### **KENT COUNTY COUNCIL**

# DEVOLUTION AND LOCAL GOVERNMENT RE-ORGANISATION CABINET COMMITTEE

MINUTES of a meeting of the Devolution and Local Government Re-organisation Cabinet Committee held in the Council Chamber, Sessions House, County Hall, Maidstone on Monday, 28 July 2025.

PRESENT: Mr M Harrison, Mr O Bradshaw, Mr A Brady, Mr M Brown, Mr P Chamberlain, Mr W Chapman, Ms S Emberson, Mr J Eustace, M J Henderson, Mr C Hespe, Mr H Rayner, Mrs P Williams, Mrs M Fothergill, Mr M A J Hood, Ms I Kemp, Mr G R Samme and Mr M J Sole.

IN ATTENDANCE: Mrs L Kemkaran.

OFFICERS: Amanda Beer (Chief Executive), Jenny Dixon-Sherreard (Strategy Manger), Paul Royel (Director of Human Resources & Organisation Development), Dave Shipton (Head of Financial Strategy), Ben Watts (General Counsel), David Whittle (Director for Strategy Policy Relationships & Corporate Assurance), Tim Woolmer (Head of Strategic Partnerships), and James Clapson (Democratic Services Officer).

#### **UNRESTRICTED ITEMS**

#### 1. Election of Chair

(Item 1)

Mr Harrison was nominated by the Leader to be the Devolution and Local Government Re-organisation Cabinet Committee Chair.

RESOLVED that Mr Harrison be the Chair of the Committee.

#### 2. Election of Vice Chair

(Item 2)

Mr Bradshaw proposed, and Ms Williams seconded that Mrs Emberson be elected as Vice-Chair of the Devolution and Local Government Re-organisation Cabinet Committee. There were no further nominations.

RESOLVED that Mrs Emberson be Vice-Chair of the Committee.

## 3. Apologies and Substitutions

(Item 3)

Apologies were received from Mr Hook who was substituted by Mr Sole, Mr Ellis who was substituted by Mr Samme, Mr Lehmann who was substituted by Mr Hood, Miss

Randall who was substituted by Miss Kemp and Mr Black who was substituted by Mrs Fothergill.

# 4. Declarations of Interest (Item 4)

Mr Rayner declared an interest in item 5, KCC options appraisal and criteria assessment of current Local Government Reorganisation options, as he represented Kent County Council on the Kent Association of Local Councils.

There was a general declaration of interest noted from all Committee Members who were also Parish, District, City or Brough Councillors in relation to item 5 on the agenda.

# 5. KCC options appraisal and criteria assessment of current Local Government Reorganisation options (Item 5)

Mrs Kemkaran (Leader of the Council) introduced the item, during which she highlighted the importance of the Cabinet Committee in considering these changes that would have a profound impact upon the County.

Mr Whittle, Ms Dixon-Sherreard and Mr Woolmer presented the report, during which they made the following key points:

- 28 November 2025 was the deadline for the submission of the local government re-organisation (LGR) proposals to the Government.
- The deadline placed Kent County Council (KCC) under significant time pressure.
   Additionally, the timetable to meet future key milestones that included statutory consultation in 2026, shadow unitary elections in 2027, and to go live in April 2028, was also very challenging.
- There was a joint process underway to develop an evidence base and business cases for the Kent and Medway councils. Each of the councils would be required to submit a business case to the Government by the 28 November deadline.
- An external consultant would be used to prepare the business cases, and it was expected that the options appraisal would be completed towards the beginning of September.
- The report before the Committee detailed several important caveats to its findings, and it intentionally did not suggest a preferred option.

The following points and comments were made by Members during consideration of the item:

- Most residents did not know anything about LGR.
- Residents should be given assurance that they would be fully consulted on proposals at the appropriate time.
- It was important to include parish councils in the process.
- Government should be asked to confirm when Kent would be eligible to begin the
  devolution process as this could impact upon the business plan for LGR, and
  would be an important consideration when planning for the future.
- Some felt that elements of the assessment published in the pack were indicative of subjective scoring.

- Members discussed whether the fair funding review may favour Northern and Metropolitan Councils over those in the South-East, and this should be kept in mind when considering the future of Kent.
- Some of the financial information relating to the debts and asset of the councils was not yet available, this made it difficult for Members to see the full picture.
- The report contained a lot of assumptions.
- The report could have gone into more detail about the advantages to be gained from devolution and LGR for Kent.
- The option that had the lowest number of residents for each elected member was option four, this could be seen as the option with the highest level of democratic representation. As the number of unitary authorities reduced, the number of residents that each elected member would represent increased.
- There was a concern that without a single Strategic Kent Authority, some parts of Kent would be set up with higher levels of debt or higher service burdens than others.

