



Exeter City Council

An **EXTRAORDINARY MEETING OF THE COUNCIL** will be held at the **GUILDHALL, HIGH STREET, EXETER** on **THURSDAY 9 JANUARY 2025**, at 6.00 pm, at which you are hereby summoned to attend.

If you have an enquiry regarding any items on this agenda, please contact Mark Devin, Democratic Services Manager on 01392 265477.

SUPPLEMENT TO PUBLISHED AGENDA.

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3 Urgent Report on the Council's proposed response to the English Devolution Whitepaper	
To consider the report of the Chief Executive as a matter of urgency.	3 - 12

Date: 9 January 2025

Bindu Arjoon
Chief Executive

Civic Centre, Paris Street, Exeter, EX1 1JN	Committee.services@exeter.gov.uk	Council Website
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REPORT TO COUNCIL

Date of Meeting: 9th January 2025

Report of: Chief Executive

Title: Council's initial response to the English Devolution White Paper

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 This report sets out the council's initial response to the English Devolution White Paper with reference to Combined Authorities and Local Government Reorganisation and seeks agreement from Council to indicate this council's intention to seek unitary status for Exeter.

2. Recommendations:

That Council agrees:

1) To support the submission of a Letter of Intent to government by 10 January 2025 which indicates this council's opposition to any future proposal for one unitary council for Devon and expresses Exeter's intention to submit interim plans for unitary status for Exeter once we receive the Invitation from Government.

2) To support work with other neighbouring authorities to bring forward a Mayoral Strategic Authority which may cover the areas of Devon and Cornwall with a unitary Exeter as a constituent member.

That Council notes:

3) That the geography of the proposed unitary council for Exeter will be set out in the interim plan to be submitted to government in March 2025, after due consideration and agreement by Council.

4) That the Leader of the Council will work collaboratively with the Leaders of the other political groups on the Council as plans develop, ahead of proposals being brought formally to members. This Council will also work collaboratively, as much as is possible, with other local councils on the development of proposals going forward in the interest of Exeter and Devon as whole.

3. Reasons for the recommendation:

3.1 To advise Government of Exeter's intention to submit plans to become a unitary council to enable Exeter to better co-ordinate public service delivery, drive regeneration

and economic growth and strengthen community leadership and identity, in service of the city and wider region.

4. What are the resource implications including non-financial resources

4.1 If the recommendations in this report are agreed, the Strategic Management Board will lead the development of interim plans for the creation of a unitary Exeter council, to be submitted in March 2025.

Previous experience suggests that this would involve very substantial effort in data collection, research, analysis, and case preparation to ensure the robustness of the case being submitted.

Members are asked to note that there will be an impact on existing work and priorities, and these will be identified by the Strategic Management Team, with any possible mitigation, for discussion with the relevant portfolio holders and members more widely.

5. Section 151 Officer comments:

5.1 There are no financial implications arising from approval of the recommendations. If the Council is invited to submit a bid, then any funding required to support the delivery of a bid will be assessed and a further request made to Council for a budget to support that work.

6. What are the legal aspects?

6.1 The statutory provisions for the creation of unitary authorities is set out in the Local Government and Public Involvement in Health Act 2007 which provides for the Secretary of State to invite or allow county or district authorities to submit proposals for restructuring into unitary authorities. Reorganisation can involve the reorganisation of a county council, a district council, or a group of district councils into one or more unitary authorities. The process involves consultation with affected parties and may also include taking advice from the Local Government Boundary Commission for England in appropriate cases. Any restructuring order must be approved by both Houses of Parliament.

The white paper makes it clear that reorganisation of local government should not delay devolution, and both processes are seen as complementary.

7. Monitoring Officer's comments:

7.1 Members will note the proposals set out in this report concerning the submission of an expression of interest to government by 10 January 2025. The urgency of this report is due to the fact that the Government has invited those local authorities interested in quickly progressing devolution and local government reorganisation to express their interest in doing so by 10 January 2025 with the intention of postponing this year's local elections to 2026. Given that Devon County Council has indicated publicly that they intend to do so, it is essential that Exeter City Council expresses its own interests in bidding for unitary status, provided members wish to do so, so that the Government is aware of the ambitions of Exeter City Council.

