

# **APPENDIX A**

## **Shaping Our Future: Putting People First in Exeter and Devon**

**Exeter City Council:  
Final Proposal for Local Government  
Reorganisation in Devon  
DRAFT**

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# Foreword

There are few places in the United Kingdom quite like Devon.

Proud, distinctive, full of character and potential. From the bustle of its cities to the calm of its coast and the deep steadiness of its rural heart, Devon carries an energy all its own - confident yet grounded, modern yet shaped by centuries of history and belonging.

Exeter stands at the heart of that story - a compact city with significant impact, helping to power Devon's growth while staying faithful to its people, communities and heritage.

This submission is led by Exeter City Council, but it is not a plan for Exeter alone. It is a plan for Devon. A plan to strengthen what already works, to fix what does not, and to build a fairer, simpler, more local way of structuring local government in this incredible county.

We have worked with partners and communities across Devon to shape it. Across hundreds of conversations and ideas, we heard the same message, time and again: people want decisions made closer to home, by those who know the places they serve. Because when decision-making sits nearer to people, it works better. We see that every day in Exeter in the success of local partnerships, in joined-up housing and regeneration, in the way decisions made locally, improve lives.

Our case for four unitary councils is compelling and evidence-based, but it is also proudly ambitious. Exeter's own experience of managing growth responsibly, investing in housing, skills, culture and sustainability, underpins this ambition.

We want more for the communities in our cities, our county, and our country. More opportunity, more growth, and higher living standards for everyone who calls this place home.

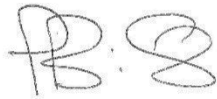
Our cities matter. They are where ideas grow, where businesses invest, where research, technology and innovation take root. Cities like Exeter and Plymouth have shown how creating jobs, skills, and prosperity can lift the whole region. But our countryside is just as vital. Its landscapes, its traditions, and its people define who we are. It demands a different approach – one that values community over centralisation, care over convenience, place over process.

Our proposal unlocks the potential of our cities while protecting the special character of our rural and coastal places. It is bold but balanced, rooted in Devon's strengths and built to be sustainable. It offers savings, stability, and a platform for growth and innovation. It strengthens what works – from housing and regeneration to local services - and fixes what doesn't: the strain on care, the pressure on transport, the distance between decision-makers and the people they serve.

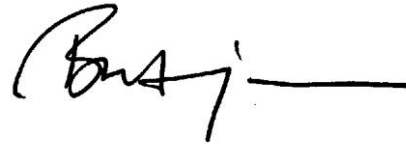
Exeter City Council is proud to have led work that reflects cross party-political support. Our submission has resonated across Exeter and Devon – with our council's political groups, civic partners and local community organisations – standing behind a shared belief in the city's role in its and Devon's future.

Our vision is simple: a Devon where every child can thrive; where everyone has a home, feels safe and where no one is left behind. A Devon where services are designed around people, not bureaucracy. Where our cities drive growth and innovation and our rural and coastal communities keep their special character.

This is how we build a better, fairer, greener Devon – confident in its purpose, proud of its people, and ready for what comes next.

A handwritten signature in black ink, appearing to read 'P. Bialyk'.

**Cllr Phil Bialyk**  
Leader, Exeter City Council

A handwritten signature in black ink, appearing to read 'Bindu Arjoon'.

**Bindu Arjoon**  
Chief Executive, Exeter City Council

# Executive Summary

## Local government fit for the future: the right option for Devon

Four unitary councils, one Devon system. We propose an expanded Exeter, an expanded Plymouth, an expanded Torbay, and a Devon Coast & Countryside unitary - four unitary councils aligned to functional economic areas and working as one delivery system with the Devon and Torbay Combined County Authority (DTCCA). This model simplifies accountability, improves services, and offers financial viability and resilience, while protecting local identity and making the CCA a clear partner for transport, planning and skills. To achieve this, we request ministerial approval for the boundary modifications required to deliver coherent and functional unitary areas for Devon.

### The case for change: addressing critical challenges

Devon is a unique and compelling place to live, work, and visit - two coastlines, two national parks, and landscapes of international importance blended with important national industry, heritage, and cutting-edge technologies. The critical challenge we face across Devon is one of geography. Historic administrative boundaries constrain Exeter, Plymouth and Torbay's ability to extend across natural communities and functional economic areas, throttling their growth potential. The current district boundaries artificially divide the sphere of influence of each growth area, making it harder to deliver economic and housing growth. These three urban areas exist within an otherwise large and sparsely populated rural county of towns, villages and communities.

Devon has an ageing rural population placing huge pressure on public services, contains significant pockets of deprivation, a lack of affordable housing, skills gaps, low wages, and the migration of young people out of the rural areas. Our proposal is structured to address these challenges and avoid creating authorities with undue financial advantage or disadvantage, thus ensuring all areas benefit from appropriately allocated resources and that no community is left behind as Devon transitions to this new governance framework.

### A compelling vision

Our vision is for a Devon that works for all our residents. A Devon where every child can thrive, where everyone has a home and feels safe, where no one is left behind; services are designed around people, not bureaucracies; our cities drive growth and innovation, and our rural and coastal communities keep their special character.

Local government is uniquely placed to coordinate and drive forward work and investment to bring this vision to life. But it requires a local government that is fit for purpose now and in the future.

Our proposal meets the Government's six criteria:

1. Single tier of local government for the area
2. Right size to achieve efficiencies, improve capacity and withstand financial shocks
3. Prioritise the delivery of high quality and sustainable public services to citizens
4. Councils in the area have sought to work together in coming to a view that meets local needs & is informed by local views
5. Must support devolution

6. Enable stronger community to engagement and deliver genuine opportunity for neighbourhood empowerment.

In addition, our proposal is built on six principles, developed and tested with partners and stakeholders. They respond to the government's requirement for a single tier of local government and equally importantly, they reflect what matters most for Devon's future:

1. Supporting growth, housing, transport and connectivity
2. Addressing the different needs of urban and rural communities
3. Making public services easier to access and navigate
4. Strengthening local identity, place and community voice
5. Creating a balanced and coherent population and service footprint
6. Ensuring financial sustainability and value for taxpayers.

