

STRATEGIC SCRUTINY COMMITTEE

3 November 2025

Present:

Councillor Liz Pole (Chair)

Councillors Atkinson, Haigh, Harding, Miller-Boam, Moore, Rolstone, Wetenhall, Williams, M and Read (In place of Mitchell, K)

Apologies:

Councillor K Mitchell

Also present:

Chief Executive, Strategic Director for Corporate Resources, Executive Office Manager and Democratic Services Manager

In attendance as Portfolio Holder:

Councillors Asvachin, Bialyk, Vizard, Williams R and Wood

17 Declarations of Interest

No declarations of interest were made by Members.

18 Local Government Reorganisation

The Chair invited the Chief Executive to present the report on Local Government Reorganisation.

The Chief Executive introduced her presentation stating that final briefings hadn't taken place when the agenda was published and she wanted to incorporate feedback from those this evening.

The Chief Executive gave a presentation (slides attached) making the following points:

- the Interim Stage had no geography included as it was felt that not enough empirical work had yet been carried out;
- cross-party support had been a positive motivating factor for officers;
- Growth was missing from Government's six criteria and officers had identified six Exeter principles (slide 6);
- Officers had worked with comparable cities such as Oxford, Cambridge and Norwich;
- a press release last week showed that the officers had worked with Plymouth and Torbay to see where their proposals could be accommodated within Exeter's;
- officers had moved away from thinking at the interim stage that 3 unitary councils would be favourable, mindful of Torbay at the time as a small, well-performing unitary council, whose wishes had been accommodated to a degree, to a 4 unitary model – Exeter plus 49 parishes, Plymouth plus 13 adjacent parishes, Torbay and adjacent areas (different to Torbay's model) and a Coast and Countryside authority;
- the submission must be based on a solution best for all of Devon;
- Exeter had outgrown its current administrative boundaries;
- the Leader and Chief Executive were liaising with Devon Association of Local Councils as well as Police, Fire Service and other relevant stakeholders;

- Exeter was not currently parished, unlike other areas and the intention would be develop Neighbourhood Area Committees and recommend that the new authority carry out a Community Governance Review;
- Officers would look to replicate the good work undertaken in housing across wider public sector services, including different ways to deliver some of the services not currently provided by the Council such as Adult Social Care, Children's Services and Special Educational Needs and Disabilities (SEND);
- how services would be delivered would be decisions for the new authority;
- salient points from Members' would be reflected as far as possible in the submission and it would be acknowledged where actions would be for the shadow or new authority;
- academic work had focussed in the past on a large one authority bringing efficiencies but more recent research show that leadership, engaging with local demand, understanding local needs was recognised as more important;
- joint areas of work with other districts had been established, resulting in data sharing, a data hub and discussion about engagement work;
- submissions must be based on existing district boundaries to be legally compliant. A modification to the existing district boundaries had then been requested to reflect the proposed expanded boundaries. Legal advice had been taken which confirmed the submission would be compliant;
- from options appraisals it appeared that the Devon County Council proposal was the least worst option but this had not been agreed through the formal decision-making process; and
- Exeter had city status and must ensure that the Lord Mayoralty was protected as well as investigating Charter Status.

The Chief Executive thanked everyone who had engaged with the proposal and also officers who had worked incredibly hard over the last eleven months to put together a submission including Strategic Directors, Executive Officer Manager, Executive Officer and others as well as those officers who had kept services running.

Chair reminded members to focus on the work done by officers and the recommendation.

In response to Councillor Moore's request for clarification the Chair explained that there would be constructive consideration of the recommendation and that officers were happy to consider feedback raised today.

The Chief Executive clarified that wherever possible the team would look to incorporate Members' feedback into the submission and if during discussing issues, thoughts or comments were heard which it was possible to incorporate they would be happy to do so. It was acknowledged that some feedback would need to be considered by the new unitary authority when it is established.

