



Ministry of Housing,  
Communities &  
Local Government

**Rt Hon Steve Reed OBE MP**  
*Secretary of State for Housing, Communities &  
Local Government*  
2 Marsham Street  
London  
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Leaders in Essex, Thurrock and Southend-on-Sea  
*By email*

25 March 2026

Dear Leaders,

Thank you for your continued efforts to deliver new unitary councils in Essex, Thurrock and Southend-on-Sea. This Government is undertaking the biggest reform of local government in a generation, ending the current two-tier system and replacing it with new single-tier unitary councils. This agenda is key to this government's vision of local councils that deliver good services for residents and are equipped to drive economic growth, while empowering their communities.

As a government, our number one ambition is growing the economy and putting more money in the pockets of working people. Driving economic growth means acknowledging that cities, towns, and villages don't all perform the same roles in the national economy – they specialise in what they're best at. Public service demand also isn't the same across the country. Some areas have high levels of homelessness and temporary accommodation, others have high need for adult social care due to an older population. Local leaders, both in councils and mayoralities, need to be able to focus on the specific needs of their area.

Reorganisation presents a once-in-a-generation chance to make sure our councils match the modern realities of our places, making sure outdated boundaries are not constraining growth, particularly in our towns and cities. In too many places, council boundaries are misaligned with the needs of their local communities and how those communities live their lives.

This is particularly important for key government priorities on housebuilding, like our target of building 1.5 million homes in England this Parliament. The housing needs of local communities are best met by councils who are closely connected to their communities and understand a place's local identity. This connection is crucial in ensuring that local government can boost economic growth and design public services that respond to local residents.

Reorganisation must also respect local identity, and the distinctive nature of the rural, urban and coastal communities across our country. We want to see councils that are connected to their local residents and communities; councils that mean something to the people they serve.

## Decisions

I have considered your proposals carefully against the criteria set out in the invitation letter of 5 February last year, alongside the responses to the consultation, representations made and all other relevant information.

Following this assessment, I have decided to move forward with implementation of the five unitary authority proposal, put forward by Basildon Borough Council, Brentwood Borough Council, Castle Point Borough Council, Chelmsford City Council, Colchester City Council, Harlow Council, Maldon District Council, Southend-on-Sea Council, Tendring District Council, and Uttlesford District Council. This would create the following councils, referred to in the proposals as:

- West Essex Council (current local government areas of Epping Forest, Harlow and Uttlesford)
- North East Essex Council (current local government areas of Braintree, Colchester and Tendring)
- Mid Essex Council (current local government areas of Brentwood, Chelmsford and Maldon)
- South West Essex Council (current local government areas of Basildon and Thurrock)
- South East Essex Council (current local government areas of Castle Point, Rochford and Southend-on-Sea).

I appreciate that this decision will be disappointing for some of you. I would like to thank you for your efforts to date to prioritise the best outcomes for your residents, and to thank you in advance for maintaining that perspective and seeking to deliver new unitary councils that will help to grow the local economy and provide better public services for your people. Your ongoing collaboration will be vital to ensure that the proposal is implemented with the interests of residents at its heart.

Turning to the reasons for my decision, in my judgement, although all the other proposals met the criteria for unitary local government, the five unitary proposal best met the criteria overall. It performed particularly well due to the fact that it is clearly shaped by the communities across the area and reflects local identities. This is demonstrated by both feedback in the statutory consultation and support from 10 out of 15 councils in the area.

In more detail, I found that the five unitary model was firmly anchored around the five key urban centres of Basildon & Thurrock, Chelmsford, Colchester, Harlow and Southend. I am confident that this decision will enable these urban centres across Essex, Thurrock and Southend-on-Sea to thrive.

As I set out above, it is vital we put in place new councils that are connected to the communities they serve, and that will best meet the needs of those communities. The approach set out in the five unitary model creates sensible geographies that will empower each new council to deliver new housing in line with local needs. Each unitary will also be directly accountable for delivering public services tailored to local challenges across each community, including those around temporary accommodation and social care. As I also set out, this proposal is supported by a majority of local councils within the area and aligns with

local preferences expressed within the consultation for councils that are connected to the communities they represent.