These principles have guided our evidence-led work to define the future local geography structure for Devon: of a new council that includes the city of Exeter. They provide the basis for a structure that is practical, locally grounded and capable of delivering better outcomes for residents.

### **Why Exeter Should Become a Unitary Authority**

Exeter is the economic driver of Devon, home to a world-class Russell Group university, the Met Office, and a thriving knowledge economy. It leads nationally in climate science and environmental intelligence, positioning itself as a global innovation hub. With strong infrastructure, high productivity, and one of the UK's fastest-growing travel-to-work areas, Exeter is forecast to exceed £5.5bn GVA, ranking among the top ten UK cities for economic growth.

Despite these strengths, Exeter's potential is constrained by outdated governance and boundaries. The current two-tier system fragments decision-making, limits fiscal autonomy, and prioritises rural agendas over urban dynamism. This has resulted in missed opportunities, such as the collapse of the Greater Exeter Local Plan and exclusion from key enterprise zone decisions. Without restructure, Exeter risks overheating, facing housing shortages, transport strain, and labour gaps while surrounding areas underperform.

Creating a new unitary council aligned with Exeter's functional geography will unlock coordinated planning for housing, transport, and infrastructure. It will enable strategic investment across high-growth areas like Cranbrook, Skypark, and Exmouth, supporting clean growth, climate resilience, and nature recovery. This model will strengthen Exeter's role as a regional connector and gateway to the South West, leveraging its exceptional connectivity via the M5, high-speed rail links, and international airport.

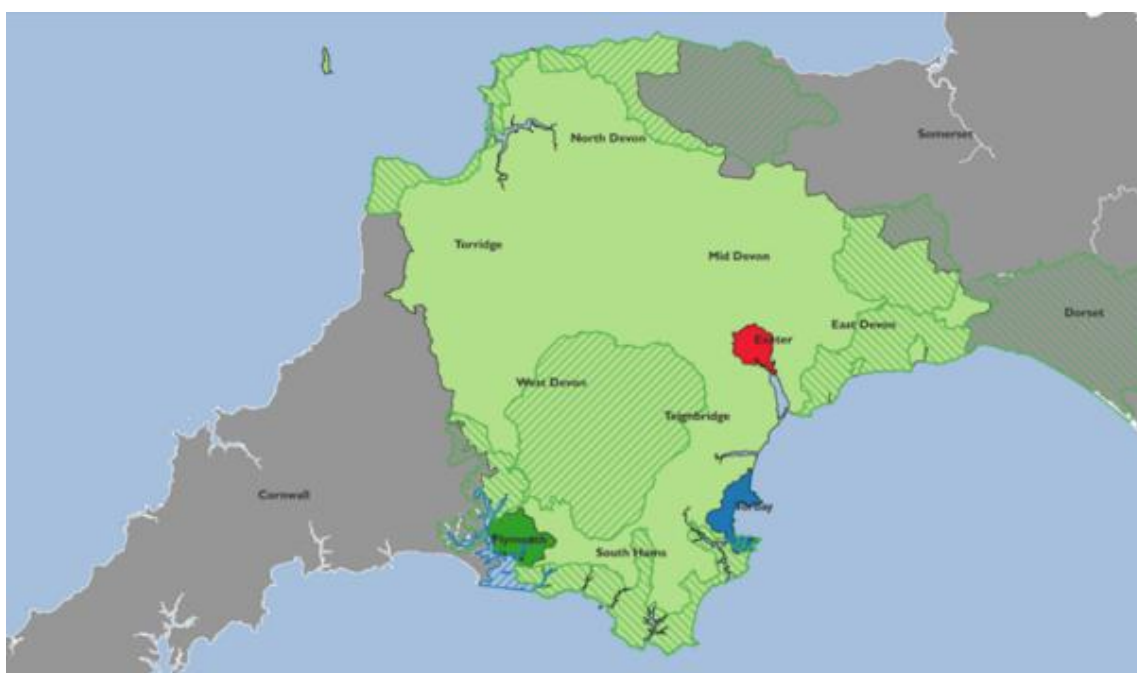
Exeter's youthful, highly skilled population, combined with its innovation clusters in advanced manufacturing, digital technologies, and life sciences, offers a unique platform for inclusive growth. A unitary authority will provide the scale and powers needed to accelerate investment, deliver sustainable housing, and retain talent, ensuring Exeter continues to drive prosperity for the whole of Devon.

## Our Baseline Proposal

Our Baseline Proposal reflects the rural nature of Devon and champion's the distinctive urban character of Exeter, Plymouth and Torbay. It meets the requirements of the Local Government and Public Involvement in Health Act 2007 and compares favourably with the Governments' six criteria set out in the "English Devolution White Paper: Power and Partnerships: Foundation for Growth".

This provides a workable single tier of local government for Devon, but it is not financially viable, nor does it address the growth potential of our cities which is currently hampered by historical boundaries.

