

EXPLANATORY MEMORANDUM TO
THE SURREY (STRUCTURAL CHANGES) ORDER 2026

2026 No. [XXXX]

1. Introduction

- 1.1 This explanatory memorandum has been prepared by the Ministry of Housing, Communities and Local Government and is laid before Parliament by Command of His Majesty.
- 1.2 This memorandum contains information for the Joint Committee on Statutory Instruments and the Secondary Legislation Scrutiny Committee.

2. Declaration

- 2.1 Alison McGovern MP, Minister of State (Minister for Local Government and Homelessness) at the Ministry of Housing, Communities and Local Government, confirms that this Explanatory Memorandum meets the required standard.
- 2.2 Ruth Miller, Co-Deputy Director for Local Government Reorganisation at the Ministry of Housing, Communities and Local Government, confirms that this Explanatory Memorandum meets the required standard.

3. Contact

- 3.1 Richard Enderby at the Ministry of Housing, Communities and Local Government can be contacted by email at the following address with any queries regarding the instrument: lgreorganisation@communities.gov.uk. Alternatively, the department can be contacted by telephone: 0303 444 0000.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

- 4.1 This Order gives effect to the proposal by Surrey County Council, Elmbridge Borough Council and Mole Valley District Council for the establishment of a single tier of local government in Surrey from 1 April 2027, which was made in response to an invitation from the Minister of State at the Ministry of Housing, Communities and Local Government, to submit proposals to replace the existing two-tier system.
- 4.2 The existing county of Surrey and the districts of Elmbridge, Epsom & Ewell, Guildford, Mole Valley, Reigate & Banstead, Runnymede, Spelthorne, Surrey Heath, Tandridge, Waverley and Woking are abolished as local government areas and the county council and district councils in the county are wound up with effect from 1 April 2027.
- 4.3 Two new councils are created: East Surrey Council, for the same area as the existing districts of Elmbridge, Epsom & Ewell, Mole Valley, Reigate & Banstead and Tandridge; and West Surrey Council, for the same area as the existing districts of Guildford, Runnymede, Spelthorne, Surrey Heath, Waverley and Woking. The East Surrey and West Surrey councils will each be the sole local authority for their

respective areas.¹ The new authorities will operate as “shadow authorities” during the shadow period until 1 April 2027. The Order provides for the arrangements for the shadow authorities, including their functions which are principally to prepare for the transition to a single tier of local government on 1 April 2027.

- 4.4 The Order deals with electoral matters, with elections for the new authorities to take place on the ordinary day of elections in 2026 and in 2031 and every fourth year thereafter. It also deals with further transitional duties including duties on the county council and existing district councils, in particular to cooperate with each other and the shadow authorities and shadow executives and to create joint committees.
- 4.5 The Order comes into force the day after it is made, consistent with local expectations following the announcement on 28 October 2025 that the Secretary of State had decided that the East/West proposal for two unitary authorities should be implemented, subject to Parliamentary approval. This timing will allow for the necessary local preparations for the elections to new authorities on 7 May 2026 and for the implementation provisions in the Order to be applied in advance of the new authorities going live. The aspects of the Order that will affect the public in terms of delivery of local services will not take place until 1 April 2027.

Where does the legislation extend to, and apply?

- 4.6 The extent of this instrument (that is, the jurisdictions which the instrument forms part of the law of) is England and Wales.
- 4.7 The territorial application of this instrument (that is, where the instrument produces a practical effect) is in England only.

5. Policy Context

What is being done and why?

- 5.1 Plans for local government reorganisation were announced within the English Devolution White Paper on 16 December 2024. The ambition is to simplify local government, by ending the two-tier system and establishing new single-tier unitary councils. This is a once-in-a-generation reform with a clear vision: stronger local councils, equipped to drive economic growth, improve local public services, and empower their communities.
- 5.2 On 5 February 2025, the then Minister of State for Housing, Communities and Local Government, in exercise of his powers under Part 1 of the Local Government and Public Involvement in Health Act 2007 (‘the Act’), invited the local authorities within the county of Surrey, and twenty other areas across England, to submit proposals for a single tier of local government in the respective areas.²
- 5.3 The invitation letter provided guidance to which the councils were required to have regard, including six criteria against which any proposal would be assessed:
 - 1. A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.

