

## Committee Report Checklist

**Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.**

### **Stage 1**

#### **Report checklist – responsibility of report owner**

<b>ITEM</b>	<b>Yes / No</b>	<b>Date</b>
Councillor engagement / input from Chair prior to briefing		
Commissioner engagement (if report focused on issues of concern to Commissioners such as Finance, Assets etc)		
Relevant Group Head review	<b>N/A</b>	
MAT+ review (to have been circulated <b>at least 5 working days before Stage 2</b> )	<b>Y</b>	
This item is on the Forward Plan for the relevant committee	<b>N</b>	
	<b>Reviewed by</b>	
Finance comments (circulate to Finance)		
Risk comments (circulate to Lee O'Neil)	<b>LO</b>	<b>27/11/25</b>
Legal comments (circulate to Legal team)	<b>LH</b>	<b>27/11/25</b>
HR comments (if applicable)	<b>N/A</b>	

**For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.**

**Do not forward to stage 2 unless all the above have been completed.**

### **Stage 2**

#### **Report checklist – responsibility of report owner**

<b>ITEM</b>	<b>Completed by</b>	<b>Date</b>
Monitoring Officer commentary – at least <b>5 working days before MAT</b>	<b>L Heron</b>	<b>27/11/25</b>
S151 Officer commentary – at least <b>5 working days before MAT</b>	<b>T. Collier</b>	<b>28/11/25</b>
Confirm final report cleared by MAT		



# Council

11 December 2025

<b>Title</b>	Devolution and Local Government Reorganisation (LGR) – Voluntary Joint Committee
<b>Purpose of the report</b>	To make a decision
<b>Report Author</b>	Linda Heron, Monitoring Officer
<b>Ward(s) Affected</b>	All Wards
<b>Exempt</b>	No
<b>Exemption Reason</b>	N/A
<b>Corporate Priority</b>	All
<b>Recommendations</b>	<p><b>Council is asked to:</b></p> <ol style="list-style-type: none"><li>1. Note the updates for LGR in Surrey, particularly the decision and relevant information from the Ministry of Housing Communities and Local Government (MHCLG) in Appendix A;</li><li>2. Agree to the establishment of a voluntary West Surrey Joint Committee, effective immediately, that shall be constituted and be established under the provisions of section 101(5) (arrangements for discharge of functions by local authorities) of the Local Government 1972 Act and pursuant to the requirements of the draft Surrey (Structural Changes) Order 2026;</li><li>3. Note the Terms of Reference in Appendix B;</li><li>4. Nominate one member of the Council as the Spelthorne Borough Council appointed representative on the voluntary West Surrey Joint Committee and one member of the Council as their substitute; and</li><li>5. Note that upon enactment of the Surrey (Structural Changes) Order 2026 the voluntary West Surrey Joint Committee shall become the joint committee required to be established under the provisions of that legislation and that this will be constituted and established under the provisions of section 101(5) (arrangements for discharge of functions by local authorities) of the Local Government</li></ol>

	1972 Act and pursuant to the requirements of the Surrey (Structural Changes) Order 2026.
<b>Reason for Recommendation</b>	Following the central government's announcement on 28 October 2025 to move forward with the proposal for two unitary councils, Surrey District and Borough Councils and Surrey County Council are working towards establishing respective voluntary Joint Committees to support the preparatory work ahead of the Structural Changes Order coming into force in Spring 2026.

