

Business Support and Digital Overview and Scrutiny Committee 2 October 2025

Call-in: Local Government Reorganisation

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Summary

This report advises the Committee of a notice of call-in received from six Members of the Council regarding the Cabinet decisions made on 23 September 2025 relating to Local Government Reorganisation (LGR).

1. Recommendations

1.1. The Committee is asked to consider the called-in Cabinet decisions (decision numbers 133/2025 to 134/2025) and decide either to:

1.1.1. accept the Cabinet decisions and therefore take no further action **or**;

1.1.2. refer the decisions back to Cabinet for reconsideration, setting out the reasons for the referral back **or**;

1.1.3. refer the decisions to full Council for consideration.

2. Budget and policy framework

2.1. In accordance with paragraph 15.3, part 5, Chapter 4 of the Constitution, Cabinet decisions 133/2025 to 134/2025 have been called-in to this Committee by six Members (of the Conservative Group) of the Council.

3. Background

3.1. The Cabinet considered the report which set out the background to the LGR decision making. Council Leaders across the region of Kent had recently met and decided to progress two models to full business cases (3a and 4b). The model developed by Medway (4d) was not selected.

3.2. The Cabinet considered a report (attached at **Appendix A**) at its meeting held on 23 September 2025 and was requested to consider if it wished to progress

the Medway Model (4d) to full business case development and if so, if an external partner should be engaged to support that workstream.

3.3. The Cabinet's decisions were as follows:

<i>Decision number:</i>	<i>Decision:</i>
133/2025	The Cabinet agreed to progress the Medway option (option 4d) to a full business case and engage external support to assist with producing the business case.
134/2025	The Cabinet agreed to engage the current provider, (to the Kent and Medway authorities collectively) KPMG as the lead, with others (if necessary), to support the Medway option.

Reasons for decision:

3.4. Twenty one areas in England have been requested to submit proposals for LGR. The local authorities within the Kent region have been meeting regularly and as set out in the appended report initially developed ten models. Through an iterative process these were reduced to two, which would be developed to full business cases.

3.5. Medway Council has produced its own proposals for LGR, using the criteria provided by MCHLG (e.g. infrastructure boundaries, existing/planned communities) as opposed to electoral boundaries devised in the early 1970s which are outdated.

3.6. The reasons for the decision are set out in the appended report;

To enable proper consideration of the Medway option for the reorganisation of local government in Kent and request external support in producing a business case for option 4d based on boundary criteria proposed by government.

4. Assistant Director for Legal and Governance, response to the call-in

4.1. The call in notice is attached and marked as **Appendix B** and the accompanying letter providing further details as **Appendix C**. Rationale relevant to the consideration of the matters presented to the Cabinet was set out in section of 7 of the original report (Appendix A).

4.2. The call in notice states that the six Members expressly wish to explore:

- Financial prudence
- Change in strategic direction
- Scope and nature of the business case.

- 4.3. The financial implications of the Cabinet decision are set out in the report considered on 23 September, which states that the anticipated costs will be met from existing budgets, specifically established for LGR.
- 4.4. All Councils in the Kent region have worked collaboratively together to date on LGR and continue to do so. Whilst the principles for managing options to be developed to a full business cases were agreed some months back by all Council leaders, it was always on the understanding the individual Councils may wish to progress their own business cases outside of the collective decision. In this regard, as stated in the papers, KCC and more latterly Dartford and Gravesham have already publicly announced they will be progressing their own models, and others are considering their decision-making routes.
- 4.5. The development of the Medway business case will follow the same outline as the two models approved by the Council leaders in Kent, considering the following;

- i. Geography and SWOT analysis
- ii. Assessment against government criteria
 - a. Establishing a single tier of local government
 - b. Achieving efficiency, capacity and financial resilience
 - c. Delivering high quality and sustainable public services
 - d. Reflecting local identity and supporting a shared vision
 - e. Supporting strategic devolution and regional priorities
 - f. Enabling stronger community engagement and neighbourhood empowerment
- iii. Implementation plan
- iv. Options appraisal
- v. Financial modelling
- vi. Key data.