The Chief Executive and Strategic Director for Corporate Resources responded to Members' questions in the following terms:

- the proposal did not go into the detail of warding; the decision would be taken by MHCLG taking advice from the Boundary Commission;
- the council must put forward a credible proposal for consideration and no detail on each ward;
- 72 was the top end of the numbers considered to deliver a functioning council and this didn't take into account the lack of representation at parish level within Exeter;
- reference for the need to consider the River Exe would be included in the submission;

- there would be a single tier local authority so no notional precept for a parish would be included;
- A precept of a parish or Charter would be funded from Council Tax so impact on unitary would be net nil and it would not be possible to predict what a precept would be;
- Members' should note that there was no referendum limit for parish councils they can set a precept as they see fit.
- aggregation and disaggregation of costs were included;
- officers would attempt to find out how many had replied to the consultation compared to other districts;
- the Council wrote directly to the 49 parish council areas. . Three webinars were held and a small number of parishes requested one-to-one meetings which were held. The Leader was also invited to some. Conversations were all very constructive. Parishes were grateful to have been contacted directly. 25 of the 49 councils had been represented at the webinars as well as the Chief Executive having spoken to at least four;
- unable to give clarification on Neighbourhood Area Committees or fora as regulations from Government were awaited but it was understood that this was a key issue for Members' and information would be shared when known;
- thought had not been given to citizen's assemblies and these would need to be better understood in the first instance;
- there was an expectation that once the submission was with Government and statutory consultation had begun that the Council would want to continue to discuss locally how services may work. However, until Government indicated direction of travel it would be hard to put anything firm together;
- a plan will begin to be built otherwise timing would be tight once a decision had been made by Government;
- NHS, Police and Fire services already delivered across a wider geography but were less open to discussion until Government had indicated their intention.
- once a direction of travel was indicated by Government there would be a significant amount of work to do;
- some parishes delivered services in their areas and others did not and an exercise would be required to determine levels of interest in delivering services. This work would need to be resourced whether by a new officer or through our current Community Engagement Team;
- the four unitary model would not have been put forward were it not financially viable and this had been assessed using the same data as the other areas of the county;
- many councils had used consultants for financial modelling however the Council had chosen to derive their modelling in conjunction with Plymouth and Torbay and all had agreed to use an official Government return based on the budget set in February 2025;
- the county council network had looked at demand areas (Adult Social Care, Children's Services and SEND) and this had been used;
- Multi-super Output Area(MSOA) showed where the service demand was and which geographical area it would be based in. A more accurate estimate of expenditure was given based on what was happening now;
- Pixel financial management, who had worked on many of the bids, looked at funding and based that on the new formula which would come forward in December, Fair funding 2.0. Section 151 officers must sign off a financial model and therefore couldn't put this forward ethically if it was not believed to work;
- it was not a unique situation to have some areas which had parish councils and some which did not;

- £135,000 was approved by Council for LGR work and the spend had been greater which would be reported accordingly;
- The Inner Circle Report had cost £8,000;
- the report would state education where this was general and refer to school only where a school was meant in order to include Early Years and those educated other than in a school;
- our approach had been explained to Police and Fire services and they had explained how they deliver services and future work would be to look at how our work supported their work ;
- Government statutory consultation was likely to begin around February;
- Neighbourhood Plans would be treated in same way as Local Plans, they are statutory and would not be undermined;
- service delivery would be integrated with other public sector bodies where possible;
- the principle identified was local delivery to meet local needs and work with third sector organisations who were able to advocate or represent and understand communities;
- there would not be asset disposal for the remaining life of this council that wasn't already planned or identified;
- Pixel had used the formulae in Fair Funding 2.0 on best projection for the funding mechanism and Exeter was projected to do quite well as a result which would have a positive impact on the potential unitary authority;
- it would be difficult to estimate demand and inflation for the next three years therefore officers chose to ignore both and keep calculations straightforward;
- the Fair Funding model was based on next year and estimates had to bring calculations back to this year's prices to make a like for like comparison;
- flexible use of capital receipts had been offered by Government in recent times, to cover transformational costs, which Transitional costs fall into. This might change planning around the current capital programme to potentially use some borrowing there but not borrowing for transitional costs;
- the financial model was extremely prudent;
- there were no significant savings projected through service transformation within upper tier services, built into the viability model;
- the financial model, based on disaggregation, taking apart the upper tier, as well as savings from bringing together district councils;
- there would be some rationalisation of property but mainly of officers, for example, there were eleven Section 151 Officers but only four would be required; and
- waste collection was efficient in Exeter with the MRF generating income and this model could be adopted across the new areas.