¹ For these purposes, ‘local authority’ does not include a town or parish council.

² <https://www.gov.uk/government/publications/local-government-reorganisation-invitation-to-local-authorities-in-two-tier-areas/letter-surrey>

- a. Proposals should be for sensible economic areas, with an appropriate tax base which does not create an undue advantage or disadvantage for one part of the area.
 - b. Proposals should be for a sensible geography which will help to increase housing supply and meet local needs.
 - c. Proposals should be supported by robust evidence and analysis and include an explanation of the outcomes it is expected to achieve, including evidence of estimated costs/benefits and local engagement.
 - d. Proposals should describe clearly the single tier local government structures it is putting forward for the whole of the area, and explain how, if implemented, these are expected to achieve the outcomes described.
2. Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.
- a. As a guiding principle, new councils should aim for a population of 500,000 or more.
 - b. There may be certain scenarios in which this 500,000 figure does not make sense for an area, including on devolution, and this rationale should be set out in a proposal.
 - c. Efficiencies should be identified to help improve councils' finances and make sure that council taxpayers are getting the best possible value for their money.
 - d. Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.
 - e. For areas covering councils that are in Best Value intervention and/or in receipt of Exceptional Financial Support, proposals must additionally demonstrate how reorganisation may contribute to putting local government in the area as a whole on a firmer footing and what area-specific arrangements may be necessary to make new structures viable.
 - f. In general, as with previous restructures, there is no proposal for council debt to be addressed centrally or written off as part of reorganisation. For areas where there are exceptional circumstances where there has been failure linked to capital practices, proposals should reflect the extent to which the implications of this can be managed locally, including as part of efficiencies possible through reorganisation.
3. Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.
- a. Proposals should show how new structures will improve local government and service delivery, and should avoid unnecessary fragmentation of services.
 - b. Opportunities to deliver public service reform should be identified, including where they will lead to better value for money.
 - c. Consideration should be given to the impacts for crucial services such as social care, children's services, SEND and homelessness, and for wider public services including for public safety.

4. Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views.
 - a. It is for councils to decide how best to engage locally in a meaningful and constructive way and this engagement activity should be evidenced in your proposal.
 - b. Proposals should consider issues of local identity and cultural and historic importance.
 - c. Proposals should include evidence of local engagement, an explanation of the views that have been put forward and how concerns will be addressed.
5. New unitary structures must support devolution arrangements.
 - a. Proposals will need to consider and set out for areas where there is already a Combined Authority (CA) or a Combined County Authority (CCA) established or a decision has been taken by government to work with the area to establish one, how that institution and its governance arrangements will need to change to continue to function effectively; and set out clearly (where applicable) whether this proposal is supported by the CA/CCA/Mayor.
 - b. Where no CA or CCA is already established or agreed then the proposal should set out how it will help unlock devolution.
 - c. Proposals should ensure there are sensible population size ratios between local authorities and any strategic authority, with timelines that work for both priorities.
6. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.
 - a. Proposals will need to explain plans to make sure that communities are engaged.
 - b. Where there are already arrangements in place it should be explained how these will enable strong community engagement.