5. Monitoring Officer and Chief Operating Officer's response to the call-in

- 5.1. The report to Cabinet provides details of the decisions taken by the Cabinet and further details on the rationale.
- 5.2. The Council's policy framework is defined in paragraph 4.1a of Article 4 of the constitution. The proposals are not contrary to the policy framework and is in accordance with the budget agreed by Council.

6. Options

- 6.1. The options open to this Committee in dealing with this call-in are to:
- a) to consider the matter and accept the Cabinet decisions, or;
 - b) ask Cabinet to reconsider its decisions if Members have concerns about it/them (setting out in writing the nature of any concerns), or;

- c) refer the matter to full Council for consideration.
- 6.2. In accordance with rule 15.8 of the Constitution, to avoid the possibility of very many emergency Council meetings, Overview and Scrutiny Committees should normally only use the power to refer a matter to the full Council if it considers either:
- a) that the decisions are contrary to the policy framework (i.e. those policies and plans listed in Article 4.1 of Chapter 2 of the Constitution) or contrary or not wholly in accordance with the budget;
 - b) where a request for call-in is signed by six or more members representing at least two political groups.
- 6.3. If the Committee considers the Cabinet decisions are, or would be, contrary to the policy framework or not wholly in accordance with the Council's budget, then it must first carefully consider the advice from the Monitoring Officer and/or Chief Operating Officer. If the officer advice is that the decisions taken by Cabinet are within the policy framework or budget, and this is accepted by the Committee, then a referral to full Council, on these grounds, would not be possible. As referred to in section 5 above, the Monitoring Officer and the Chief Operating Officer have confirmed that the decision(s) taken by Cabinet set out in paragraph 3 above are not contrary to the Council's budget or policy framework.
- 6.4. In the event of a referral to full Council for reasons relating to the budget or policy framework, Cabinet will then meet to consider the views of the Monitoring Officer and/or Chief Operating Officer, together with the views of the Overview and Scrutiny Committee. Having considered these views, Cabinet will decide what action to take and prepare a report for Council.
- 6.5. When the full Council meets following such a referral, it can decide:
- a) that the Cabinet decisions falls within the existing budget and policy framework, in which case no further action is required, or;
 - b) to amend the Council's budget or relevant policy framework document to encompass the decisions, in which case the Cabinet decisions take effect immediately and no further action is required, or;
 - c) to accept that the decisions are outside the policy framework or budget, in which case Cabinet must reconsider the matter taking into account the views of Full Council and take decisions which are in accordance with the advice of the Monitoring Officer/Chief Operating Officer and which comply with the budget and policy framework.
- 6.6. When the full Council meets following a referral on other grounds then it can decide:
- a) to accept the Cabinet decisions and therefore take no further action (in which case the decision will become effective on the date of the full Council meeting) or;

- b) refer the decisions back to Cabinet for reconsideration, setting out the reasons for the referral back.

7. Risk management

- 7.1. Risk management is addressed in section 8 of the Cabinet report attached at Appendix A.

8. Climate change implications

- 8.1. The climate change implications in relation to the Cabinet decision are set out at section 10 of the Cabinet report attached at Appendix A.

9. Financial implications

- 9.1. The financial implications in relation to the Cabinet decision are set out at section 11 of the Cabinet report attached at Appendix A.

10. Legal implications

- 10.1. The legal implications in relation to the Cabinet decisions are set out at section 12 of the Cabinet report attached at Appendix A.
- 10.2. In accordance with paragraph 15.3, part 5, Chapter 4 of the Constitution, six members of the Council may call in a decision for scrutiny by the relevant Overview and Scrutiny Committee. Call-ins must be dealt with in accordance with Rule 15 of the Overview and Scrutiny Rules and Rule 7 of the Budget and Policy Framework Rules, set out in the Constitution.

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Appendices

Appendix A – Cabinet report 23 September 2025

Appendix B – Call in notice

Appendix C – Accompanying letter

Background papers

None