carried out to formulate more detailed proposals and these will be presented to Members nearer the final submission deadline of 28th November 2025. Neighbouring authorities are strongly encouraged to work together to present joint plans but it is not a legal requirement that the same final plan be submitted by all Councils.
- 5.4 As set out in paragraphs 3.13 to 3.16, whilst a third option for re-organisation by combining with other authorities adjoining Worcestershire’s boundaries is possible under the 2007 Act, there is uncertainty as to how this would operate in practice given comments in the White Paper.
- 5.5 The Secretary of State has passed a series of generic regulations applicable to all re-organisations, under section 14 of the 2007 Act. These cover the common practical issues that arise when implementing a re-organisation including finance requirements, the transfer of assets and employees and other transitional arrangements and can be listed as follows: -
- The Local Government (Structural Changes) (Transitional Arrangements) (No.2) Regulations 2008/2867 (Transition Regulations).
 - Local Government (Structural Changes) (Transfer of Functions, Property, Rights and Liabilities) Regulations 2008/2176 (2008 Regulations).
 - Local Government (Structural and Boundary Changes) (Staffing) Regulations 2008 (Employment Regulations).
 - Local Government (Structural Changes) (Finance) Regulations 2008/3022 (Finance Regulations)

5.6 When a proposal for a new unitary council has been agreed, the Secretary of State will issue specific regulations and orders under section 7 of the 2007 Act to create local arrangements to ensure a smooth implementation. These local regulations will cover a number of matters including: -

- Effective dates
- Establishment of a shadow authority and its membership
- Governance arrangements for shadow authority
- Duty to produce an implementation plan
- Duty of all councils to co-operate
- Arrangements for first elections
- Treatment of any specific assets or liabilities

6. OTHER - IMPLICATIONS

Relevant Council Priority

6.1 Any change to a new Unitary authority to either option will have a potential impact on the future of the current Bromsgrove District Council priorities.

Climate Change Implications

6.2 There are no specific climate change implications.

Equalities and Diversity Implications

6.3 There are no specific equalities and diversity implications.

7. RISK MANAGEMENT

7.1 See previous section on “Challenges and Risks” at paragraph 3.28.

8. APPENDICES and BACKGROUND PAPERS

Appendices

Appendix 1 Chronology and Key Dates

Appendix 2 Letter from Jim McMahon MP to the Leaders of two-tier councils in Worcestershire – dated 5th February 2025 including Annex A - Invitation for Proposals for a Single Tier of Local Government.

BROMSGROVE DISTRICT COUNCIL

Council
2025

12 March

Appendix 3 Guidance from the Secretary of State for proposals for unitary local government

Appendix 4 – Table of population figures

Appendix 5 - (to follow)

Background Papers

English Devolution White Paper [English Devolution White Paper - GOV.UK](#)

Letter to all two-tier councils from Jim McMahon MP dated 16th December 2024

9. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	Councillor Karen May, Leader and Cabinet Member for Strategic Partnerships and Governance	4 th March 2025
Lead Director / Assistant Director	Claire Felton, Assistant Director of Legal, Democratic and Procurement Services	4 th March 2025
Financial Services	Pete Carpenter, Section 151 Officer	4 th March 2025
Legal Services	Claire Felton, Assistant Director of Legal, Democratic and Procurement Services	4 th March 2025