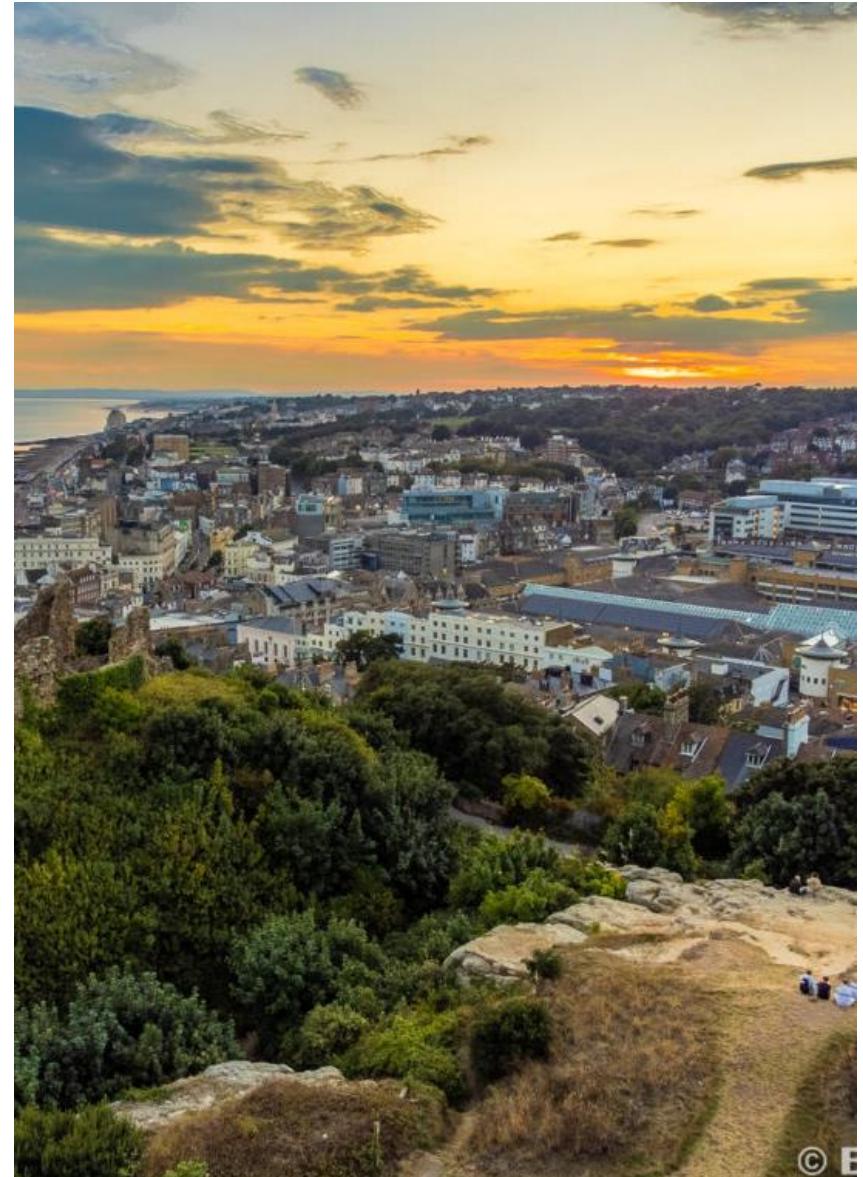


Proposal for a Coastal Unitary

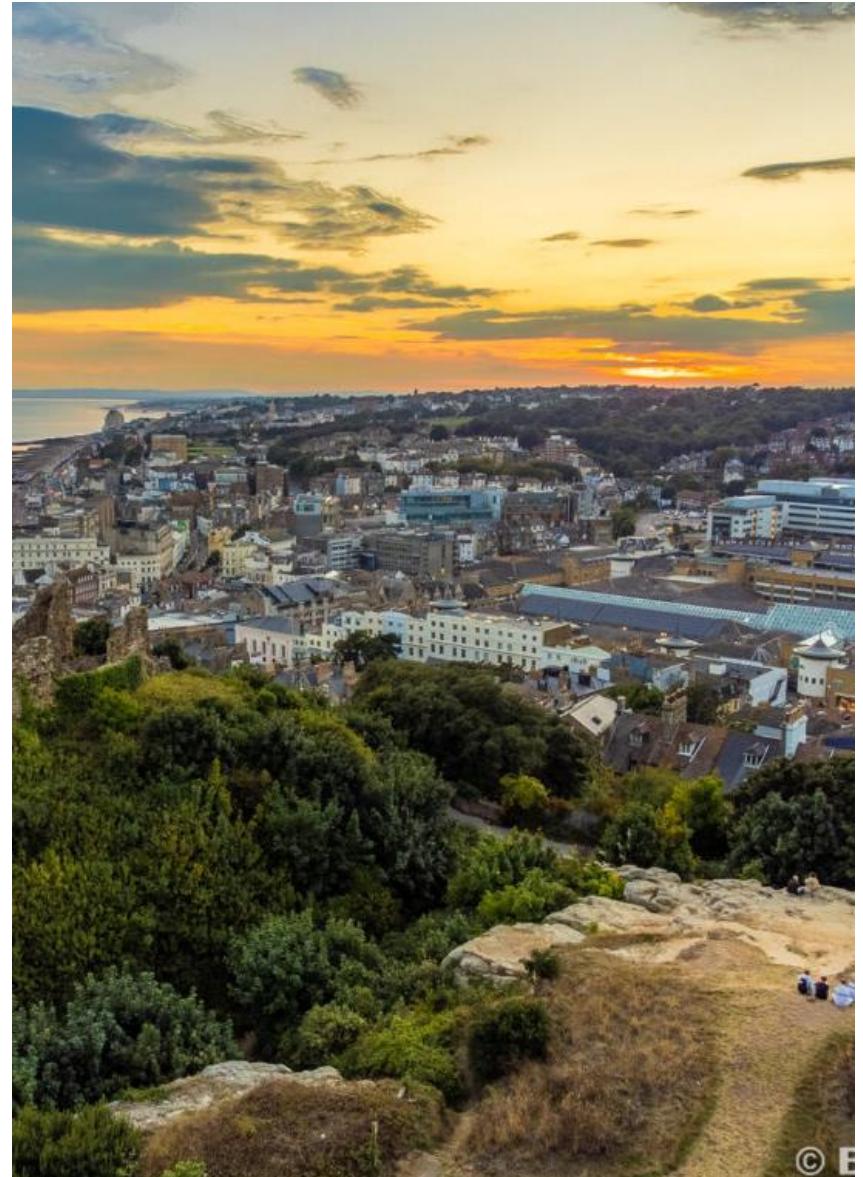
The Case for a Coastal Unitary

- Hastings stands at a historic moment. This Government's ambition to deliver a simplified and more unified model of local government could provide us with the opportunity to put the needs of our residents at the centre of decision making for local Government, within a newly created Unitary Authority.
- This once in our lifetime opportunity, could enable us to prioritise the unique challenges and strengths that those living in the coastal towns and communities that make up the Coastal strip of East Sussex; Hastings; Eastbourne, Rye, Seaford and Newham face and deliver joined up services that are based on a clear understanding and prioritisation of those needs.



