



Ministry of Housing, Communities & Local Government

Ruth Miller

Deputy Director for Local Government
Reorganisation
2 Marsham Street
London
SW1P 4DF

Chief Executives of Surrey Councils
By email

28 October 2025

Dear Chief Executives,

As you know, the Secretary of State has decided to move forward with implementation of the proposal for two unitary councils, subject to Parliamentary approval.

Accordingly, we will be sharing with you a draft Structural Changes Order which is needed to implement the reorganisation in Surrey. We would welcome your review of the draft Structural Changes Order for any factual amendments, such as incorrect names of councils or wards, by 7 November. This will enable the progress of the legislation to allow for the May 2026 elections.

Please note the layout of the Structural Changes Order may change following internal processes – but not its substance – to make the Order easier to follow. Drafting also needs to be further checked. We also intend sharing the draft informally with clerks to the Parliamentary Joint Committee on Statutory Instruments, for informal scrutiny and feedback from Parliamentary lawyers.

Following this informal scrutiny, we will be in a position to ask Ministers to formally lay the draft instrument before Parliament in early January. It will then go through the Parliamentary process, including formal consideration by the Joint Committee on Statutory Instruments and the Secondary Legislation Scrutiny Committee for the House of Lords, a debate by a Committee of each House, and subject to their agreement obtain approval motions in each House.

As we have previously discussed, the Structural Changes Order establishes the two new councils and abolishes the existing councils in Surrey. It provides the transitional arrangements, with the core of that being elections to ‘shadow’ councils that have preparatory functions, including the preparation of budgets and plan, to enable the assumption of local government functions and powers on 1 April 2027. It also provides duties to implement a Leader and Cabinet model, appoint statutory officers, and adopt codes of conduct and members allowances. Your councils will remain responsible for services in your areas until they are abolished on 1 April 2027.

The Order includes content that Ministers have decided following consideration of information in your proposals or the representations submitted in response to our letter of 6 August:

- The new unitary councils are to be named East Surrey Council and West Surrey Council.
- On transitional arrangements, the Structural Changes Order provides that all existing councils should be involved, so implementation is a shared endeavour, whilst ensuring a lead role for those who understand the proposal being implemented and key services being disaggregated:
 - For each Joint Committee, 50 per cent of the membership are to be Councillors representing the County Council and 50 per cent are to be Councillors representing Districts/Boroughs collectively. The proceedings and identification of the Chair are to be determined by the Joint Committee.
 - For the Implementation Team officers from all existing councils are to be included, with the leader of the team being the Chief Executive of Surrey County Council, and deputies being from a District/Borough Council from each new unitary area.
 - To support the work of the implementation team we would encourage you to consider using your sector advisor, John Metcalfe, to act as an independent critical friend.
- On electoral arrangements, the Structural Changes Order replaces the scheduled County and District elections in May 2026 with all out elections to the new councils:
 - Schedule 1 provides that the wards for the new councils are to be the same as the county council electoral divisions as provided in the Surrey (Electoral Changes) Order 2024. It also provides that these are to be two member wards. We expect the Local Government Boundary Commission for England to undertake an electoral review in time for the subsequent election.
 - A first term of five years with the subsequent election in 2031, after which the standard four year terms will apply. This is in line with recent reorganisations and brings benefits of stability, with Councillors serving most of their first year on the 'shadow' council. From your representations that means the election cycle will align with the majority of elections to parish councils. Where that is not the case, we can, in further legislation, look to align parish elections with the 2031 election, and we will be guided by your views. Following your representations, we are not amending the 2027 parish elections.
 - Returning Officers are to be the Head of Paid Service of Reigate and Banstead Borough Council for East Surrey Council, and the Head of Paid Service of Runnymede Borough Council for West Surrey.

In addition, you will also wish to note that the draft Structural Changes Order:

- Provides at article 17 the new councils in the shadow year the functions to prepare and submit a devolution proposal or consent to a government proposal, to progress the work for a Strategic Authority. We will be engaging with you on the approach to devolution for Surrey.
- Provides at article 23(3) that the West Surrey Joint Committee and shadow authority must have regard to the Spelthorne and Woking Best Value interventions, reports and directions in preparing and reviewing the implementation plan. This is in line with precedent from the Northamptonshire reorganisation.

We hope that seeing the draft Structural Changes Order will enable you to put arrangements in place voluntarily, ahead of the Order being made, to progress local government reorganisation, such as the Joint Committees and the Implementation Team. This will support the preparatory work that can be progressed prior to the Order coming in to force, recognising that the Order will place duties on your councils to cooperate.

In addition to the Structural Changes Order, the Secretary of State is also minded to issue a direction under section 24 of the Local Government and Public Involvement in Health Act. This will require the predecessor councils to obtain consent from the new councils before entering into certain contracts or for certain asset disposals. The purpose of the section 24 direction is to ensure new agreements will be in the best interests of the new councils or the residents of the area, and do not undermine or diminish the benefits or savings anticipated as a result of unitarisation, or which may have an effect on the financial position of the new councils.

We will also be sharing a draft direction and explanatory note for your council to consider and to provide representations upon. In particular, in addition to the application of the direction, I draw your attention to the effective date, which in recent examples, varied, as you can see at [Cumbria, Somerset and North Yorkshire councils: direction - GOV.UK](#). The variation depended on whether there was a continuing council as in Somerset and North Yorkshire or as in Cumbria, two new unitaries, as envisaged for Surrey. Based on the Cumbria precedent we are minded to use 30 June as the effective date to allow the new unitary councils to be in a position to put in place the procedures to consent as needed after the May 2026 elections, but we welcome your views. Also, we are minded that Spelthorne and Woking Borough Councils are not included in the section 24 direction, given the statutory directions already in place giving related functions to Commissioners and the importance of Commissioners being able to continue in their roles unfettered until the abolition of those councils. Again, we welcome your views for 21 November

We will also work with you on the further legislation that we expect will be needed to cover matters such as local government pensions, housing revenue accounts, ceremonial issues, and matters relating to where a council is a member of a body or organisation that needs to be updated. An example is available at [The Local Government \(Structural Changes\) \(Supplementary Provision and Amendment\) Order 2023](#). We envisage this supplementary order would come into force in time for 1 April 2027.

We are committed to continuing to work in partnership with you with a shared objective of delivering new unitary councils in Surrey that serve local residents. We will be in touch to arrange a meeting to further discuss the matters in this letter, which we will also, in the interest of transparency, publish on gov.uk. We are copying this letter to Surrey Leaders and Commissioners.

Yours sincerely,

Ruth Miller

Deputy Director for Local Government Reform and Strategy