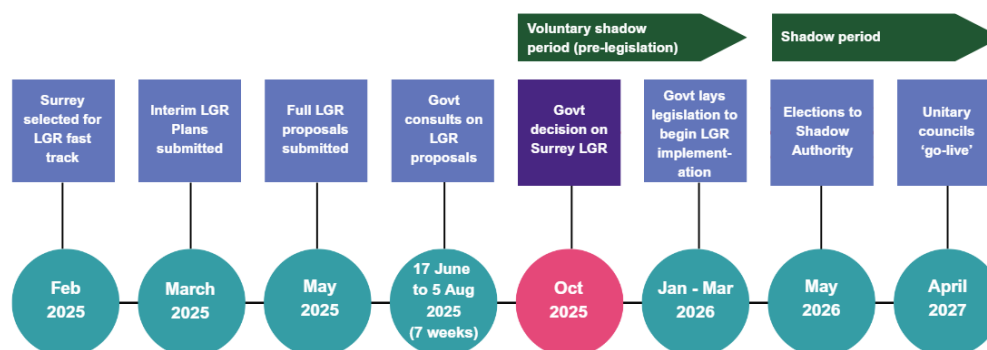
## 1. Executive summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> <li>This report outlines the latest developments and updates on Devolution and Local Government Reorganisation (LGR) following the decision from the Ministry of Housing, Communities and Local Government (MHCLG) on 28 October 2025 to implement the 2 unitary proposal for Surrey</li> </ul>	<ul style="list-style-type: none"> <li>To ensure that Spelthorne Borough Council and the interests of its residents are represented at the proposed voluntary West Surrey Joint Committee and can fully participate in the preparations and decisions required in connection with the implementation of LGR in Surrey</li> </ul>
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> <li>Consider the establishment of a voluntary joint committee for the West Surrey area with immediate effect and to note that following the enactment of the Surrey (Structural Changes) Order 2026 the voluntary West Surrey Joint Committee shall become the joint committee</li> </ul>	<ul style="list-style-type: none"> <li>To consider the recommendations in this report</li> </ul>

## 2. Key issues

- 2.1 In May 2025 District and Borough Councils and Surrey County Council submitted their respective proposals on the approach to the LGR in Surrey. Spelthorne Borough Council's submission proposed 3 unitary authorities approach which would have positioned Spelthorne with Elmbridge Borough Council and Runnymede Borough Council.
- 2.2 Since then, the LGR process in Surrey has followed this timetable;

## Indicative government timeline for LGR in Surrey



- 2.3 Spelthorne, along with other Districts and Borough Councils have facilitated a wider range of data requests and information gathering in order to support the discovery stage ahead of the Government decision. Going forward this data will play a key role in bringing services together across both unitary areas before and after vesting day.
- 2.4 On 28 October the Government announced its decision to implement the 2 unitary options for Surrey. MHCLG also circulated a draft Structural Changes Order (SCO) as well as a draft direction under Section 24 of the Local Government and Public Involvement in Health Act 2007 to all Surrey Councils.
- 2.5 The draft SCO outlines the following key aspects:

### Joint Committees and Implementation Teams

- 2.6 The SCO envisages a 50/50 Surrey County Council and District and Borough Councils split for Joint Committees which need to be established pursuant to the SCO to bring forward the implementation, with a West Surrey Joint Committee comprising of 12 members, 6 from Surrey County Council and 6 from the West Surrey District and Borough Councils with one representative from each of Guildford, Runnymede, Spelthorne, Surrey Heath, Waverley and Woking;
- 2.5.1 Joint Committee functions outlined in the draft SCO are the development and agreement of an implementation plan, as well as a proposed code of conduct for the Shadow Authority, having also considered the relevant timetables for action and budgets;
- 2.7 Alongside this, the draft SCO confirms a single implementation team, with the Chief Executive of Surrey County Council as the named Leader of that team, supported by two Deputies – one an officer from an East Surrey council, with another from a West Surrey council;
- 2.5.2 In the letter from the Secretary of State to Council Leaders, MHCLG have encouraged Surrey to establish voluntary joint committees on a similar basis to those that will be created under the SCO on a voluntary basis ahead of the draft SCO being laid in Parliament.

