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Jim McMahon OBE MP
Minister for Local Government and English Devolution
[by email]

Friday 9 May 2025

Dear Minister,

Re: Final Plan for local government reorganisation in Surrey

We are pleased to submit to you the enclosed Final Plan for Devolution and Local Government Reorganisation in Surrey. The proposal for two unitary councils is supported by Surrey County Council, Elmbridge Borough Council, and Mole Valley District Council. We firmly believe this Plan will offer the most benefits to Surrey's residents by creating two new stronger, simpler, and sustainable councils to replace the current 12 authorities. It offers a realistic and deliverable pathway for Surrey to access further devolution, laying the groundwork for a new Mayoral Strategic Authority (MSA) for the county.

In addition to evidence and analysis strongly indicating that two councils with West and East geographies will be the most beneficial, this model also meets the criteria in your letter of 5 February 2025. Our proposal will:

- Unlock an MSA for Surrey, bringing the devolved powers, freedoms and funding that come with it closer to residents.
- Deliver financial sustainability with economies of scale and efficiencies through reorganisation and transformation.
- Minimise the risks of disaggregating vital services.
- Harness sensible economic areas, with the potential to balance growth across both unitaries, with similar sized Council Tax bases.
- Mean the new unitary authorities will see a strong correlation between estimated social care demand against Council Tax income and social care funding, ensuring neither authority is disadvantaged relative to the other.
- Better position the county to deliver more housing and to overcome delivery constraints, such as flood zones.
- Create local authorities that are simpler for residents to engage with compared to the current 12 councils.
- Support alignment of delivery footprints with other strategic partners, such as health and police.

Recognising that both of the new unitaries will serve over 500,000 people, our proposal focuses on how we can maximise community engagement. We will pilot a new community boards model later this year which will explore how we could deepen collaboration across public services and connect the new MSA and unitary councils to the towns and villages that residents relate to. We would be open to sharing progress on these with you and your officials.

Our Plan is well supported by many of our strategic partners across the county, including the Chief Constable of Surrey Police, the Chair and Chief Executive of the Surrey Heartlands Integrated Care System and Integrated Care Board, the Chair of Surrey Business Leaders Forum, the Police and

Crime Commissioner for Surrey, and partners in the voluntary, community, and social enterprise sector.

We recognise that there will now need to be a period of consultation with local stakeholders over the summer before you take a final decision on the future structure of local government in Surrey. We stand ready to work with your officials on the next phase of this process.

In our Plan, we have set out some key asks of government which will be essential to the success of LGR no matter the preferred geography:

1. Write off stranded debt related to historic commercial activities, in particular for Woking Borough Council, as the only viable option to ensure the financial sustainability of new unitary authorities and avoid ongoing Exceptional Financial Support being required.
2. Provide funding to cover a material level of Surrey's LGR implementation costs, modelled at £85 million at mid-point for two unitaries, to limit the need for reserves across Surrey's local authorities to be used to fund these costs so reserves can be maintained to support future sustainability.
3. Clarify the timelines for discussing the lead authority or Senior Responsible Officer (SRO) role and what the associated joint working arrangements will look like as preparations for implementation need to begin prior to a final decision on geography for the new unitaries.
4. Clarify the government's preferred position in relation to establishing any new Town and Parish Councils through Community Governance Reviews – and their ability, or not, to raise an additional local precept.
5. Clarify the future direction of health system reforms in Surrey and what implications this may have for the direction of devolution and LGR across the area.

At this historic moment, our Plan offers a strong and realistic proposal for change that is bold, forward-thinking and evidence-led. We have already laid solid foundations, so we are prepared for reorganisation and to work in partnership with you and your officials to make it happen.

We are copying this letter to Surrey MPs, as well as District and Borough Leaders who are not signatories to this letter.

Yours sincerely,



Cllr Tim Oliver OBE
Leader of Surrey County Council



Cllr Mike Rollings
Leader of Elmbridge Borough Council



Cllr Stephen Cooksey
Leader of Mole Valley District Council