5.4 On 9 May 2025 three submissions were received from councils in the Surrey area:

1. A proposal for two unitary authorities (the East/West proposal), with the East Surrey unitary covering Elmbridge, Epsom & Ewell, Mole Valley, Reigate & Banstead and Tandridge and the West Surrey unitary covering Guildford, Runnymede, Spelthorne, Surrey Heath, Waverley and Woking, submitted by Surrey County Council, Elmbridge Borough Council and Mole Valley District Council.
2. A proposal for three unitary authorities (the East/North/West proposal) with the East Surrey unitary covering Epsom & Ewell, Mole Valley, Reigate & Banstead and Tandridge, the North Surrey unitary covering Elmbridge, Runnymede and Spelthorne and the West Surrey unitary covering Guildford, Surrey Heath, Waverley and Woking, submitted by Epsom & Ewell Borough Council, Guildford Borough Council, Reigate & Banstead Borough Council, Runnymede Borough Council, Spelthorne Borough Council, Surrey Heath Borough Council, Tandridge District Council, Waverley Borough Council and Woking Borough Council.
3. A joint supplementary submission was also received from Reigate & Banstead Borough Council and Crawley Borough Council, in West Sussex, asking the Government to consider a cross-boundary option. As this submission did not meet

the statutory requirements for a proposal or the terms of the invitation and was accompanied by insufficient information that would enable a decision to be taken to implement it, it was not consulted upon.

- 5.5 After undertaking statutory consultation (see section 7), on 28 October 2025 in a Written Ministerial Statement³, the Minister of State for Local Government and Homelessness announced that the Secretary of State had decided that the East/West proposal for two unitary authorities met the criteria and, subject to Parliamentary approval, should be implemented.
- 5.6 The Secretary of State considered the East/West proposal submitted by Surrey County Council, Elmbridge Borough Council and Mole Valley District Council better meets the criteria in the case of Surrey. In particular, it performs better against the second criterion, as it is more likely to be financially sustainable. This criterion is particularly relevant in the unique context of Surrey, where reorganisation is a critical intervention to improve the financial viability of the area's councils. Putting Surrey's local authorities on a more sustainable footing is vital to safeguarding the services its residents rely on, as well as investing in their futures.
- 5.7 This Order implements the proposal made by Surrey County Council, Elmbridge Borough Council and Mole Valley District Council under section 2 of the Act. The Order establishes the new local government structure and enables arrangements for a smooth transition of local government functions to the new unitary authorities. It provides for a transitional period between the making of this Order and fourteen days after the 7 May 2026 elections and a shadow period from four days after those elections until the new authorities take on their full powers on 1 April 2027.
- 5.8 Part 2 of the Order establishes the new councils on the day after the Order comes into force and provides for them to take on full local government functions and powers on 1 April 2027. Part 2 also provides:
1. For the abolition on 1 April 2027 of the local government areas of the county of Surrey and of the districts of Elmbridge, Epsom & Ewell, Guildford, Mole Valley, Reigate & Banstead, Runnymede, Spelthorne, Surrey Heath, Tandridge, Waverley and Woking.
 2. For the winding up and dissolution on 1 April 2027 of all eleven district councils in Surrey – Elmbridge Borough Council, Epsom & Ewell Borough Council, Guildford Borough Council, Mole Valley District Council, Reigate & Banstead Borough Council, Runnymede Borough Council, Spelthorne Borough Council, Surrey Heath Borough Council, Tandridge District Council, Waverley Borough Council and Woking Borough Council – and of Surrey County Council.
 3. For the creation on 1 April 2027 of new, non-metropolitan districts and counties of East Surrey, and West Surrey, whose areas are defined for East Surrey as the preceding districts of Elmbridge, Epsom & Ewell, Mole Valley, Reigate & Banstead and Tandridge, and for West Surrey as the preceding districts of Guildford, Runnymede, Spelthorne, Surrey Heath, Waverley and Woking.
- 5.9 Part 3 of the Order provides functions to the county council and the East Surrey councils, and to the West Surrey councils, from the date this Order comes into force until after the first elections, for facilitating the transition to their respective new single tiers of local government including preparing for the transfer of the district and county councils' functions, property, rights and liabilities. This includes responsibility

³ <https://questions-statements.parliament.uk/written-statements/detail/2025-10-28/hcws998>

for drawing up and maintaining the implementation plan for transition to unitary authorities.