The Leader and Officers responded with the following points in relation to comments made by Members:

- The Government would lead a consultation exercise following receipt of the business cases. Additionally, KCC considered a number of options for public engagement and awareness activities and would engage with the pubic once the options for the future were known.
- Those councils selected for the Devolution Priority Programme (DPP) had the same schedule for LGR as the Kent and Medway councils, but they were also expected to hold mayoral elections in 2026.
- The Government provided the Kent and Medway councils with £514,410 in funding for the development of LGR proposals. The Leaders of these councils collectively agreed that some of this funding should be used to commission a consultant to develop business cases for the preferred options. KCC undertook the procurement exercise on behalf of the Kent and Medway councils, and appointed KPMG.
- The Leaders of the Kent and Medway councils recently attended the Kent Association of Local Councils' (KALC) Annual meeting, and KCC officers met with the KALC Chair to provide updates.
- Consideration would be given to inviting KALC representatives to attend future
  meetings of the Committee as guests or co-opted members, although it was
  important to note that Parish Councils had a different relationship with the LGR
  situation as they were not part of the Government's process.
- Each council had different amounts of debt and assets. There would need to be
  an agreed basis for the apportionment of these debts and assets across the new
  unitary authorities. The Government had the authority to step in to make this
  decision if local agreement could not be achieved.
- It was anticipated that the LGR could generate efficiencies in the long term, however, there would be transition costs that would need to be managed by the new unitary authorities. KPMG would calculate the expected transition costs as part of their work in preparing the business plans. No additional funding was expected from the Government to support the transition process.
- If combined, the reserves of the borough, city and district councils would exceed the reserves held by KCC.
- LGR would not remove the current financial challenges facing the sector, there would need to be changes to services as well.

- There was concern that the new unitary authorities could be at a disadvantage compared to nearby mayoral authority areas. This was because mayoral authority areas have historically benefited from additional responsibility and associated funding.
- The risk of disparities in service provision between authorities could potentially be mitigated though shared service arrangements.
- It was believed that a unitary authority boundary could split a district area, however, the guidance from the Government indicated that district borders should be used as a starting point. There have been no suggestions to divide a district area so far, but Mr Whittle offered to get formal advice on the implications and practicalities of doing so.
- There was recognition that the scoring of the options within the report could be subjective. To mitigate this, a group of officers with no involvement in the process were used to challenge the scoring.
- An economic divide between the West and East of Kent had been present for at least 50 years. It would remain a significant consideration as the LGR progressed.
- There would be a briefing for all Members to advise them of the latest position and the plan moving forwards. An invitation to attend the briefing would be extended to KALC representatives.
- The unitary boundaries would be an important matter for Member and resident engagement.
- Options one to four were included in the March interim submission to the Government. Since then, option five has been drafted to set out an alternative case, and option six provided a benchmark position. Options five and six were not within the scope of the previous submission to Government.
- Over the coming weeks the leaders of all the councils would be considering geographies and boundaries in preparation for their submissions to the Government. This may generate additional options.
- An option that combined option six and option one, to create a single unitary
  authority with three area assemblies, based upon constituted area authorities,
  would be explored. These area assemblies would be set up by the new unitary
  and would not be a separate entity from it.
- Limited details have been released about the Government's proposal for neighbourhood area committees, and how they would interact with parish councils. In preparation for the circulation of further information, the next phase of work would include some design principles that incorporated the best practices seen elsewhere in the Country.
- Measures to mitigate against the uneven distribution of burden would need to be included in the business case submissions.
- The Local Government Boundary Commission had paused all electoral boundary reviews in areas undergoing LGR. More information could be found using the following link: Local Government Reorganisation | LGBCE.
- Once the unitary authority boundaries were determined, the number of councillors within each authority would need to be agreed. This would be included in the structural change orders that would officially establish the new authorities.
- School grants were currently apportioned using a national funding formula, and it was not expected that this would be significantly impacted by the LGR process.
- KPMG had been procured to assist with phase one (establishment of the
  evidence base and options appraisal) and phase two (creation of business cases
  for submission to Government by 28 November) of the process. It was expected
  that another procurement exercise would be required to appoint a consultant to
  support phase three (the transition to shadow elections) and phase four (the

- move from the shadow elections to vestment day), when responsibility would officially be passed to the new unitary authorities.
- There was a lot of similar work underway in other parts of the Country, however, Kent's importance was recognised nationally, and the procurement process had been robust and had generated a lot of interest from the sector.

After the debate, the Leader made the following closing remarks:

- Thanks were offered to officers for their work and efforts in answering the Committee's questions.
- There would be investigation into an additional option that combined options one and six.
- It was important that the KCC engaged with the process as it was the largest authority in the area.
- The Leader was not convinced that LGR would be in the best interest of residents and was concerned that it could result in higher costs that would need to be borne by the taxpayer.

RESOLVED that the recommendations outlined in the report be noted and that the comments raised during the debate for consideration by the Executive be noted