### Map: Four Unitary Councils on existing district boundaries



Key:

New Unitary Council for Exeter (Red)  
Existing Plymouth Authority (Dark Green)  
Existing Torbay Authority (Blue)  
New Devon Coast and Countryside Unitary (Light Green)

National Park and Areas of Outstanding Natural Beauty (Green Hatch)  
National Marine Park (Blue Hatch)

The councils in our Baseline Proposal are:

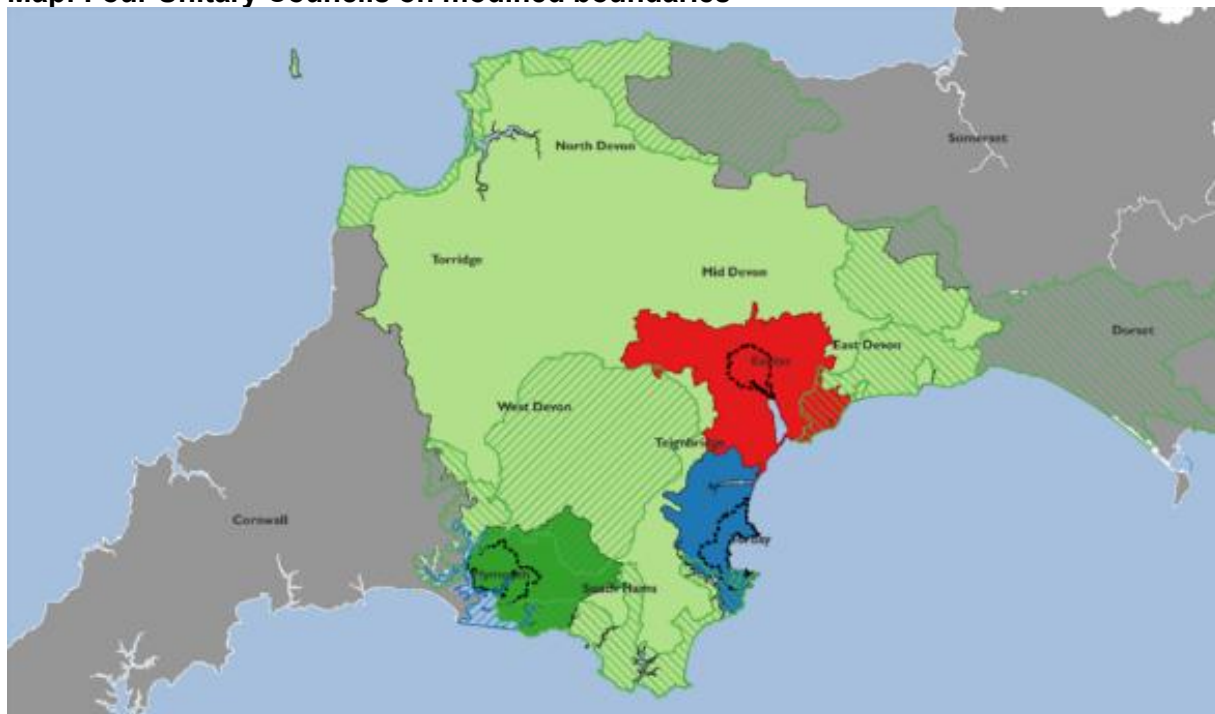
- A new unitary council for Exeter on existing boundaries
- A continuing unitary council for Plymouth on existing boundaries
- A continuing unitary council for Torbay on existing boundaries
- A new unitary council for Devon Coast and Countryside Council (based on existing district boundaries)

Baseline Four Unitary Proposal	
<b>Unitary A:</b> A new Exeter Unitary on existing boundaries (Type B proposal)	A new unitary council based on the current Exeter City Council boundary with a population of 138,399
<b>Unitary B:</b> Plymouth City Council (As a continuing authority)	The continuing unitary authority of Plymouth City Council with a population of 272,067
<b>Unitary C:</b> Torbay Council (As a continuing authority)	The continuing unitary authority of Torbay Council with population of 140,126
<b>Unitary D:</b> Devon Coast and Countryside Council (Type B proposal)	A new a new unitary council covering the rest of the current Devon County Council area, with a population of 703,914

### Our Modified Proposal

Our proposal establishes a single tier of local government that reflects the natural economic geography and functional relationships of Devon. We embrace the opportunity to reorganise local government in Devon into natural communities and cohesive localities that present clear opportunities to improve outcomes for all residents across Devon.

### Map: Four Unitary Councils on modified boundaries



Key:

New Unitary Council for Expanded Exeter (Red)  
 New Unitary for Expanded Plymouth (Dark Green)  
 New Unitary for Expanded Torbay (Blue)  
 New Devon Coast and Countryside Unitary (Light Green)

National Park and Areas of Outstanding Natural Beauty (Green Hatch)  
 National Marine Park (Blue Hatch)



The Modified proposal groups existing principal authorities into four unitary councils with changes to existing districts summarised in the table below.

<b>Modified Four Unitary Proposal</b>	
<b>Unitary A:</b> An expanded Exeter Council (Type B proposal)	A new unitary council based on the current Exeter City Council boundary with a population of 138,399 with a Ministerial modification to extend this with 15 parishes from within Teignbridge District Council, 28 parishes from within East Devon District Council and six parishes from within Mid Devon District Council resulting in a population of 260,195
<b>Unitary B:</b> An expanded Plymouth City Council (As a continuing authority)	The continuing unitary authority of Plymouth City Council with a population of 272,067 with a Ministerial modification, to extend this with 13 parishes from within the South Hams District Council resulting in a population of 305,731
<b>Unitary C:</b> An expanded Torbay Council (As a continuing authority)	The continuing authority of Torbay Council with population of 140,126, with a Ministerial modification, extend this with 23 parishes from within the Teignbridge District Council and South Hams District Council resulting in a population of 232,697
<b>Unitary D:</b> Devon Coast and Countryside Council (Type B proposal)	A new a new unitary council covering the rest of the current Devon County Council area with a population of 455,883