The Chair stated that the councillor numbers presented had come from a consensus from Group Leaders rather than being decided by officers.

Councillor Pole moved the recommendation from the Chair.

Councillor Haigh proposed an amendment, seconded by Councillor Moore and following a unanimous vote was CARRIED.

That the Special Strategic Scrutiny Committee:

2.1 Notes the work being done by officers to develop a final proposal for LGR in Devon and notes Member feedback to help shape that submission.

As the amendment was carried it became the substantive motion which Councillor Pole moved from the Chair, seconded by Councillor Atkinson and following a unanimous vote was CARRIED.

The meeting commenced at 5.30 pm and closed at 7.23 pm

Chair

This page is intentionally left blank

Local Government Reorganisation

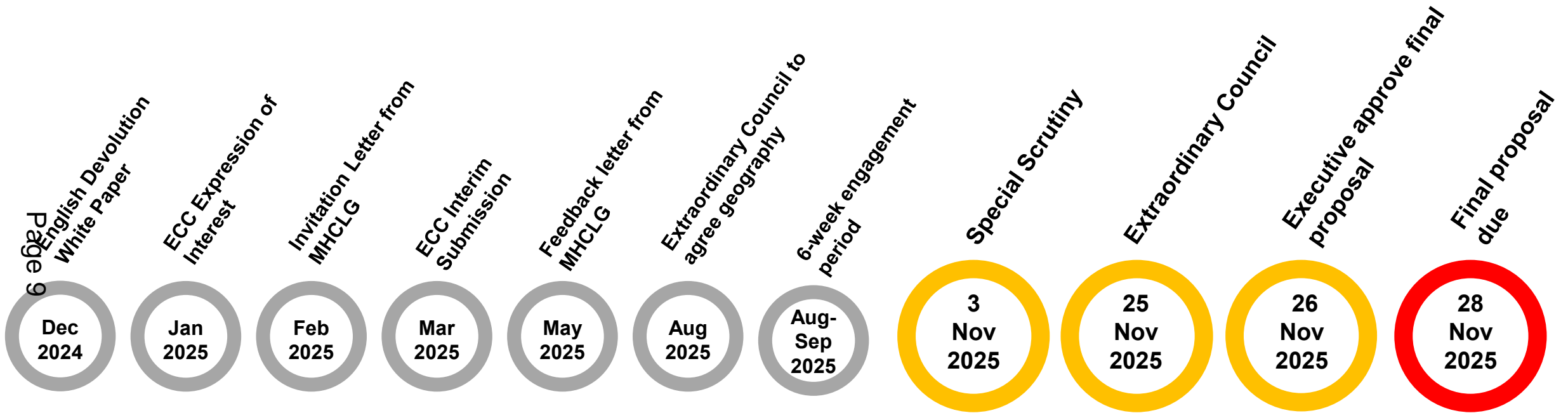
Special Scrutiny
Monday, 3rd November 2025

