

## **Cabinet**

### 6 October 2025

# **Call-in: Local Government Reorganisation**

Report from: Bhupinder Gill, Assistant Director Legal and Governance

Author: Bhupinder Gill, Assistant Director Legal and Governance

## Summary

The Cabinet will need to consider this report in the event that the Business Support and Digital Overview and Scrutiny Committee, at its meeting on Thursday 2 October 2025, agree to refer the Cabinet's decisions on Local Government Reorganisation (decision nos. 133 and 134/2025) back to Cabinet for reconsideration.

In such an event, an addendum report will be published setting out the Business Support and Digital Overview and Scrutiny Committee's recommendations back to Cabinet, including details of the nature of its concerns.

For the avoidance of doubt, Cabinet Members are advised that this special Cabinet meeting **will not go ahead** in the event that the Business Support and Digital Overview and Scrutiny Committee, at its meeting on Thursday 2 October 2025, agree to take no further action in respect of the Cabinet's decisions on Local Government Reorganisation (decision nos. 133 and 134/2025).

#### 1. Recommendations

- 1.1. The Cabinet will be asked to consider the recommendations from the Business Support and Digital Overview and Scrutiny Committee, in the event that the Committee, at its meeting on Thursday 2 October 2025, agree to refer Cabinet decision nos 133 and 134/2025 back to Cabinet for reconsideration.
- 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 were called-in to the Business Support and Digital Overview and Scrutiny Committee by six Members (of the Conservative Group) of the Council.
- 2.2. The report to the Committee can be viewed <u>here</u> agenda item 5 refers.

- 2.3. The options open to the Business Support and Digital Overview and Scrutiny Committee were:
  - 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.
- 2.4. Paragraph 15.6 of the Overview and Scrutiny Rules sets out the options for the Cabinet in the event they are asked to reconsider its decisions as follows: "If referred to the decision-maker [the Cabinet] they shall then reconsider the decision at the next available meeting, amending the decision or not, before adopting a final decision."

# 3. Background

Decision

- 3.1. The Cabinet considered a report on 23 September 2025 (attached at **Appendix A**) 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 report asked the Cabinet 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:

Decision:

number:	Decision.
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 (Appendix A);

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, Legal and Governance, response to the call-in
- 4.1. The Assistant Director, Legal and Governance's comments set out in the report to the Business Support and Digital Overview and Scrutiny Committee are reproduced below.
- 4.2. 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).
- 4.3. The call in notice stated that the six Members expressly wished to explore:
  - Financial prudence
  - Change in strategic direction
  - Scope and nature of the business case.
- 4.4. The financial implications of the Cabinet decision were 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.
- 4.5. 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 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.

- 4.6. 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 (on 23 September 2025) provided 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. Paragraph 15.6 of the Overview and Scrutiny Rules sets out the options for the Cabinet in the event they are asked to reconsider its decisions as follows: "If referred to the decision-maker [the Cabinet] they shall then reconsider the decision at the next available meeting, amending the decision or not, before adopting a final decision."
- 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.

### Lead officer contact

Bhupinder Gill, Assistant Director, Legal and Governance

E-mail: bhupinder.gill@medway.gov.uk

## **Appendices**

Appendix A – Cabinet report 23 September 2025

Appendix B - Call in notice

Appendix C – Accompanying letter

Background papers

None