## How Our Four Unitary Model Delivers

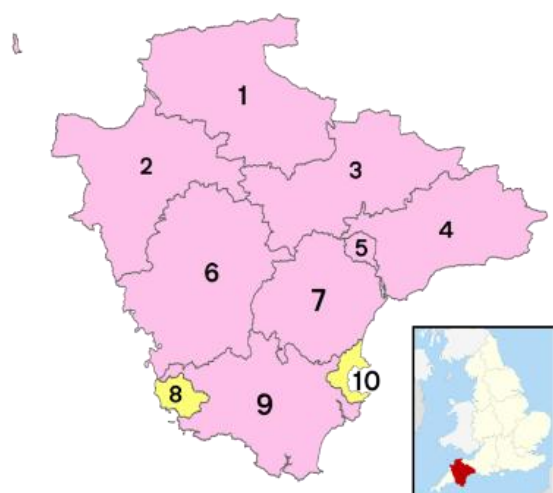
Our Modified Proposal for Devon strikes the right balance to make the most of the once-in-a-generation opportunity to create local government for Devon that is firmly:

- **Rooted in place and delivering better outcomes** - focussed on distinct places and able to better manage resources, attract investment and deliver value for money.
- **Based on real places and economies** - functional geographies that support growth and accountability
- **Built on fair, sustainable finances** - based on a fair and balanced tax base to support financial resilience and aligned governance
- **Wrapped around communities** – giving them a real voice in decisions through local neighbourhood committees and stronger democratic representation
- **Protecting our environment** - from our coasts to cities, towns and villages, to our countryside
- **Providing simpler, smarter, public services that work better for people** – reducing duplication and complexity, delivering better decision making and improved customer experiences
- **Practical, phased and ready to deliver** - ensuring a logical flow into effective new authorities, with shared strategic need and value placed on working together.

## The right option for Devon

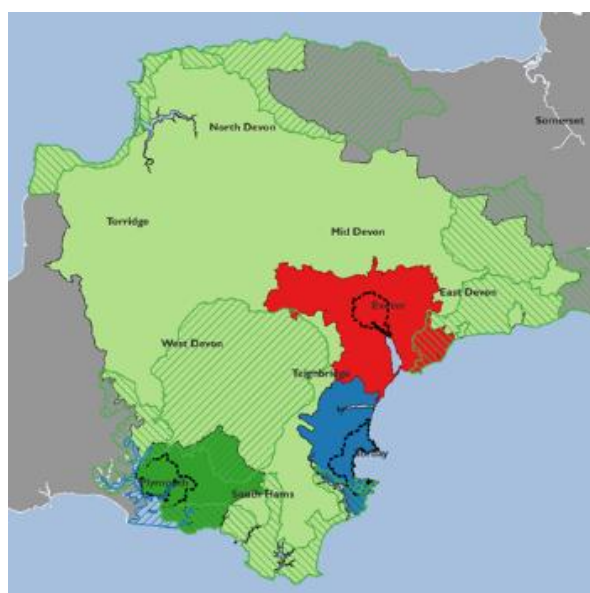
Our proposal is for four new unitary councils (“unitaries”) centred in the three urban centres of Plymouth, Exeter and Torbay, and one that brings the coast and countryside together. By creating councils that are clearly focused on the needs and challenges of their places and aligned with the functional economic geography of the county, we are putting in place firm foundations for the future. Councils can balance future growth, development, conservation, engagement, collaboration and service delivery across geographies that make sense for local people, businesses and communities and the way people lead their lives. The new councils would work alongside each other and the Devon & Torbay Combined County Authority (DTCCA), ensuring coherence between local delivery and strategic priorities for growth, skills, transport, and climate action.

**From 11 councils** (eight district councils, two unitary councils and one county council) **To four unitary authorities** on modified boundaries:



Key:

Existing District Councils (Pink)  
Plymouth Unitary Council (Yellow – 8)  
Torbay Unitary Council (Yellow – 10)



Key:

New Unitary for Expanded Exeter (Red)  
New Unitary for Expanded Plymouth (Dark Green)  
New Unitary for Expanded Torbay (Blue)  
New Devon Coast and Countryside Unitary (Light Green)  
National Park and Areas of Outstanding Natural Beauty (Green Hatch)  
National Marine Park (Blue Hatch)

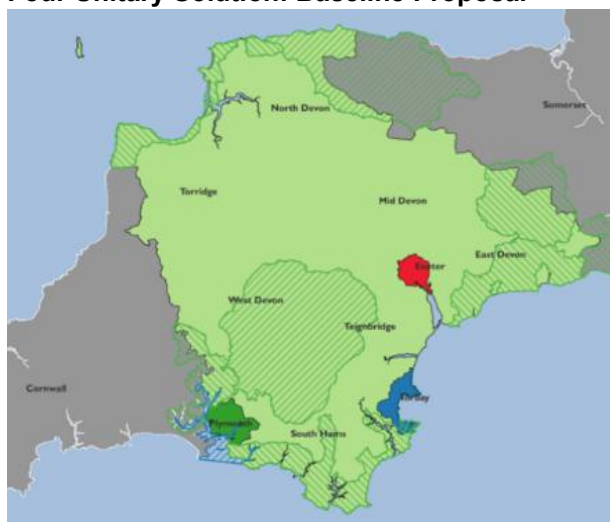
## Modified boundaries to enable growth, not constrain it

These foundations cannot be built on our existing administrative geography; one designed over 50 years ago. Our current district boundaries do not neatly aggregate into functional socio-economic areas. It is a geography that bakes in significant constraints to the future growth and prosperity of the county, locking in inefficiencies and cost inequalities that could otherwise be released. Nowhere is this more pertinent than with the current boundaries around the three urban areas that are too tight to facilitate sustainable growth and funding. Our

proposal therefore requires new boundaries to be drawn, based not on existing district and unitary boundaries but on parishes.

