



Ministry of Housing, Communities & Local Government

Jim McMahon OBE MP

*Minister of State for Local Government and
English Devolution*
2 Marsham Street
London
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Surrey Council Leaders

17 June 2025

Dear Leaders,

Thank you again for your continued hard work to deliver unitary local government in Surrey. I know this is an ambitious timetable and you have strived to work collaboratively and in partnership to produce proposals, for which I am grateful. I am today launching a statutory consultation on two proposals for unitary local government in Surrey.

The consultation will be available at [surrey-local-government-reorganisation](https://www.surrey-local-government-reorganisation.gov.uk) and will be open for seven weeks until Tuesday 5 August. Responses may be made on the department's online platform 'Citizen Space' or alternatively by email to lgreorganisation@communities.gov.uk or in writing to LGR Consultation, Fry Building 2NE, Ministry of Housing, Communities and Local Government, 2 Marsham Street, London SW1P 4DF.

Proposals in the consultation

The Local Government and Public Involvement in Health Act 2007 (the 2007 Act) requires that, before a proposal for Local Government Reorganisation can be implemented, there must be first a consultation on the proposal.

The two proposals I am consulting upon were made by the following councils on 9 May 2025:

Elmbridge Borough Council, Mole Valley District Council and Surrey County Council proposed two unitary councils:

- i. East Surrey (Elmbridge, Epsom and Ewell, Mole Valley, Reigate and Banstead, Tandridge)
- ii. West Surrey (Guildford, Runnymede, Spelthorne, Surrey Heath, Waverley, Woking)

The Borough Councils of Epsom and Ewell, Guildford, Reigate and Banstead, Runnymede, Spelthorne, Surrey Heath, Waverley and Woking, and Tandridge District Council proposed three unitary councils:

- i. East Surrey (Epsom and Ewell, Mole Valley, Reigate and Banstead, and Tandridge)
- ii. North Surrey (Elmbridge, Runnymede, and Spelthorne)
- iii. West Surrey (Guildford, Surrey Heath, Waverley, and Woking).

The consultation asks a number of questions about each proposal that will help inform my final assessment of those proposals.

In addition, I have carefully considered the **supplementary submission by Reigate and Banstead Borough Council with Crawley Borough Council**, asking the Government to consider a cross-boundary option and the councils' view that this was a formal proposal that the Secretary of State should consult upon.

I have concluded that the joint submission from the Borough Councils of Reigate and Banstead and Crawley is regrettably not compliant with the statutory requirements for a proposal in the 2007 Act or the invitation terms and therefore cannot be included in this consultation. I have copied you into a letter to the Leaders of the Borough Councils of Reigate and Banstead and Crawley which sets out the reasons for this.

Consultees

Before implementing a proposal, the statute requires that there is a consultation with any local authority that is affected by the proposal (but which has not submitted it), and any such other persons as the Secretary of State considers appropriate. I have decided to consult the councils which made the proposals, and other councils affected by the proposals.

I also consider it appropriate to consult councils in neighbouring areas, public service providers, and certain other business, voluntary sector and educational bodies. I would like to thank you for your input into the appropriate persons list for Surrey, and the named consultees I am contacting can be seen at Annex B of the consultation.

In addition, I would also like to hear the views of all those interested in these proposals, including local residents, town and parish councils, residents' associations, businesses and the voluntary and community sector. As such, I would also ask that you use your existing mechanisms and forums to seek to bring the consultation to the attention of people and organisations in your local area to facilitate the widest possible awareness of the consultation.

Woking's unmanageable debt and financial information

Government accepts that, even after rationalisation of Woking's historic assets, it is likely that the majority of the Council's remaining debt cannot be managed locally. Government is committed to addressing that unmanageable debt so that any new councils formed out of reorganisation are sustainable in the long-term.

As previously confirmed, Government will provide an initial tranche of debt repayment support to Woking in 2026/27, ahead of Local Government Reorganisation in Surrey in 2027-28. We intend to provide this in April 2026 and Government will be working with the Council and Commissioners to agree an appropriate amount of debt repayment to be made at that point, taking into account the principles outlined previously including value for money for national and local taxpayers.

Government will look to confirm this initial tranche of debt repayment 'in-principle' in September, subject to further certification and the Local Government Finance Settlement, and Government will continue to work with the Council, Commissioners, and Surrey partners after this point to understand what further support is required through 2026/27 and thereafter.

As part of the consultation process, I would be grateful if your officials could work with mine to clarify the differences in the underlying assumptions that have been used in the proposals on which we are now consulting so that we can understand where the financial assumptions vary.

Post-consultation

Following the consultation, I will consider these proposals carefully, alongside the responses to the consultation, all representations and all other relevant information, assessing the proposals against the criteria before reaching a judgement in the round on which proposal, if any, to implement.

If the Secretary of State decides to implement a proposal, secondary legislation, which will be subject to Parliamentary approval, will be required to abolish existing councils, establish new structures and make transitional arrangements. Those transitional arrangements, consistent with precedent, would include replacing scheduled local elections with elections for the new councils, which will operate initially as new unitary authorities. This follows standard practice during Local Government Reorganisation, as conducted by the last government in Northamptonshire in 2020 and in Cumbria and North Yorkshire in 2022.

To meet our ambitious timetable, we will need Parliamentary approval by March 2026 to allow for elections to the new unitary authorities in May 2026. This will enable new authorities to go live in April 2027. Accordingly, in this circumstance our expectation would be that the only elections in Surrey in May 2026 will be to the new unitary authorities.

I am copying this letter to your Chief Executives, the Woking and Spelthorne Best Value Commissioners, local MPs, and the Police and Crime Commissioner.

Yours sincerely,

JIM MCMAHON OBE MP

Minister of State for Local Government and English Devolution