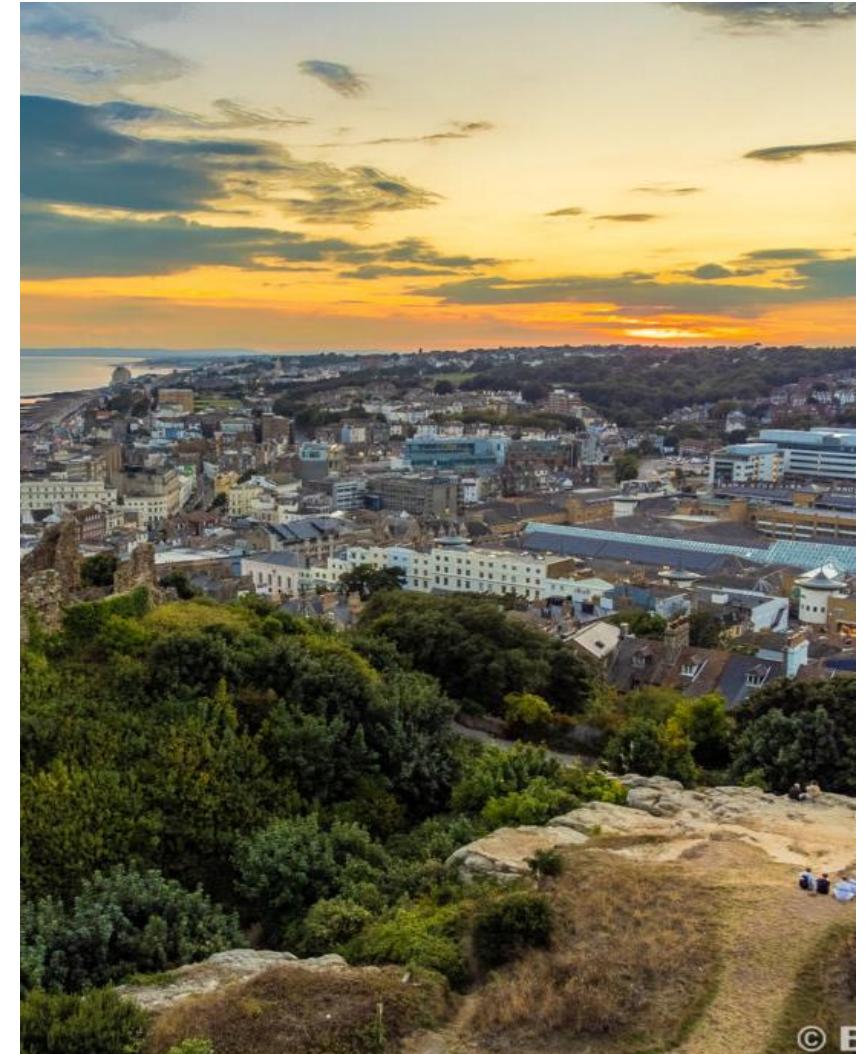
The Case for a Coastal Unitary

- This proposal, for a coastal unitary, provides us with the opportunity to address the particular needs and challenges of our coastal towns and communities.
- It is rooted in evidence of need, in a robust understanding of what is possible, deliverable and will provide value for money and that is linked, effectively, to wider plans for local government re-organisation that are being developed across Sussex.