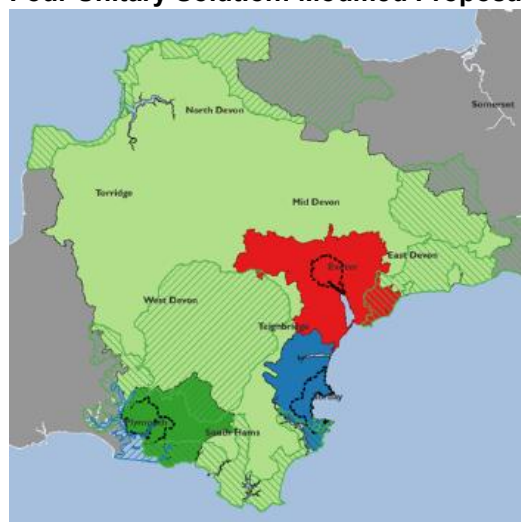
Our **Baseline Proposal** for Devon, illustrated below, reflects the rural nature of Devon whilst recognising Exeter, Plymouth and Torbay's distinctive urban characters. Whilst this provides a workable single tier of local government for Devon, this is not our final proposal.

**Four Unitary Solution: Baseline Proposal**



Key:  
 New Unitary Council for Exeter (Red)  
 Existing Plymouth Authority (Dark Green)  
 Existing Torbay Authority (Blue)  
 New Devon Coast and Countryside Unitary (Light Green)  
 National Park and Areas of Outstanding Natural Beauty (Green Hatch)  
 National Marine Park (Blue Hatch)

**Four Unitary Solution: Modified Proposal**



Key:  
 New Unitary Council for Expanded Exeter (Red)  
 New Unitary for Expanded Plymouth (Dark Green)  
 New Unitary for Expanded Torbay (Blue)  
 New Devon Coast and Countryside Unitary (Light Green)  
 National Park and Areas of Outstanding Natural Beauty (Green Hatch)  
 National Marine Park (Blue Hatch)

Our final, **Modified Proposal** meets the Government's criteria more effectively because it better aligns with the functional economic geographies of Devon and provides a balanced tier of local government for Devon. It responds to the feedback from our extensive stakeholder engagement work; better reflects how people live their lives; reinforces the importance of sustainability, whilst embracing a highly valued sense of place and community cohesiveness. It is on this basis that we invite the Secretary of State to use the powers in Section 11 of the 2007 Act to modify our Baseline Proposal to achieve better outcomes for the whole of Devon.

The challenges of tackling this in the short-term are vastly outweighed by the aggregation of gains over the long-term, which will positively impact future generations. We therefore ask the Secretary of State to incorporate the boundary refinements detailed below as part of our modified proposal:

These adjustments enable our proposal to more effectively meet the Government's criteria by enhancing the coherence of public services, strengthening financial sustainability, supporting local identities, and achieving the right balance of partners for devolution.

In accordance with the Local Government and Public Involvement in Health Act 2007 and the Local Government Boundary Commission for England (LGBCE) Guidance Note (May 2025), this proposal therefore requests ministerial approval for boundary modifications required to deliver coherent and functional unitary areas for Devon. The baseline model reflects existing county and district boundaries. The modified model proposes four new unitary councils - expanded Exeter, expanded Plymouth, expanded Torbay, and Devon Coast and Countryside - with parish and ward boundary adjustments to reflect real housing, labour-market, and service catchments.

## Four unitary councils for Devon

Our modified proposal meets the Government's criteria more effectively than those being brought forward by other councils in Devon. Our proposal recognises the significant and impactful roles of Exeter, Devon's capital city, of the City of Plymouth and the urban area of Torbay. These are drivers of economic growth and, together with the new Coast and Countryside unitary, create the opportunity to realise our vision and benefit the whole of Devon.

Four new unitary authorities for Devon			
Expanded Exeter Council	Expanded Plymouth City Council	Expanded Torbay Council	Devon Coast and Countryside Council
Pop. 260,195	Pop. 305,731	Pop. 232,697	Pop. 455,883
Exeter is a young, vibrant, and increasingly successful city. Many businesses, public sector partners; voluntary and community sector organisations and communities are active participants in the city's success, which brings a strong sense of pride in place. Our proposal reflects the housing and economic growth of the areas surrounding the city's current boundary and identifies a realistic, functional economic and geographical area within which people look to the city for work, education, access to public services, leisure and cultural opportunities. Exeter is in a pivotal place within Devon, with strong transport links across the South West and to London.	Builds upon Plymouth's innovative strategic planning approach through the Plymouth and South West Devon Joint Local Plan which already demonstrates successful collaboration across Plymouth and the communities of South Hams. The expanded council for Plymouth will deliver integrated and effective local governance to the people of Plymouth and the surrounding area that already naturally function as part of the Plymouth housing and economic area.	An expanded unitary authority for Torbay which provides a more coherent geography and better coordination of critical infrastructure in the wider area. The larger scale provides resources to sustain and expand innovative approaches to integrated care and children's services whilst building resilience against demographic pressures of an ageing coastal community. It creates the ability to focus on coastal renewal and the roll out of its unique partnership with the NHS over a wider catchment area.	Creates a rural focused council which reflects the dispersed settlement pattern in Devon and keeps the market towns and most rural areas together at a suitable scale. The new Devon Coast and Countryside authority can focus on the distinct needs of dispersed, market towns and villages - addressing the unique challenges of coastal, moorland, and agricultural communities – while protecting their special character.

Headline data profile	Exeter	Plymouth	Torbay	Devon Coast and Countryside
Population	260,195	305,731	232,697	455,883
Projected population growth to 2040	114%	105%	110%	114%
Council Tax band D average	2,001	1,965	1,983	2,014
Council Tax band D maximum	2,040	1,998	2,004	2,071
Council Tax base	88,493	90,449	82,356	182,395
Council Tax Base per unit of population	2.90	3.32	2.67	2.44
Council Tax income per unit of population	690	591	742	825

## Primary benefits

Our proposal releases a wide range of significant benefits for the people and businesses of Devon. It:

1. Provides a credible solution to Devon's unique mix of coastal, urban and dispersed communities – reflecting functional economic geographies and enabling tailored responses to distinct urban and rural challenges.
2. Empowers Plymouth, Exeter, and Torbay to lead on urban priorities and grow as service centres for their surrounding communities, unlocking their potential for economic and housing growth.
3. Empowers the new Coast and Countryside authority to focus on the distinct needs of dispersed, rural market towns and villages – the unique challenges of coastal, moorland, and agricultural communities – while protecting their special character.
4. Fixes what does not work – such as the strain on social care, the pressure on transport, the distance between decision-makers and the people they serve - by enabling each new unitary to drive service innovation and transformation appropriate for its context.
5. Offers savings and financial stability with a balanced and sustainable tax base that avoids undue advantage or disadvantage for any area.
6. Ensures parishes and towns are kept whole, with no principal settlement split, preserves local civic and community identity, and simplifies and clarifies local democratic accountability.
7. Reflects the feedback from our extensive public engagement.
8. Empowers local communities and strengthens community engagement through the creation of new neighbourhood area committees, allowing greater levels of community representation and influence on local decision making.
9. Is fit for the future, ensuring Devon continues to grow and develop because of its administrative geography, not despite it.

## Affordable unitary councils that deliver transformative services

In our proposal, each unitary council has a balanced and sustainable tax base, avoiding undue advantage or disadvantage for any area whilst retaining Devon's sense of place in both rural

and urban areas. This matters because Devon's fair tax base supports financial resilience and equitable service delivery. It avoids fiscal imbalance that could lead to service cuts or unequal investment because each unitary is designed to have sufficient revenue capacity to meet local needs without over-reliance on central government support.

Our proposal has been specifically designed to align with the distinct needs of Devon's communities. Senior Finance Officers from Devon's two current unitary authorities and Exeter City Council have worked together with input from independent financial consultants. This partnership has ensured that financial assessments are robust and representative of coherent economic areas, thereby supporting the establishment of a suitable and balanced tax base across the four proposed new unitaries.

Each new unitary will provide a single accountable tier for waste and recycling, transport and highways, planning and housing, environment and climate (including flood, biodiversity, parks), regulatory and community protection (Environmental Health, licensing, trading standards, community safety), libraries and culture, supported by a unified digital /customer platform. This consolidates contracts, simplifies access for residents, and supports DTCCA priorities on growth, skills, and net zero.

This change will create simpler, stronger, and more strategic local government. It will allow us to extend our best and most effective services to more people, delivering better outcomes and creating a healthier, more prosperous future for every resident in Devon.

**Stronger, Simpler and Strategic** because the new councils will have a stronger voice for each locality - driving growth, attracting inward investment and tackling complex strategic challenges.

**Local and Effective** through the co-production a system of Neighbourhood Area Committees and Community Networks to enable stronger community engagement and deliver genuine opportunities for neighbourhood empowerment.

**Efficient and Sustainable** with councils of the right scale to be able to drive innovation through digital and alternative delivery models and deliver better outcomes for people.

Putting People First in Devon Pillars for Change		
Tackling local challenges	Developing locally owned solutions	Evidenced and insight-led practice
Creating solutions in each locality that focus on prevention and the strengths and assets of local communities.	Strategies and plans define a clear agenda and encourage local action.	Integrating data to build rich pictures of local communities to better target demand and understand need.
Delivering	Strengthening	Collaborating
Effective place-based services: where services are tailored to local population needs and council footprints.	Neighbourhoods and community support: where trust relationships and prevention are built.	At the right scale to ensure sustainability, specialism or strategic coherence.

Our vision is for joined up person centred services delivering a simpler customer experience that will offer:

- **A stronger citizen voice** - feedback, comments and complaints will be captured in a consistent way meaning this will have a louder voice in service improvement.
- **A single citizen view** - by bringing data from across systems to enable more efficient interactions.
- **Better insight and intelligence** - the better use of data and artificial intelligence provides greater potential for transforming how demand is managed and how better decisions are made whilst protecting the integrity of customers' data

## Options appraisals

Our analysis is that the proposals for three unitary councils brought forward by Devon County Council and the alternative model from some of the District Councils, do not ensure our urban and rural areas are on a sustainable financial footing nor are they aligned with functional economic areas, two critical factors that will drive the future growth and success of these areas.

Our (modified) proposal  
Four Unitary Councils



'New Devon'  
Three Unitary Councils



'1-4-5'  
Three Unitary Councils



The New Devon single unitary proposal simply amalgamates the existing eight districts and the county council into a super-sized Council that will co-exist alongside Plymouth and Torbay unitary councils. It bakes in constraints to growth over the next generation. At face value it may appear the simplest solution, but it is too large to be responsive. We know from research elsewhere that - especially in terms of relational public services - bigger is not always better. Economies of scale do not accrue indefinitely.

The '1-4-5' three-unitary proposal is only a marginal improvement on the above. This option fails to account for the need of Plymouth to grow and divides the remainder of Devon into two new councils submerging the urban centres of Exeter and Torbay - merging five and four councils respectively. In doing so it creates artificial unitary authorities based solely on old boundaries, lacking any coherent rationale. The result is an imbalanced structure that favours rural areas, undermines Exeter's ability to fulfil its role as the region's capital city, and leaves Plymouth as the smallest and most constrained authority.

The table below provides a summary of the overall option appraisals supporting our preferred option for four unitary councils.

Government Criteria	Our Modified proposal	'New Devon'	'1-4-5'
	Four unitary councils	Three unitary councils	Three unitary councils
Single tier of local government	High	Medium	Medium
Right size and financial resilience	High	Low	Low
High quality and sustainable public services	High	Medium	Low
Collaboration and responsiveness	High	Low	Low
Supports devolution	High	Low	Low
Community engagement and neighbourhood empowerment	High	Medium	Low

Our analysis shows that the four unitary solution is the one that most clearly meets the government criteria and the needs of the people of Devon.

## Strengthening Democratic Representation and Empowering Communities

Our proposal sets out a governance model for four new unitary authorities in Devon, designed to strengthen democratic representation and empower communities through greater local engagement. The existing Leader and Cabinet system will continue for Exeter, Plymouth, and Torbay, with the same model applied to the new Coast and Countryside authority.