Bindu Arjoon, Chief Executive

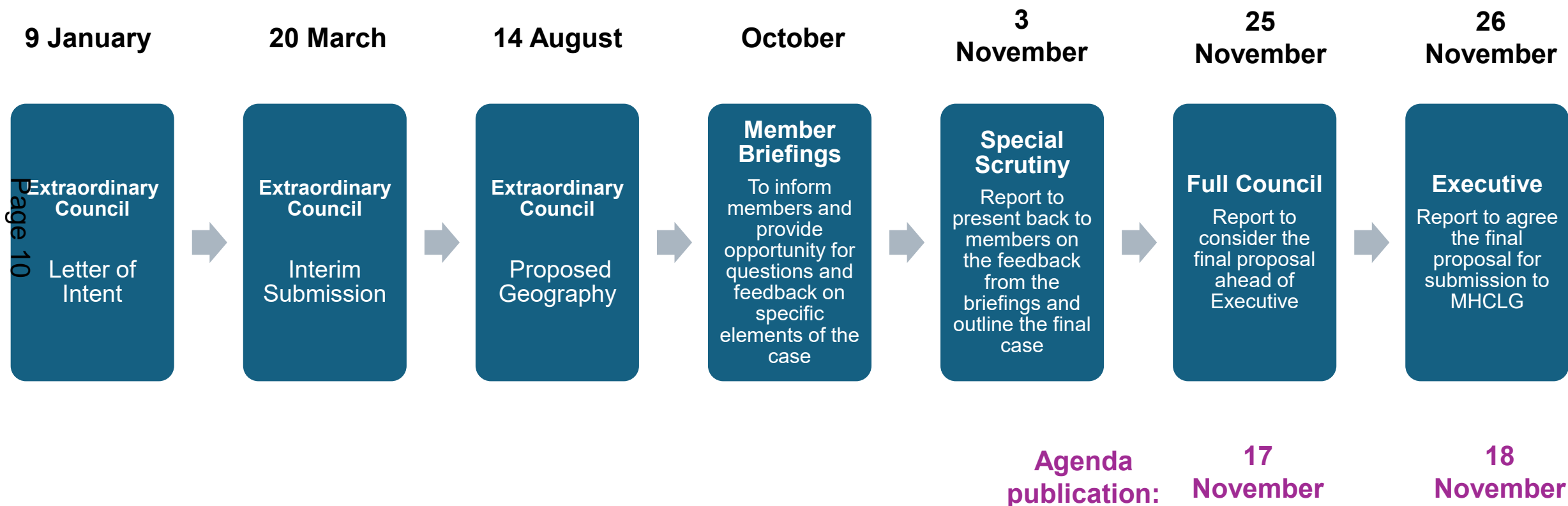
Purpose of this presentation

- To update on the work being undertaken to develop a final proposal for LGR
- Reflect on what members have input during the five member briefings and explain how feedback is being considered
- Share how feedback from other stakeholders including Exeter Partnership, Town and Parish Councils, Ministry for Housing, Communities and Local Government (MHCLG) and the Local Government Boundary Commission England (LGBCE) is also being considered
- Provide an outline of the final proposal and how it responds to the six government criteria and the six Exeter principles.

Timeline set by MHCLG



Decision-making process



Government's Six Criteria

A single tier of local government.

Right size to achieve efficiencies, improve capacity and withstand financial shocks

High quality and sustainable public services to citizens.

Demonstrate how councils in the area have tried to work together

Support devolution arrangements.

Stronger community engagement and genuine opportunity for neighbourhood empowerment.