- 5.10 The Order requires, from its coming into force, the county council and the district councils in the area of the future East Surrey Council to establish a joint committee. The Order similarly requires the county council and the district councils in the area of the future West Surrey Council to establish a joint committee. Each joint committee will be in place until the first meetings of relevant shadow authorities, which will have responsibility to lead the implementation through the second transitional period which runs until 1 April 2027. The East Surrey Joint Committee will consist of five members from the corresponding area of the county council and one member from each of the district councils in East Surrey – i.e. a total of ten members, and for the West Surrey Joint Committee six members from the corresponding area of the county council and one member from each of the district councils in West Surrey – i.e. a total of twelve members. The joint committees are supported by an explicit duty on the existing councils to co-operate.
- 5.11 This part also provides for the establishment of a single officer Implementation Team consisting of officers from the county council and from all the district councils in Surrey, to be led by the Chief Executive of Surrey County Council.
- 5.12 Part 4 provides that East Surrey and West Surrey councils are shadow authorities for the shadow period. The shadow period comes into operation on the fourth day after the 2026 elections and ends immediately before 1 April 2027. This part then sets out the duties of the shadow authorities. The main function of each shadow authority will be to make all necessary preparations in advance of 1 April 2027, including adopting governance arrangements, a code of conduct and scheme of members' allowances, appointing statutory officers, keeping under review an implementation plan, and setting the budget and council tax for 2027/28 for the unitary councils.
- 5.13 The shadow authorities are therefore enabled to take all such steps as are necessary or expedient to prepare for the assumption of full local government functions and powers on 1 April 2027 and to ensure continuity of public service delivery on and after this date. Each shadow authority must appoint a Leader and Cabinet executive at its first meeting.
- 5.14 The Implementation Plans prepared by the East Surrey and West Surrey Joint Committees (see paragraph 5.10 relating to Part 3) are to be reviewed and revised as necessary by the respective shadow authorities. The Order sets out, at article 28 and 40, additional transitional functions for the East and West Surrey shadow authorities during the second transitional period (i.e. the shadow period), including the power to undertake the preparatory steps for a combined authority.
- 5.15 Part 5 makes provisions regarding electoral matters. The Order provides for whole council elections to East Surrey Council and West Surrey Council in 2026, cancels any district or county council elections in this year and extends the term of any councillors of those councils whose term would otherwise end in that year, to 1 April 2027 when the existing district and county councils are abolished. The Order specifies the electoral cycle, with the second election in 2031 and then a four-year cycle. It provides that if a councillor vacancy occurs after 30 September 2026, then the existing councils will not be required to call a by-election to fill the office of the councillor. By extending the initial term of office for councillors to five years the Order will bring the majority of parish council elections in line with elections to the new authorities in 2031.

- 5.16 Schedules 1 and 2 to the Order provide for the electoral wards and number of councillors to be elected to each ward for the new councils. Subject to parliamentary approval of this Order, the Local Government Boundary Commission for England is expected to review the wards after 1 April 2027 and in time for the 2031 elections.
- 5.17 Part 5 also makes a consequential modification to legislation governing the filling of casual vacancies in the office of councillor that arose in the six months prior to 2026 elections, which this Order now cancels. Modified provisions require that elections to fill such vacancies should be held between 30 March and 21 May 2026.
- 5.18 In addition, the instrument also makes consequential amendments to legislation made by the Local Government Boundary Commission for England implementing boundary reviews for local government electoral areas, to ensure that the new boundaries do not come into effect in May 2026 to ensure any by-elections before April 2027 will be held on current boundaries.
- 5.19 Simplifying local government also ensures a strong foundation for devolution. The Government is committed to working with partners across Surrey, including new unitary authorities once established, to establish a strategic authority for the area in order to ensure that relevant functions held at the county level can continue to be delivered on that geographic footprint where possible, such as transport and adult skills. The establishment of a strategic authority will be subject to the relevant statutory tests being met and local consent. The Government will also ensure fire and rescue functions continue to be governed on the same geography.

What was the previous policy, how is this different?

- 5.20 A two-tier system of local government in Surrey means residents and businesses are served by Surrey County Council, responsible for services such as adults' and children's social care, maintaining roads, libraries and waste disposal, and the eleven district and borough councils, responsible for services such as rubbish collection, housing and planning and environmental health. A single tier of local government in Surrey is a simplification of this system.