Indicative councillor numbers have been developed in line with Local Government Boundary Commission for England (LGBCE) criteria to balance representation and workload. Proposed sizes are Exeter (72 councillors), Plymouth (60–72), Torbay (44–54), and Coast and Countryside (70–100). These figures reflect population, geography, and the need for effective governance. Final numbers will be confirmed through a full electoral review following consultation.

## Neighbourhood-Based Governance and Civic Identity

The proposal introduces Neighbourhood Area Committees (NACs), which will act as inclusive forums for residents, councillors, and partners to shape local priorities, influence service delivery, and foster community cohesion. NACs will be co-designed with communities and supported by dedicated neighbourhood teams, ensuring decisions are made closer to residents and reflect local needs. Over time, NACs will gain devolved powers and budgets for local projects, planning input, and community safety initiatives, funded through efficiency savings, harmonised budgets, and developer contributions.

The model builds on Exeter's proven Wellbeing Exeter partnership and decades of asset-based community development, embedding principles of local empowerment, accountability, and collaboration. Town and Parish Councils will remain vital partners, ensuring continuity and local representation. This structure aligns with government ambitions for devolution and creates a strong foundation for integrated, place-based services.

To preserve Exeter's historic identity during reorganisation, the proposal recommends establishing Charter Trustees under the Structural Change Order. These trustees will maintain ceremonial functions, including the Lord Mayor's role, civic regalia, and historic rights,



safeguarding Exeter's city status and heritage while governance transitions to the new unitary authority.

## Mayoral Strategic Authority

The proposed creation of four unitary councils will strengthen devolution by aligning local delivery with the Devon and Torbay Combined County Authority's strategic tier, enabling coherent planning for housing, transport, and economic development. This structure will pave the way for a Mayoral Strategic Authority (MSA), replacing DTCCA and granting enhanced powers for spatial planning, infrastructure coordination, housing delivery, skills development, and climate resilience.

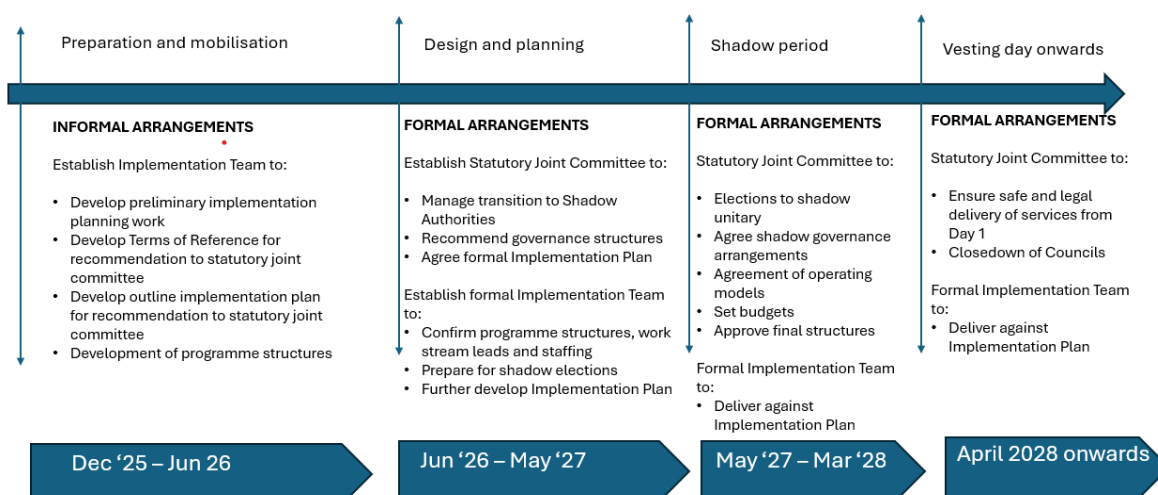
A future MSA would:

- Integrate transport networks and deliver a single Local Transport Plan.
- Coordinate housing and regeneration through strategic planning and funding.
- Drive skills development for key sectors (climate science, marine autonomy, clean energy, advanced manufacturing).
- Support health integration and innovation zones.
- Advocate nationally for infrastructure investment and climate action.

## Transition and Implementation

The Transition Plan for Local Government Reorganisation (LGR) in Devon will follow a structured, phased approach to ensure stability and continuity. Initially, an informal Implementation Team will be established in each authority to oversee preliminary planning work and to recommend terms of reference to the statutory Joint Committees when they are established. This will ensure critical preparatory work continues during the government's consultation and decision-making phase.

## Proposed Timeline



## Governance

Robust governance arrangements will be established to ensure political oversight, strategic leadership, and operational delivery are aligned and effective.



During the period up to the Structural Change Order (SCO), a Devon Leaders Oversight Board will provide collective political direction and assurance, while an LGR Programme Board comprising current Devon Chief Executives, will oversee strategic alignment, risk and interdependencies.

After the SCO is made, Joint Committees and formal Implementation Teams will manage the implementation plan.

Critical services such as Adult Social Care and Children’s Services including Special Educational Needs and Disabled (SEND) will be prioritised to ensure a “safe and legal” transition.

The approach prioritises safety, stability, and phased transformation to deliver improved outcomes.

## Conclusion

The proposal recommends reorganising Devon’s local government into **four unitary councils** aligned to economic geographies. This model simplifies governance, removes duplication, and delivers:

- **Financial resilience** through balanced tax bases and sustainable council sizes.
- **Integrated, high-quality services** designed around people and place.
- **Clear accountability** and stronger collaboration.
- **Support for devolution** with a balanced voice for Devon.
- **Enhanced community engagement** via participatory governance while preserving local identity.

This is a strategic investment in Devon's future prosperity, resilience, and democratic strength.