### Elections and vesting day activities

- 2.5.3 The draft SCO confirms the cancellation of existing District and Borough Councils and County Council elections for May 2026, and establishes that both unitary authorities will see whole council elections in 2026 and then 2031, with whole Council elections taking place every 4 years thereafter.
- 2.5.4 The new authorities will be using existing Surrey County Council divisions as established under the Surrey (Electoral Changes) Order 2024 with 2 Councillors per division (90 Councillors for West Surrey across 45 wards) in the 2026 elections. The Ministerial letter outlines the expectation for the Local Government Boundary Commission to conduct a review ahead of the 2031 elections.
- 2.5.5 The draft order also confirms two Returning Officers, the Reigate and Banstead Head of Paid Service for East Surrey, with the Runnymede Head of Paid Service as the Returning Officer for West Surrey.
- 2.5.6 Costs for the elections in 2026 are to be divided by the existing Surrey County Council and the District and Borough Councils, as agreed by those councils.
- 2.5.7 Shadow Authorities come into effect following the elections. At its first meeting, the Shadow Authorities must:
- Establish a leader and cabinet model of governance
  - Adopt a code of conduct (as developed by the Joint Committee)
  - Designate an interim Monitoring Officer
  - Designate an interim s151 Officer
  - Designate an interim Head of Paid Service
- 2.8 Each Shadow Authority must make permanent appointments to these roles by 31 December 2026.
- 2.5.8 In addition, it must:
- Formulate proposals for, prepare and adopt a scheme for members allowances
  - Review and revise where necessary the Implementation Plan prepared by the relevant Joint Committee
  - Prepare any budgets or plans required by the unitary councils
  - Work with the existing councils to ensure delivery of public services
- 2.5.9 Costs for the Shadow Authorities are to be divided by the existing Surrey County Council and District and Borough Councils, as agreed by those councils.
- 2.5.10 On 7 November 2025, Surrey County Council and District and Borough Councils fed back factual amendments and points of clarification arising from the draft SCO to MHCLG.

#### **Draft section 24 direction and explanatory note**

- 2.9 The government also provided a draft section 24 (s24) direction, under the Local Government and Public Involvement in Health Act 2007 alongside the confirmation that the 2 unitary proposal was successful, subject to parliamentary approval.

- 2.10 The draft s24 direction requires existing councils to seek and gain consent from the relevant Shadow Authority for financial transactions over a certain value, specifically:
- a) Disposal of any land if the consideration for the disposal exceeds £100,000
  - b) Entering into any capital contract:
    - under which the consideration payable by the authority exceeds £1,000,000, or
    - which includes a term allowing the consideration payable by the authority to be varied
  - c) Entering into any non-capital contract under which the consideration payable by the relevant authority exceeds £100,000, where:
    - the period of the contract extends beyond 1 April 2027, or
    - under the terms of the contract, that period may be extended beyond that date
- 2.11 MHCLG is seeking views on when the s24 Direction should come into force, with a suggested date of 30 June 2026. The draft s24 only refers to consent being required from the Shadow Authority, so it would not be expected to come into force until the Shadow Authorities are operational.
- 2.12 A draft explanatory note is also provided. This explains that a Shadow Authority may grant general consent in respect of particular contracts or types of contract (for example regular and routine contracts).
- 2.13 It also provides further explanation that the capital and non-capital value thresholds are cumulative where multiple contracts are entered into with the same organisation or individual or of a similar description. The cost is based on the expected value over the life of the contract.
- 2.14 Spelthorne Borough Council and Woking Borough Council Woking are excluded from draft s.24 direction due to the ongoing statutory intervention.
- 2.15 Surrey County Council and District and Borough Councils have submitted their respective comments on the draft s24 direction to MHCLG by the deadline of 21 November 2025.