8. Report Details:

8.1 On 16th December 2024, all council Leaders received a letter from Jim McMahon, Minister of State for Local Government and English Devolution. The letter announced the publication of the English Devolution White Paper and set out the Government's ambitions to transfer power out of Westminster through devolution and to fix the foundations of Local Government. The full content of the letter can be found at Appendix A and the full White Paper can be found on the Government's website ([English Devolution White Paper - GOV.UK](https://www.gov.uk/government/consultations/english-devolution-white-paper)).

The key points are set out below:

Devolution

In the new devolution framework, all combined authorities will be referred to as Strategic Authorities. There will be three types of Strategic Authority:

1. Foundation Strategic Authorities – non-mayoral Combined Authorities (CA), Level 2 County Combined Authorities (CCA), or any local authorities designated as a Strategic Authority without a mayor.
2. Mayoral Strategic Authorities – Greater London Authority, Mayoral Combined Authorities (MCA) and Mayoral Combined County Authorities (MCCA).
3. Established Mayoral Strategic Authorities – any Mayoral Strategic Authorities that meet specific criteria, having had a directly elected mayor for at least 18 months. Initially these will be North East, South Yorkshire, West Yorkshire, West Midlands, Greater Manchester, and Liverpool City Region Strategic Authorities.

The White Paper restates Government's ambition that all areas will ultimately have a Mayoral Strategic Authority. In two-tier areas, government will only establish CCAs for an interim period. This will mean the end of two-tier areas.

The Secretary of State will be given the power to create a Strategic Authority by ministerial directive where local consensus cannot be achieved.

Local Government Reorganisation

Councils in all 21 two-tier areas will be expected to reorganise over this Parliament and the next. The Government intends reorganisation to happen in a phased approach, with the first new unitary councils expected before the end of this Parliament.

The Government has set an expectation that new unitary councils should be based on a population size of at least 500,000 but has indicated it will consider smaller unitary councils on an exceptional basis where there is evidence that this would make sense for a local area.

The Government has indicated that it will prioritise areas where reorganisation can unlock devolution. The Government will not impose reorganisation on any areas but it will write to all principal councils imminently and encourage initial proposals to be submitted quickly.

Other announcements

The White Paper sets out the Government's intention to reform local audit and rebuild the wider assurance and early warning system for local government. This will include closing the Office for Local Government (Oflog).

There will be a mandatory code of conduct for councillors to ensure consistency and establish a higher minimum standard across all local authorities. The White Paper also includes several measures intended to support and develop elected members including seeking views on proposals to enable elected members to attend council meetings remotely and removal of the requirement to publish an elected member's home address.

Timing of elections

The Minister of State has recognised that for some areas, the timing of elections will affect their planning for devolution, particularly alongside devolution. In response to this, he is minded to lay secondary legislation to postpone local council elections from May 2025 to May 2026. He has stated that he will only do this where it will help an area to deliver both reorganisation and devolution within the most ambitious timeframe.

In order to lay the relevant legislation to postpone elections, he has asked upper tier councils to submit their request to postpone elections on or before Friday 10th January 2025. The request must set out how postponing the election would enable the council to make progress with reorganisation and devolution as quickly as possible.

Exeter's position and proposed way forward

Until the announcement of the White Paper, the council had been working with Devon County Council and Devon District Councils to pave the way towards the creation of a Devon and Torbay Combined County Authority. A Statutory Instrument was laid in parliament (['Devon and Torbay Combined County Authority Regulations 2024'](#)) to bring this into force.

Following the publication of the White Paper, Devon County Council has indicated that they will be applying to Government to postpone elections due to take place in May in order to develop plans for devolution and local government reorganisation – with reference to a single unitary council for Devon.

Exeter City Council considers that the potential creation of a unitary Devon council would not be in the best interests of the residents of Exeter nor the wider area. The needs and priorities of an urban area like Exeter is likely to be lost amongst the range of issues facing the largely rural county of Devon which could potentially lead to a reduction in Exeter's ability to continue to drive growth for Exeter and Devon.

Subject to the agreement of members, the council will send a letter of intent to Government expressing our intention to submit plans for a Unitary Exeter within a potential Devon and Cornwall Strategic Authority. As part of this process, there will be opportunities for the council to proactively engage with neighbouring authorities and the County Council, to demonstrate a joined-up strategy to articulate the clear benefits of working together as a cohesive area to address strategic opportunities and challenges.