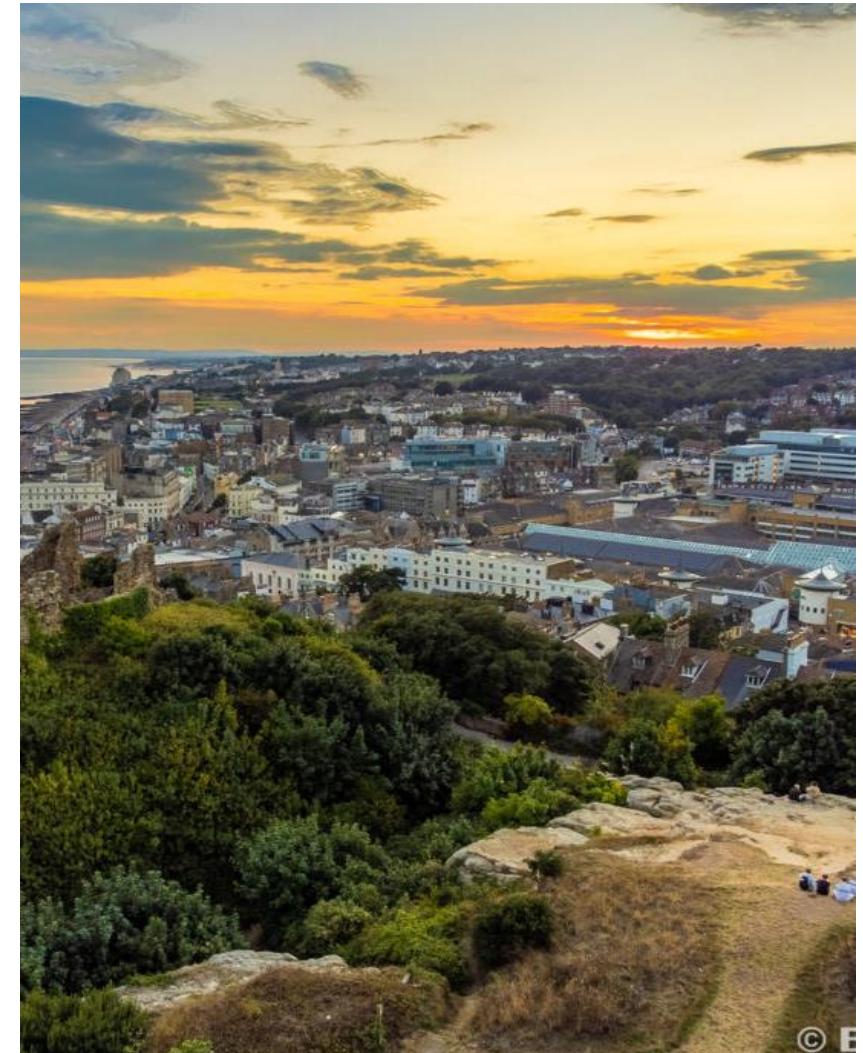
The case for a coastal unitary

- In our view, a Council that has the expertise and focus, along with the economies of scale, to address the particular challenges that face communities within our coastal stirp, is better placed to manage those risks – rather than a Council that is further removed from the issues directly impacting on our communities.
- We have seen already, the challenges that the current East Sussex County Council poses for residents in Hastings in delivering equitable services across the range of needs of our citizens. Why would a County Council made up of the same footprint be any better placed to deliver these services in a more effective and responsive way ?