6. Legislative and Legal Context

How has the law changed?

- 6.1 This memorandum describes an Order being laid before Parliament that implements the proposal submitted on 9 May 2025 to the Minister of State, in response to his invitation of 5 February 2025, by Surrey County Council, Elmbridge Borough Council and Mole Valley District Council for the establishment of a single tier of local government for Surrey.
- 6.2 The Order is to be made under Part 1 of the Act which provides for the making of local government structural and boundary changes in England. Section 2 provides that the Secretary of State may invite any principal authority to make proposals for a single tier of local government, including for a single tier authority for the area of one or more districts which form part of a county area.
- 6.3 Section 7 of the Act allows the Secretary of State to implement a proposal by order, with or without modification. A section 7 order can, for example, create a new local government area or abolish an existing one; create a new council for the area or abolish an existing one and provide for a new name. An order may not be made unless the Secretary of State has consulted every authority affected by the proposal (except any authority which has made the proposal) and such other persons as he considers

appropriate. In this case, the consultation started on 17 June 2025 and ended on 5 August 2025 and is described in detail in section 7 of this memorandum.

- 6.4 Section 14 of the Act enables the Secretary of State, by regulations of general application, to make incidental, consequential, transitional and supplementary provision to give full effect to the local government changes. A number of such regulations have been made in respect of previous reorganisations, and the Secretary of State will consider whether any further amendments or new provisions are required, in consultation with the councils concerned.

Why was this approach taken to change the law?

- 6.5 This is the only possible approach to make the necessary changes.

7. Consultation

Summary of consultation outcome and methodology

- 7.1 This Order relates to the implementation of a proposal that was subject to extensive consultation, as described below. In addition, the Order has been prepared having regard to representations from the councils about the detailed content of the Order.
- 7.2 The proposals submitted by the councils in Surrey cited local views and engagement with stakeholders to support their case for local government reorganisation. As noted at paragraph 5.5, the Government launched a statutory consultation on the two proposals for unitary local government in Surrey, which met the terms of the invitation letter, on 17 June 2025. The consultation, with the full list of named bodies consulted on each proposal is available at gov.uk.⁴ The consultation closed on 5 August 2025, after a duration of seven weeks. The Act requires that, before a proposal for unitary local government can be implemented, the Secretary of State must first consult any local authority that is affected by a proposal (but which has not submitted it), and any other persons as he considers appropriate. The Secretary of State consulted named consultees, including in this instance the local authorities who had submitted the proposal and additionally welcomed views from any interested persons, including residents.
- 7.3 The Government's consultation, planned to adhere to the Consultation Principles issued by the Cabinet Office, was primarily conducted online using "Citizen Space", a third party consultation programme, open to both named consultees and all other interested parties, with an alternative option of responding by email or post.
- 7.4 That consultation posed the following questions in relation to each proposal:
1. Does the proposal suggest sensible economic areas and geographies which will achieve a single tier of local government for the whole of Surrey?
 2. Will the local government structures being put forward, if implemented, achieve the outcomes described?
 3. Is the proposal for unitary local government of the right size to achieve efficiencies, improve capacity and withstand financial shocks and is this supported by a rationale for the population size proposed?

⁴ <https://www.gov.uk/government/consultations/local-government-reorganisation-in-surrey/proposals-for-local-government-reorganisation-in-surrey>