The letter of intent will set out the council's significant achievements to date and the opportunities provided by unitary status for enhancing the city's status as a regional

economic driver that will drive the Industrial Strategy in Devon to both generate growth and more effectively connect with citizens and communities.

The letter will set out the council's clear commitment to work, as much as possible, with other Devon councils to develop proposals that are in the best interests of residents, the city of Exeter and the wider region of Devon.

Timetable

Ministers intend to formally invite unitary proposals in January 2025, asking for interim plans to be submitted in March 2025. The timescale for submission of the final plans will be confirmed when the invitation for unitary proposals is issued by the Government later this month.

New unitary will go live in April 2027 or April 2028 and will be dependent on the capacity and timelines for delivery.

9. How does the decision contribute to the Council's Corporate Plan?

9.1 Approval of this recommendation will contribute to leading a well-run council.

10. What risks are there and how can they be reduced?

10.1 Devon County Council will be asking the Government to cancel county elections this May so that that a deeper devolution deal for Devon can be explored and the County can lead local discussions about Local Government Reorganisation.

If Exeter City Council does not set out its intentions to Government at the same time as Devon County Council, the Government may consider that Devon's proposal is the only option on the table.

In turn, this would mean that it would be less likely that the economic benefits of the city could be shared more widely across rural and coastal communities.

11. Equality Act 2010 (The Act)

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation, and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty, authorities must assess the impact on equality of decisions, policies, and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and

new and breastfeeding mothers, marriage, and civil partnership status in coming to a decision.

11.4 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because the report is stating the council's intent at this stage.

12. Carbon Footprint (Environmental) Implications:

12.1 No direct carbon/environment impacts arising from the recommendation. The recommendation is stating the council's intent at this stage.

13. Are there any other options?

13.1 The alternative option is that the council does not set out its intentions to Government by 10th January 2025. However, Devon County Council has stated that they will be asking the Government to postpone elections in May so that they can develop plans for devolution and local government reorganisation. Other local district councils are also submitting letters to the Government by 10th January.

Bindu Arjoon, Chief Executive

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

English Devolution White Paper

Letter from Minister of State for Local Government and English Devolution

Contact for enquires:

Democratic Services (Committees)

Room 4.36

01392 265275



Ministry of Housing, Communities & Local Government

Jim McMahon OBE MP

*Minister of State for Local Government and
English Devolution*

2 Marsham Street
London
SW1P 4DF

To: Leaders of all two-tier councils and
neighbouring unitary authorities

16 December 2024

Dear Leaders

The English Devolution White Paper published today sets out how the Government plans to deliver on our manifesto pledge to transfer power out of Westminster through devolution and to fix the foundations of local government. You will receive under separate cover a letter outlining the ambition and key elements of the White Paper, but I also wanted to write to areas which might be in scope for a joint programme of devolution and local government reorganisation, to set out a clear process and key milestones.

The Government's long-term vision is for simpler structures which make it much clearer for residents who they should look to on local issues, with fewer politicians able to focus on delivering. Local government reorganisation, alongside devolution over a large strategic geography, can drive economic growth whilst delivering optimal public services. To help deliver these aims, we will facilitate local government reorganisation in England for two-tier areas and for unitary councils where there is evidence of failure, or where their size or boundaries may be hindering an ability to deliver sustainable, high-quality public services.

Given how much interest there has been, and will continue to be in this programme, I am writing now to all councils in two-tier areas, and to neighbouring smaller unitary authorities, to give you further detail and to set out our plans to work with you over the coming months.

Local government reorganisation

My intention is to formally invite unitary proposals in January 2025 from all councils in two-tier areas, and small neighbouring unitary councils. In this invitation, I will set out further detail on the criteria I will consider when taking decisions on the proposals that are submitted to Government. I intend to ask for interim plans by March 2025.

As set out in the White Paper, new unitary councils must be the right size to achieve efficiencies, improve capacity and withstand financial shocks. For most areas, this will mean creating councils with a population of 500,000 or more. However, there may be exceptions to ensure new structures make sense for an area, including on devolution. Final decisions will be made on a case-by-case basis. We will ask you to work with other councils in your area to develop unitary proposals that are in the best interests of the whole area, rather than developing competing proposals.