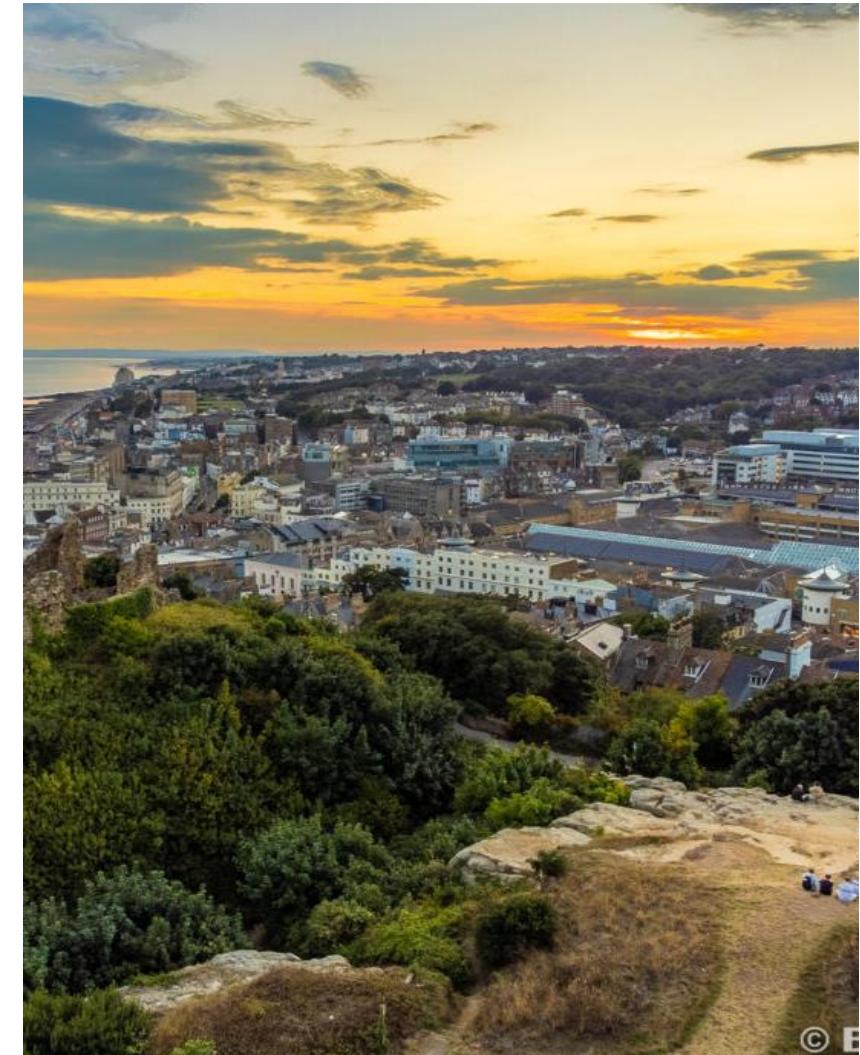
The case for a Coastal Unitary

- Coastal communities across East Sussex face a combination of challenges more acute than almost anywhere else in England. Hastings has one of the highest levels of temporary accommodation use in the country. Eastbourne faces a structural deficit driven by housing and care costs. Rother and Lewes coastal wards are seeing demand for TA and ASC rise steadily. Meanwhile, deprivation levels remain persistently high, and 14,000+ coastal properties are at risk from flooding or erosion.



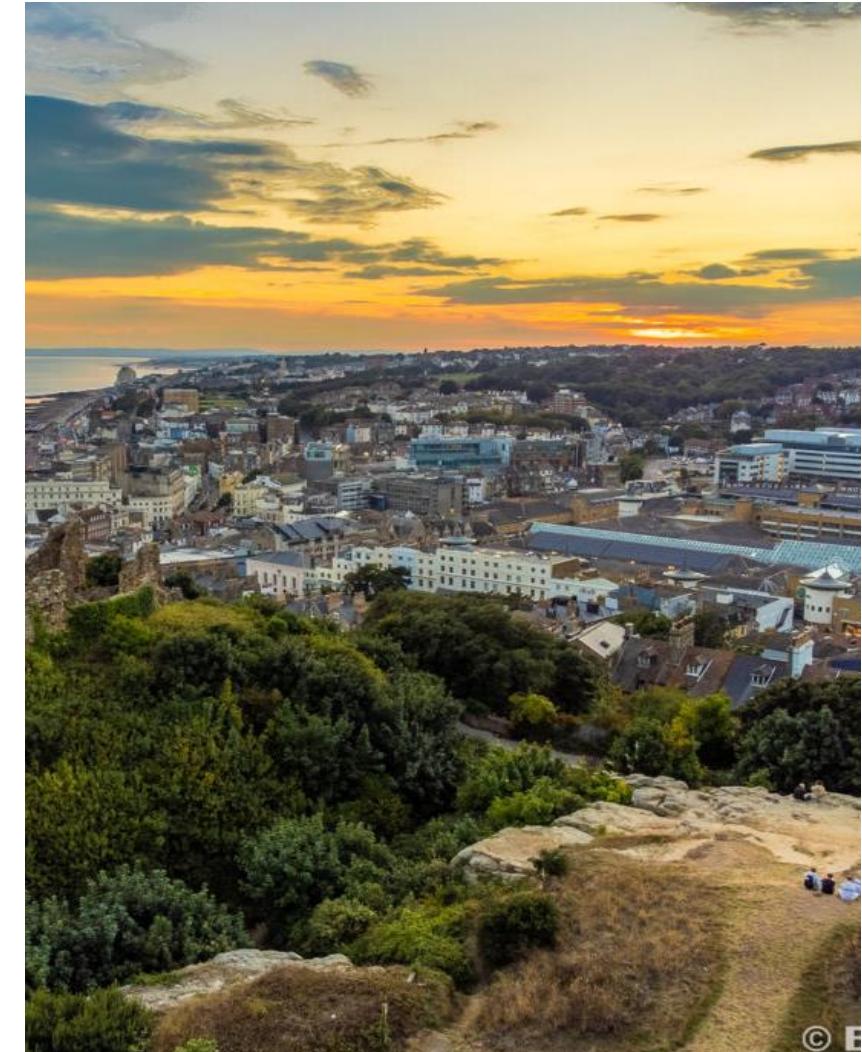
The case for a Coastal Unitary

- Finally, our vision for a Coastal Unitary is for a council that puts the needs of all of our citizens; the strengths and particular challenges that residents living in coastal communities bring and places these centre stage along with the expertise, vision and focus to drive forward creative and innovative solutions to support the economic regeneration and development of sustainable businesses and infrastructure that will enable our coastal authority to thrive.