4. The proposal covers an area in which there are councils in Best Value intervention and in receipt of Exceptional Financial Support. Do you agree the proposal will put local government in the area as a whole on a firmer footing? (*Councils in Best Value intervention as at 17 June 2025 are Spelthorne Borough Council and Woking Borough Council, the council in receipt of Exceptional Financial Support as at 17 June 2025 is Woking Borough Council*).
 5. Will the proposal prioritise the delivery of high quality and sustainable public services to citizens, improve local government and service delivery, avoid unnecessary fragmentation of services and lead to better value for money in the delivery of these services?
 6. Has the proposal been informed by local views, and does it consider issues of local identity and cultural and historic importance?
 7. Does the proposal support devolution arrangements?
 8. Will the proposal enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment?
 9. Do you have any other comments on the proposed local government reorganisation in Surrey?
- 7.5 A full summary of the consultation responses was published⁵ on 28 October 2025 alongside the announcement of the Secretary of State's decision to implement the proposal for two new unitary authorities (the East/West proposal) and a copy was placed in the House of Commons library.
- 7.6 The Government received a total of 5,617 responses regarding the proposals for Surrey: 26 responses from the named consultees, and 5,591 responses from residents and local organisations including businesses and town and parish councils.
- 7.7 Respondents were invited to answer 'yes' or 'no' to eight questions relating to each of the two proposals in turn, with the option to provide supporting free text. The ninth question was an opportunity for respondents to provide any further thoughts through free text and therefore has not resulted in any numerical assessment.
- 7.8 Residents constituted 97 per cent of the responses to the consultation. The responses demonstrate a clear preference among residents for the three unitary proposal. 51 per cent of respondents to the three unitary proposal provided positive responses to the questions and 29 per cent of respondents provided negative responses. On average, the two unitary proposal received negative responses, with 19 per cent responding 'yes', and 56 per cent 'no', across the questions.
- 7.9 The free text responses covered a broad number of themes. In summary, support for the three unitary proposal was based on the view that a three unitary council model resulted in authorities that were a good size and that the groupings of current authority areas made sense. Residents generally believed that the proposal would achieve good economies and efficiencies and be good for local identity, accountability, community engagement and service improvement. Negative responses relating to the three unitary proposal highlighted concern that it would not generate significant efficiencies, as well as concerns about how debt would be addressed.

⁵ <https://www.gov.uk/government/consultations/local-government-reorganisation-in-surrey/outcome/proposals-for-local-government-reorganisation-in-surrey-government-response>

- 7.10 Those who supported the two unitary proposal typically did so on the basis of the greater efficiencies presented in the proposal, with the belief that it would create authorities of a good size. Negative responses highlighted the larger size of the authorities, indicated that the proposals created geographies that would not be good for community identity and had concerns about the potential negative impacts on services and local accountability.
- 7.11 There were a small number of respondents who did not favour either proposal or were not convinced by the overall case for change. This number is challenging to quantify as such sentiment was often provided inconsistently across responses. Some respondents did not want change or reorganisation in any form, some provided tacit support for one or both options, and others preferred a single unitary.
- 7.12 Of the named consultees, principal councils demonstrated a preference for the proposals that they had submitted. The views of the neighbouring principal authorities were generally split, with a small preference for the two unitary proposal across a small sample size. Among the notable responses were those of police, fire, and health organisations. These consultees supported the two unitary proposal on the basis that it aligned with their own proposed service reform or delivery footprints.
- 7.13 Of the other public sector bodies listed as named consultees, we received one response that provided information they had shared with councils in Surrey to help shape their proposals, but did not indicate a preference for either of the models proposed.
- 7.14 We received a response from the National Association of Local Councils. The response did not indicate a preference for either model, instead advocating for a greater role for town and parish councils within any new unitary structures.
- 7.15 Multiple named consultees chose not to state a preference or provided positive responses to both proposals. A respondent from the voluntary and community sector chose not to provide a response on behalf of their membership, instead amplifying the consultation to members. Though they answered neutrally to each question, they used question 9 to reflect that, anecdotally, they felt there was an overall preference for the three unitary proposal among their membership.
- 7.16 Though they were not listed as named consultees, we assessed a number of detailed and well considered responses from town and parish councils. 68 per cent of respondents provided favourable responses to the three unitary model, citing the increased emphasis on locality and community engagement. In contrast, only 18 per cent of respondents provided an on average positive response to the two unitary proposal.
- 7.17 Local businesses also favoured the three unitary proposal with 25 per cent providing on average positive response to the two unitary proposal and 65 per cent providing on average positive responses to the three unitary proposal.
- 7.18 The Secretary of State carefully considered the proposals, consultation responses, all representations received, and all the relevant information available to him in reaching his decision on which proposal to implement, subject to Parliamentary approval. The Secretary of State concluded that the East/West proposal for two unitary councils better met the criteria and should be implemented.
- 7.19 The councils were also given an opportunity to make representations on a number of aspects of the Order, that were not covered by their proposal, in particular:
- Joint committee membership (councillors) for each new unitary council.