Our Six principles

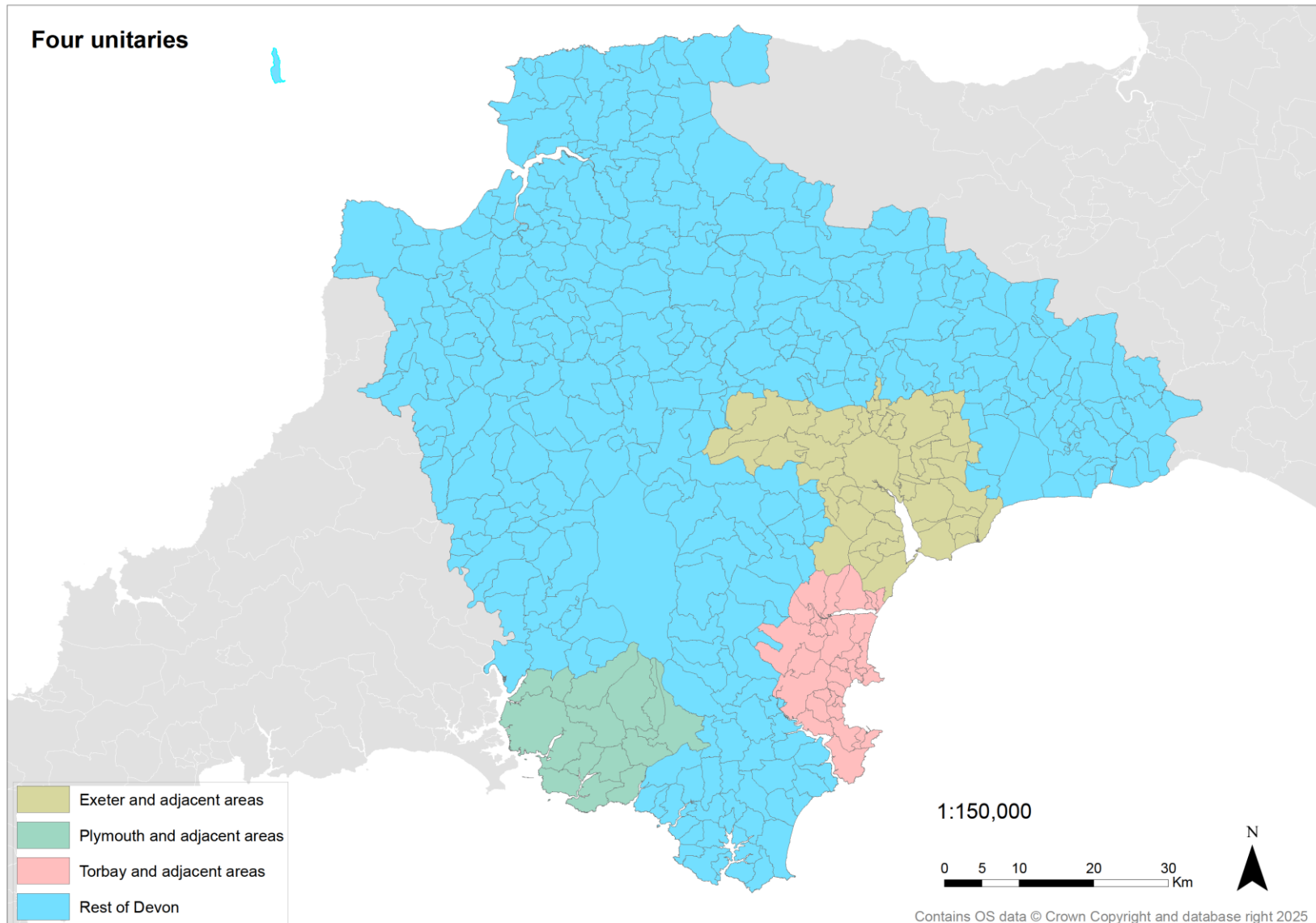
1. Growth, housing, transport, and connectivity
2. Urban and rural issues – addressing inequality and local needs
3. Accessibility to public services
4. Sense of place and community
5. Balanced population size and demographics
6. Financial viability and value for taxpayers

Proposal outline

Proposed Four Unitary Model

1. Exeter and adjacent areas
pop: 256,422
2. Plymouth and adjacent areas
pop: 300,727
3. Torbay and adjacent areas
pop: 220,205
4. Rural Devon Authority
pop: 455,226