Against this backdrop, the Coastal Unitary Authority will:

- Serve ~360,000 residents, covering Eastbourne, Hastings, Rother, the Lewes coastal wards (Seaford and Newhaven), and selected South Wealden wards.
- Integrate housing and temporary accommodation with Adult Social Care and Public Health, tackling demand at source rather than responding only in crisis.
- Deliver recurring reorganisation savings of £58m and transformation benefits of £59m, set against £23m transitional costs and £57m disaggregation costs.
- Provide a balanced option: less remote than a single countywide authority ("One East Sussex") and more locally grounded than a two-unitary model.
- Empower residents through Area Committees, devolved budgets, participatory budgeting, and a commitment to retain local service hubs.
- Align seamlessly with the Sussex & Brighton Mayoral Strategic Authority, offering a coherent partner for devolved transport, housing, skills, and climate resilience.



The context for a Coastal Unitary

Economic and Environmental Context

- The coast has a distinctive economy. Tourism and the visitor economy are vital, but seasonal. Productivity lags behind the South East average. Unemployment remains above regional levels. At the same time, there are opportunities: further education colleges, skills academies, and universities are investing in coastal skills pipelines, particularly in health, care, and retrofitting.
- Environmental pressures are acute. More than **14,000 properties** are at medium or high flood risk. Coastal erosion threatens homes, infrastructure, and transport links. Climate resilience projects, coastal defence schemes, and estate retrofits are critical, but require investment and coordination at scale.

Identity and Governance

- The coastal towns — Hastings, Bexhill, Eastbourne, Seaford, Newhaven, and Polegate — form a **polycentric but interdependent system**. They share housing markets, labour flows, visitor demand, and resilience challenges. This makes them the natural footprint for a single authority. Existing shared services (e.g. Eastbourne–Lewes, Joint Waste Partnership) demonstrate that collaboration works, but fragmented structures prevent the full benefits being realised.



Meeting Government Criteria

The Government requires reorganisation proposals to be assessed against six statutory criteria: scale, service sustainability, financial sustainability, collaboration, devolution, and community engagement.

Right Size and Scale

- The proposed Coastal Unitary will serve approximately 360,000 residents, a population well within the viability threshold established by previous reorganisations. The geography is coherent, following the A259/A27 corridor and encompassing the interdependent towns of Hastings, Eastbourne, Rother, Seaford, Newhaven, and selected South Wealden wards. Unlike a countywide model, this scale is large enough to achieve efficiencies while small enough to preserve local responsiveness.

High-Quality, Sustainable Services

- Fragmented governance currently hampers effective delivery. The Coastal Unitary will integrate housing, TA, ASC, SEND, and Public Health through local Coastal Service Hubs. These hubs will provide joined-up prevention services, ensuring earlier interventions for families at risk of homelessness, people with care needs, and children requiring additional support.



Meeting Government Criteria

Financial Sustainability

- Within its footprint, the Coastal Unitary delivers a credible savings package: £58m in recurring reorganisation savings and £59m in transformation benefits, set against £23m transitional costs and £57m disaggregation costs.
- When the whole county is considered, residual disaggregation costs for the rest of East Sussex are estimated at £315m (base) / £129m (stretch).

Local Collaboration and Consensus

- The Coastal footprint already benefits from collaboration, such as the Eastbourne–Lewes shared services and the Joint Waste Partnership. By consolidating these arrangements, duplication will be reduced and consistency improved. Engagement evidence has generated more than 5,500 responses countywide and 805 in Hastings, demonstrating strong public input.



Meeting Government criteria

Support for Devolution

- The Coastal Unitary provides a clear and accountable partner for the proposed Sussex & Brighton Mayoral Strategic Authority (MSA). It aligns naturally with devolved priorities — housing, transport, skills, and climate resilience — particularly along the A259/A27 growth corridor and at the ports of Newhaven and Eastbourne.