### **Next steps**

- 2.16 As outlined in the letter from MHCLG to Chief Executives of Surrey Councils on 28 October 2025, this is a draft order and draft direction that still need to undergo internal review processes. Subject to these, and any factual amendments from Surrey Councils, the intention is for Ministers to formally lay the draft order before Parliament in early January 2026.
- 2.17 At this point, the order will go through the Parliamentary process, including formal consideration by the Joint Committee on Statutory Instruments and Secondary Legislation Scrutiny Committee for the House of Lords, debates by a Committee in each House and the obtainment of approval motions in each House.
- 2.18 Other local authorities across Surrey indicated that they are able to support the development of the relevant voluntary structures in order to ensure a smooth transition and effective representation of their respective interests in this time. In readiness, Surrey Monitoring Officers group prepared Terms of

Reference for the Voluntary Joint Committees which have been approved by the respective leaders and chief executives (Appendix B).

### **3. Options appraisal and proposal**

- 3.1 Option 1 (recommended): agree to the recommendations as set out in this report.

This will enable preparatory work by the voluntary Joint Committee to commence in a timely way and ensure that the formal Joint Committee is in a position to take over the relevant functions once the SCO is in force.

- 3.2 Option Two: not agree to the various recommendations as proposed.

Once the SCO is enacted the joint committee must be established within 14 days. If the agreement to establish the Joint Committee is delayed until this time, there is a risk that the Council would not be able to comply with this requirement within this time frame and so would be in breach of its obligations under the SCO.

### **4. Risk implications**

- 4.1 If the Council does not agree to the establishment of the formal joint committee not later than 14 days after the coming into force of the SCO, Spelthorne Borough Council would be in breach of a statutory requirement imposed on it.

- 4.2 While the setting up of a joint committee in advance of the statutory prescribed date is voluntary, and agreeing not to participate in it would not constitute a breach of legislation, the Council's decision would not prevent other authorities from participating. As a result, Spelthorne Borough Council would not be represented at an elected member level in the preparatory work being carried out, so would not be able to promote the best interests of this authority and its residents/businesses in any decisions made.

### **5. Financial implications**

- 5.1 Devolution and LGR will require additional one-off transitional costs, and £500,000 has been approved in the 2025/26 budget towards the cost of preparing for LGR.

- 5.2 The Surrey Councils are agreeing a split for contributing towards the costs of transition (costs incurred up to vesting day) focused on ensuring a safe and legal transition to the new unitary authorities. This is based on an 80:20 split between the County Council and District and Borough Councils, with the District and Borough Councils' contributions apportioned on basis of council tax base. Currently the total estimated transitional cost budget is £35m with Spelthorne's contribution estimated at £557k. This could potentially be funded by capitalising and applying flexible use of capital receipts.

- 5.3 Further financial implications are set out in the body of this report.

### **6. Legal comments**

- 6.1 Establishment of joint committees is a function reserved to the Council (Article 4 section 4.2(j) of the Constitution).
- 6.2 Legal implications are set out in the body of the report.

## **Corporate implications**

### **7. S151 Officer comments**

- 7.1 The S151 Officer confirms that all financial implications have been taken into account and that the recommendations will be fully funded from within the current and 2026-27 budget.

### **8. Monitoring Officer comments**

- 8.1 The Monitoring Officer confirms that the relevant legal implications have been taken into account.

### **9. Procurement comments**

- 9.1 There are no procurement implications arising directly from this report.

### **10. Equality and Diversity**

- 10.1 There are no implications arising directly from this report.

### **11. Sustainability/Climate Change Implications**

- 11.1 There are no implications arising directly from this report.

### **12. Other considerations**

- 12.1 None.

### **13. Timetable for implementation**

- 13.1 The timetable for implementation is set out in the body of the report.

### **14. Contact**

- 14.1 Linda Heron, Group Head Corporate Governance and Monitoring Officer  
(l.heron@spelthorne.gov.uk)

***Please submit any material questions to the Committee Chair and Officer  
Contact by two days in advance of the meeting.***

**Background papers: None.**

**Appendices:**

**Appendix A** – Letter from MHCLG to Chief Executives of Surrey Councils dated 28 October 2025

**Appendix B** – Terms of Reference for Voluntary Joint Committee