Page 14



Rationale for the four unitary proposal

- Three urban unitaries empowered to lead on urban priorities and drive growth for the region
- Fourth coastal and country authority able to focus on the distinct needs of dispersed coast or market towns and villages
- Creates four financially viable unitary councils with fair and balanced tax bases
- Coherent geographies with balanced populations
- Reflects the rural-coastal and urban characteristics of Devon, its topography and ways of life
- Aligns with functional housing and economic areas to drive growth for the whole region
- Supports devolution and links to a South-West Peninsula Strategic Mayoral Authority
- Addresses inequality and local needs and delivers accessible high-quality services

Economic Growth

- Joined-up business support, planning and infrastructure
- Single point of contact for advice and growth services
- Stronger leadership so Devon speaks with one voice
- Geography reflects economic and commuter links
- Streamlined services with savings reinvested locally (skills, transport, housing)
- Exeter strengthened as regional driver while supporting rural and coastal needs.

Community Engagement

Delivered a comprehensive engagement process including:

- 1,100 people participated in formal market research surveys: 956 people completed on-line survey
- 1,800 views on dedicated webpage: 65,000+ homes and businesses reached via leaflets and Citizen articles
- 60+ business leaders & Public Sector Leaders attending meetings
- 49 Parish Councils represented at webinars
- 134,884 social media reach

Results confirms the approach officers are taking to public service reform and neighbourhood empowerment models are on the right track

Residents have told us:

- They want decisions about their place to be made locally
- They value information about and early engagement in decision making
- They value having a supportive and accessible local ward councillor.

Neighbourhood Empowerment

- English Devolution Bill introduces new duties for councils to create Neighbourhood Area Forums: awaiting government regulations for the details
- Working to establish councillor numbers for each of the councils in our Proposal
- Need to address issue that Exeter does not have Parish Councils
- Community Governance Review recommended.

Financial Sustainability

- Financial model is viable across Devon
- Proposal delivers significant payback across the Councils.

High–Quality Sustainable Public Services

- Our proposal will deliver high-quality, innovative, and sustainable public services tailored to local needs
- There are significant challenges within Adult, Children's, SEND, Transport, Waste and Planning Services
- Our proposal provides opportunity to redesign joined up services built around the needs of people that are simple and easy to access.
- Early financial and performance analysis shows opportunities for efficiencies
- Promoting sustainability with new delivery models that can better meet local needs and demand.

What we have heard from you

Member Briefings

Members have shared their views and provided feedback to the officers developing the final proposal through:

- A series of All Member Briefings during October to keep members informed about the developing of our case
- Five sessions focussed on specific topic areas, based around the six criteria from Government:
 - Growth and devolution
 - Community engagement
 - High quality services
 - Neighbourhood empowerment, governance and council size
 - Financial sustainability
- All Member briefings held on 26th June and 5th August
- Group Leaders' workshop on council size 28th October

What we heard	How this will be included
Neighbourhood Committees (NACs) and considerations of size, powers, scrutiny.	A vision and principles for empowering neighbourhood communities. The design of Neighbourhood Forums will depend on regulations awaited from Government
Desire for a Community Governance Review and how to address the unparished area of Exeter.	Recommending a Community Governance Review.
Need to highlight local views arising from our robust public engagement strategy which included a representative survey and bespoke questions.	Description of the stakeholder engagement undertaken and the insights this has provided.
Reflect the urban and rural-coastal character of the region and avoid the “one big Devon” narrative.	Proposal will highlight the unique characteristics of Devon, acknowledging the role of key urban centres as drivers of economic growth whilst respecting the different needs of coastal, rural and market towns.
Importance of presenting solutions for the whole of Devon and not just focus on an urban unitary for Exeter.	This is part of the criteria. The final proposal will provide a solution for the whole county and highlight how this also supports Devolution arrangements.