Community Engagement and Empowerment

- Governance proposals include Area Committees with devolved budgets, participatory budgeting, and open financial dashboards. Local hubs will remain, with a digital inclusion pledge ensuring “digital by default but never digital only.” Town and parish councils will be strengthened, giving communities a stronger role in shaping services



Item	Coastal footprint only
One-off disaggregation	£57m
Recurring duplication (by 2032/33)	~£44m p.a.
Recurring reorganisation savings	£58m
Transformation benefits	£59m



- Financial Implications at County Level (Illustrative)

- Note: Figures for the residual East Sussex area are inferred from county-wide two-unitary modelling. They highlight that, while complex and require independent verification by MHCLG.

Financial case

- Reorganisation must provide financial resilience while recognising unavoidable upfront costs. The Coastal model delivers a balanced package of **transition, savings, transformation, and transparency about systemic pressures**.
- **5.1 Transitional and Disaggregation Costs**
- **Transitional costs – £23m**: Programme mobilisation, ICT integration, legal restructuring, and election logistics.
- **Disaggregation costs – £57m**: Separation of shared services, reallocation of assets/liabilities, and transitional staffing arrangements.
- **5.2 Reorganisation and Transformation Benefits**
- **Reorganisation savings – £58m (recurring)**: Member rationalisation, senior management delayering, shared service consolidation, and estate rationalisation.
- **Transformation benefits – £59m**: Dependent on digital enablement, CRM integration, TA reduction, and neighbourhood prevention programmes.



Maximum structural shortfall as % of revenue expenditure

Proposed unitary Five unitary option

Maximum structural shortfall As % of revenue expenditure

Unitary A (£24.3m) -3.3%

Unitary B (£75.1m)

Unitary C £79.4m

Unitary D (£19.0m)

Unitary E (£57.2m) -7.4%



Table below demonstrates maximum structural challenge in a financial year, for each unitary in the 5 Unitary option over a 10 year forecast period; deficits denoted in brackets. surpluses denoted by positive figure

- Proposed unitary Five unitary option
- Unitary A (£18.1m) -2.4%
- **Unitary B (£55.0m) -6.5%**
- Unitary C £104.0m 16.4%
- Unitary D £0.9m 0.1%
- Unitary E (£41.6m) -5.2%



Medium-Term Financial Strategy (MTFS)

Medium-Term Financial Strategy (MTFS)

- Modelling across all constituent authorities shows a consolidated **structural shortfall of ~£73.8m (£75.1m) by 2029/30**, equivalent to **-9% of revenue**. The main drivers are:
- Escalating **Temporary Accommodation costs** in Hastings, Eastbourne, and Rother.
- **ASC/SEND pressures**, with deficits rising year-on-year:
 - £10.8m (2025/26)
 - £24.6m (2026/27)
 - £29.5m (2027/28)
 - £38.6m (2028/29)
- These pressures cannot be resolved by structural reform alone. However, the Coastal model enables better integration and prevention, positioning the authority to work with government on long-term funding reform.
- **5.4 Council Tax Harmonisation**
- Council tax rates will be harmonised over **7-10 years**, within referendum limits. A unified **Council Tax Support scheme** will protect low-income households.



6. Implementation

Successful reorganisation requires careful phasing, strong governance, and transparent benefits management. The Coastal Unitary model proposes a structured pathway from mobilisation to vesting and consolidation.

Key Milestones

- **Q4 2025 – Q1 2026: Mobilisation**
Programme team established; draft Structural Change Order (SCO) prepared; geography and ward apportionments confirmed.
- **Q2 2026 – Q2 2027: Transition Preparation**
TUPE workforce transfers mapped; organisational development package launched; baseline of ICT and systems completed; early CRM and digital projects commissioned.
- **May 2027: Shadow Authority Elections**
Members elected to the new authority; shadow governance arrangements in place; budget preparation and constitution drafted.
- **April 2028: Vesting Day**
The Coastal Unitary Authority formally established, assuming all statutory functions. Services maintained with safe and legal continuity.
- **2028–30: Integration and Benefits Realisation**
Systems integration completed; contracts consolidated; estates rationalised; benefits tracked and reported.