I considered the expected costs and benefits, including transition costs, and the ability of each new council to be financially resilient. On the evidence, I am satisfied that the five unitary proposal can be delivered on a sustainable financial basis. The 500,000 population figure has always been a guiding principle, not a fixed threshold. Where any new council is below that level, I am satisfied that it is appropriate on the basis that it produces a more coherent and effective outcome for Essex, Thurrock and Southend-on-Sea.

Simplifying local government ensures a strong foundation for devolution. I judge that the five unitary authority proposal will provide that strong foundation. We are committed to working with partners across Essex, Southend-on-Sea and Thurrock, including new unitary councils once established, to further support the upcoming Greater Essex Combined County Authority. This will ensure that strategic functions, for example transport and adult skills, continue to be delivered effectively across the wider footprint.

I would also like to confirm our commitment to repay in-principle £200m of Thurrock Council's debt in 2026-27. This is a significant and unprecedented commitment given historic capital practices at the Council and reflects an assessment of value for money for national and local taxpayers. Locally, Thurrock Council has made significant progress as set out in Commissioners' sixth report (27 January 2026) and this commitment recognises the Council still retains a significant level of unsupported debt that cannot be managed locally. This is not a decision that has been taken lightly but is necessary to protect taxpayers from the spiralling cost of ever-increasing debt. I would like to thank the Council's current leadership for its grip of the financial situation and to recognise the progress that has been made to reduce debt.

The figure of in-principle support we are announcing today is subject to further assurance of the Council's financial position, continued progress on remaining asset disposals and divestments as well as other local actions to strengthen financial sustainability. This is a first tranche of repayment support, and we will continue to explore what further debt support is required at a later point. The government remains clear that any support must take into account value for money for the local and national taxpayer and the Council's continued commitment to reduce debt as far as possible within its local capacity.

## **Next steps**

In relation to next steps, as you are aware a Structural Changes Order, which will be subject to Parliamentary approval, is required to abolish existing councils, establish new structures and make transitional arrangements. I have carefully considered the information in the proposals as well as the further representations you have made on the content of this Order.

My officials will shortly write to your Chief Executives setting out the next steps and timeline for implementation, including my initial decisions on transitional arrangements that will be included in the draft legislation and to request further input, including on warding arrangements. This will enable you to take forward the work needed to begin preparation for implementation, in advance of Parliamentary approval of the Order.

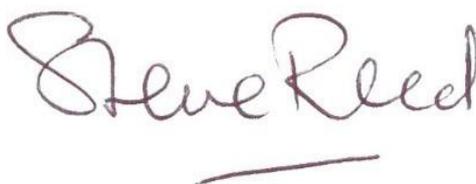
For clarity, the elections that will take place for new unitary councils in 2027 will replace any existing local elections planned.

I am pleased to be able to confirm how the £63m in transition funding announced in February will be allocated. We will provide at least £900,000 per each new unitary authority that is being implemented to help establish effective services and governance arrangements, ensuring funding is provided fairly, consistently, and as quickly as possible. This means that the Essex invitation area will receive £4.5m for five new unitary councils. This approach reflects the differing levels of complexity involved across areas and allows for a small central reserve to be used later for targeted support if needed. Funding will be issued through established grant mechanisms, and we will be in touch to confirm next steps.

I look forward to continuing to work closely with you to deliver the vital improvements that reorganisation can facilitate.

I am copying this letter to your Chief Executives, MPs, Thurrock Commissioners and the Essex Police, Fire and Crime Commissioner.

Yours sincerely,

A handwritten signature in dark ink that reads "Steve Reed". The signature is written in a cursive style with a horizontal line underneath the name.

**RT HON STEVE REED OBE MP**  
Secretary of State for Housing, Communities and Local Government