What we heard	How this will be included
Consider working with NHS stakeholders to understand alignment with locality-based NHS boundaries and the Better Care Fund.	Further engagement with NHS and opportunities to reshape services based on community needs rather than legacy structures will be included in transition and implementation planning.
Address recruitment and retention of staff in social care, especially frontline staff	Workforce challenges addressed at high level in the proposal, stressing the importance of valuing existing staff, developing a strong culture, and learning from other authorities including building a strong culture for the new authorities. Further engagement with stakeholders will be included in transition and implementation planning.
How do we deliver services differently and capture opportunities to work with HE/FE sectors to provide training in social care locally.	Further engagement with stakeholders will be included in transition and implementation planning.
Potential for future collaborative service delivery.	Further engagement with stakeholders will be included in transition and implementation planning.
Suggest co-design approach with schools, trust, parent groups regarding SEND services.	Further engagement with stakeholders will be included in transition and implementation planning.

What we heard	How this will be included
Importance of engaging with under 18's and hearing the youth voice	Further engagement with stakeholders, including organisations working with children and young people, will be included in transition and implementation planning.
Desire to reflect the importance of natural assets and landscape and protecting the environment and future health of rivers.	Proposal addresses how new unitaries might protect the natural assets and landscape including environmental protection and health of rivers.
Ensuring climate change, decarbonisation and adaption is factored in to plans.	Environmental stewardship and statutory obligations embedded in the principles, with opportunities highlighted for strategic planning on nature recovery and net zero.
Consideration to subsidised public transport for rural areas.	Could be considered by the Shadow Authority as part of the budget setting process
Consideration for managing debt	Debt repayment figures are built into the viability model.
Number of councillors to achieve strong representation and manageable caseloads	Group Leaders have given officers some recommendations about councillor numbers which will be included in the final proposal.

Member focussed work: proposed councillor numbers

- Members were keen to consider councillor size and have had the opportunity to work through the options and discuss:
 - the number of councillors for each of the unitary councils we are proposing
 - councillor to elector ratios
 - balancing member caseload and differing community needs
 - committee places and responsibilities of a unitary council

Group Leaders met on 28th October to agree an approach using data provided by officers alongside guidance from MHCLG and LGBCE.

Member focussed work: proposed councillor numbers

Unitary	Number of councillors
Exeter Unitary	72
Plymouth Unitary	60-72
Torbay Unitary	40-47
Rural-Coastal Unitary	70-100

Rationale:

- Addresses the criteria and guidance from MHCLG and LGBCE and the importance of getting it right first time
- Ensures good representation and responds to a clear call from communities through the engagement process for “supportive and accessible local ward councillors”
- Ensures councillor caseloads are manageable, any reduction in numbers would increase the work
- Ensures manageable committee workloads, also giving consideration for councillors taking on new statutory duties and work currently dealt with by upper-tier councils
- Maintains a good balance of councillors in both urban and rural areas underpinned by deep local understanding of “the patch”, the neighbourhoods and the communities
- Addresses the larger electorate in the Rural-Coastal unitary

Other feedback

- Feedback and advice from MHCLG and LGBCE
- Seminars with District Councils Network (DCN) and the Local Government Association (LGA)
- Input from All Member briefings, Full Council and Group Leaders' meetings
- Devon Districts Forum
- Devon Council Leaders and Chief Executives
- 121's with Leaders and Chief Executives from other Devon authorities
- Briefings with local MPs
- Webinars with Towns and Parishes
- Six week stakeholder engagement programme

How the proposal is evolving

- **Proposal structure:** to ensure we submit a legally compliant proposal we will put forward a base case using existing district boundaries as the building blocks then request a modification on the expanded boundaries with a supporting rationale
- **Population Size:** while 500k remains a guiding principle, government language has softened, and our proposal will justify deviations based on local needs, housing growth, and devolution ambitions.
- **Options appraisals** now being developed against criteria and principles
- **City Status** request to protect the current city status and preserve the Lord Mayoralty, which is a key symbol of civic identity and heritage
- **Community Governance Review recommended** to bring about improved community engagement, more cohesive communities, better local democracy and result in more effective and convenient delivery of local services.

Questions?