- Number of implementation teams and possible named key roles (including names of officers for particular statutory positions).
 - If timings of parish elections should be changed to reflect the new timings for unitary council elections.
 - Who the returning officers will be for elections to each new unitary authority.
- 7.20 The Secretary of State considered all the representations he received in deciding on the content of the Order.

8. Applicable Guidance

- 8.1 No guidance is necessary to accompany this instrument. The local authorities are considered to be best placed to deliver the new councils, and the Ministry of Housing, Communities and Local Government will work closely with those responsible for implementing the provisions of this Order.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

- 9.1 A full Impact Assessment has not been prepared for this legislation because it will have no impact on the costs for business, charities or the voluntary sector.

Impact on businesses, charities and voluntary bodies

- 9.2 There is no, or no significant, impact on the costs for business, charities or voluntary bodies.
- 9.3 The legislation does not impact small or micro businesses.
- 9.4 The creation of new unitary councils will bring about changes to which council collects business rates and delivers services like commercial waste and planning. The creation of new unitary councils also provides an opportunity to redesign and recommission services to create greater efficiencies and potentially improve service quality for businesses and residents.
- 9.5 The impact on the public sector is a simplification to the system of local government in Surrey, with a reduction in the number of councils from 12 to two. In making their East/West proposal Surrey County Council, Elmbridge Borough Council and Mole Valley District Council estimated ongoing net annual benefits of between £1 million and £46 million, with a mid-point of £23 million.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

- 10.1 The approach to the monitoring of this legislation is that the new councils will be democratically accountable for their performance to their local electorates, and subject to the audit and accountability regimes applicable to the generality of local government.
- 10.2 The Order does not include a statutory review clause. Officials are working with the councils in Surrey on taking forward implementation in line with the provisions of this Order, which give effect to changes in local government structures which are completed on 1 April 2027.

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

- 11.1 The Local Authorities (Changes to Years of Ordinary Elections) (England) Order 2025 (SI 2025:137) was made on 10 February 2025 and came into force on 4 March 2025. It changed the ordinary year of election of councillors for those English councils set out at article 2, which included Surrey County Council.
- 11.2 On 16 December 2024, following the publication of the English Devolution White Paper, the Minister of State for Local Government and English Devolution wrote to all councils in remaining two-tier areas and neighbouring small unitaries to set out plans for a joint programme of devolution and local government reorganisation
- 11.3 The 16 December 2024 letter acknowledged that for some areas, the timing of elections affects their planning for devolution, particularly alongside reorganisation, and that to help manage these demands, the Government would consider requests to postpone local elections.
- 11.4 Surrey County Council requested to postpone their local election. The Government agreed to postpone the local elections in Surrey as reorganisation is essential to unlocking devolution options and postponing the May 2025 elections would help deliver both reorganisation and devolution to the most ambitious timeframe.
- 11.5 This Order provides for new arrangements to come into effect on 1 April 2027 and hence it provides for the County and those Districts and Borough elections scheduled for 2026 to be cancelled, with the term of councillors extend until the abolition of these councils. This enables the delivery of the proposal submitted by Surrey County Council, Elmbridge Borough Council and Mole Valley District Council.

12. European Convention on Human Rights

- 12.1 The Minister of State for Local Government and Homelessness has made the following statement regarding Human Rights:

“In my view the provisions of the Surrey (Structural Changes) Order 2026 are compatible with the Convention rights.”

13. The Relevant European Union Acts

- 13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 (“relevant European Union Acts”).