Devolution

We are clear that reorganisation should not delay devolution. Plans should be complementary, with devolution remaining the overarching priority. In January, we will therefore also set out which areas will be included in our Devolution Priority Programme, aimed at places ready to come together under the sensible geography criteria set out in the White Paper and wishing to progress to an accelerated timescale. This will be with a view to inaugural mayoral elections in May 2026. This is an exciting programme and there has already been significant interest even before the White Paper was published.

I am aware that different places will be in different stages of their devolution journey. While some will already have an existing strategic authority, others may be in the process of establishing one, and others still may need reorganisation to take place before they can fully benefit from devolution.

I also understand that delivering these ambitious plans for devolution and for local government reorganisation will be a significant change. It will be essential for councils to work with local partners, including MPs, to develop plans for sustainable unitary structures capable of delivering the high-quality public services that residents need and deserve.

Transition and implementation

We are under no illusion about the scale of issues facing local government. It is in all our interests to make sure we are avoiding unnecessary spend at a time when budgets are already tight, so we will be working with sector partners to avoid use of expensive consultants wherever possible.

My department will be working closely with the Local Government Association, District Councils Network, County Councils Network and others, to develop a shared understanding of how reorganisation can deliver the best outcomes for local residents and businesses. We have a collective responsibility to ensure councils are better supported throughout reorganisation. This will include preparing robust proposals with evidence, standing up new unitary councils ready for vesting day and work to deliver the significant opportunities that are possible by creating suitably sized unitary structures. We will take a phased approach and expect to deliver new unitary authorities in April 2027 and 2028.

Timelines and next steps

I have heard from some areas that the timing of elections affects their planning for devolution, particularly alongside reorganisation. To help manage these demands, alongside our objectives on devolution, and subject to meeting the timetable outlined in this letter, I am minded to lay secondary legislation to postpone local council elections from May 2025 to May 2026.

However, I will only do this where this will help the area to deliver both reorganisation and devolution to the most ambitious timeframe – either through the Devolution Priority Programme or where reorganisation is necessary to unlock devolution or open up new devolution options. There will be two scenarios in which I will be willing to postpone elections;

- Areas who are minded to join the Devolution Priority Programme, where they will be invited to submit reorganisation proposals to Government by Autumn 2025.
- Areas who need reorganisation to unlock devolution, where they will be invited to submit reorganisation proposals to Government by May 2025.

For any area in which elections are postponed, we will work with areas to move to elections to new 'shadow' unitary councils as soon as possible as is the usual arrangement in the process of local government reorganisation.

For all other areas elections will take place as scheduled in May 2025, and I will invite in January proposals for reorganisation to be submitted to Government by Autumn 2025.

To lay the relevant legislation to postpone elections, I will need a clear commitment to devolution and reorganisation aims from upper-tier councils in an area, including a request from the council/s whose election is to be postponed, on or before Friday 10 January. This request must set out how postponing the election would enable the council to make progress with reorganisation and devolution in parallel on the Devolution Priority Programme, or would speed up reorganisation and enable the area to benefit from devolution as quickly as possible once new unitary structures are in place.

I am working together with my colleague and fellow Minister, Baroness Taylor, who will host a webinar with leaders and chief executives of councils to discuss the next steps I have outlined in this letter. I hope you will be able to attend that discussion.

I welcome your views on any matters raised in this letter. As set out above, I will require a clear commitment to delivering both reorganisation and devolution to the most ambitious timeframe, with any request to delay council elections by Friday 10 January. Please respond or direct any queries to EnglishDevolutionLGENquiries@communities.gov.uk.

I look forward to working with you to build empowered, simplified, resilient and sustainable structures for local government. I am copying this letter to council Chief Executives, and where relevant to Best Value Commissioners. I am also copying this letter to local Members of Parliament, and where relevant to Mayors of combined (county) authorities, and Police (Fire) and Crime Commissioners.

Yours ever,

A handwritten signature in blue ink that reads "Jim McMahon." The signature is written in a cursive style with a large initial 'J'.

JIM MCMAHON OBE MP

Minister of State for Local Government and English Devolution