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# Why Exeter needs to become a Unitary Council

Exeter is a thriving, high-performing city - home to a world-class university, cutting-edge climate science, and a booming knowledge economy. It's the economic engine of Devon, with strong infrastructure, high productivity, and one of the UK's fastest-growing travel-to-work areas. But its growth is being throttled by outdated governance.

Exeter lacks the autonomy and investment power of a unitary authority. Fragmented governance, limited fiscal control, and under-resourced neighbouring districts are stalling its potential. The collapse of the Greater Exeter Local Plan and exclusion from key enterprise zone decisions are stark examples of missed opportunities.

Without reform, Exeter risks overheating - housing shortages, transport strain, and labour gaps – while surrounding areas underperform. The current two-tier system prioritises rural agendas over urban dynamism, dampening transformational growth.

A new unitary council for Exeter and the surrounding area - aligned with Exeter's functional geography—covering strategic developments like Cranbrook, Skypark, and Exmouth - would unlock coordinated planning, better transport, and smarter investment. This footprint reflects Exeter's Travel to Work Area and Housing Market area enabling single-footprint plan making and transport sequencing.

The challenge we face across Devon is one of geography. Historic administrative boundaries constrain Exeter, Plymouth and Torbay's ability to extend proven models across the natural community and economic areas. Our vision for reorganisation in Devon is for transformational change. Working together we will create a modern, coherent and resilient model of local government, fit for the future and in line with the ambitions of the 'English Devolution White Paper', delivering health and prosperity for all of Devon's communities. The proposed new councils will streamline decision-making, improve service delivery, and align policy with local needs. Our proposal reflects functional economic geographies and enables tailored responses to distinct urban and rural challenges.

The three urban centric councils in our proposal, including a new unitary council for Exeter and the surrounding area will be liberated from historic boundary constraints to create the conditions for each area to flourish, unlocking their full potential for innovative, inclusive growth and prosperity. This aligns closely with the government's mission based 'Plan for Change' and each of the core pillars in the 'UK Modern Industrial Strategy 2025'. The fourth unitary council in our proposal is designed to fully focus on the unique needs of Devon's rural and coastal communities, ensuring that our market towns prosper and grow sustainably.

Exeter and Plymouth are already economic drivers and together with Torbay, are the principal engines of growth and innovation in Devon: each of which is constrained by historic boundaries that do not reflect how people live their lives. Each council will be able to put in place plans that deliver at the scale and pace which is right for their areas. Exeter, Plymouth and Torbay will consolidate their roles as key economic drivers for the Devon economy, each contributing to clean growth across the southwest. Together, these urban economies will act as anchors for wider economic resilience across Devon's rural, coastal and market town communities.

The proposed coast and countryside rural unitary authority will adopt a place-based, polycentric strategy, to better target investment, reform funding formulas, and support market towns and coastal communities. We will champion rural and coastal education renewal,

improve post-16 pathways, and address teacher recruitment challenge. It will empower towns like Barnstaple, Totnes, and Tiverton as local economic anchors.

All four unitary authorities will plan strategically, taking forward the recommendations of the Devon Housing Commission in an enhanced partnership with Homes England and the DTCCA to deliver a pipeline of housing sites and a Strategic Housing Plan for Devon. We will fully utilise the new powers and funding to lever support to achieve our goals. We will future proof local plans to deliver national housing targets, tackle the Devon housing crisis and provide wide-ranging benefits, for Devon, where the potential for economic growth is substantial. By ensuring a sufficient supply of high-quality, affordable homes, in the right places, we will enable people to access employment opportunities, boost investment and economic growth, reduce commuting times, deliver climate resilience and nature recovery, improve public health and wellbeing outcomes for people and reduce health inequalities in our communities.

There is a necessary imperative for urban areas to focus on driving the growth agenda for Devon. A strong Exeter area delivering strategic brownfield development in the city and adjacent towns such as Cranbrook will accelerate the success of the southeastern part of Devon. An ambitious Plymouth providing intensified development in the city alongside the Sherford New Town on its edge together will be the hub for the southwest of Devon and Cornwall whilst a regenerating and growing Torbay will anchor the south of Devon. These three growing, urban areas provide complementary growth potential which will support the ambitions of Devon as a whole.

Our innovative businesses, university departments, and research institutions play a vital role in tackling national and global economic opportunities and challenges. One of our core strengths is in the knowledge economy, where we can demonstrate a regional cluster of innovation industries which align with the UK Modern Industrial Strategy core pillars for growth in:

- Advanced Manufacturing
- Creative
- Digital & Technologies
- Financial Services
- Life Sciences
- Professional & Business Services

This cluster is focused on four innovation zones: the City of Exeter (including the University, city centre, and Met Office); Exeter Science Park; Torbay and Exeter Airport. However, because each zone, is in separate local authority administrative area, there is no coordination, strategic alignment, and connectivity to support future investment and growth in each sector. Each industry must fend for itself and compete on a national stage.

Our Modified Four Unitary model would overcome these challenges by spreading and accelerating growth in the following ways:

- convening more productive relationships between the key institutions
- leveraging a broader investment package which benefits equally each high value sector
- plan infrastructure investment at the sub-regional scale to enable growth and development of each sector

In turn, we would expand the benefits outwards to the rest of Devon, linking with other growth clusters in North Devon, Torbay and Plymouth, creating a South West Innovation Corridor, on a par with the Oxford/Cambridge Arc. We would support an entrepreneurial, networked region

of start-ups and scaling business growth more rapidly across the bedrock sectors, helping to modernise our rural economy, with high knowledge, high value firms operating across our geography.

We will enable growth which is inclusive and that local people in our market and coastal towns are supported and enabled to benefit from these new opportunities. We would facilitate access to skills, training and education which will benefit all of Devon's communities.

The connected rural communities which surround Exeter, already function as part of the city's extensive travel-to-work and housing market areas (see Figures 1 and 2). The ties between these communities, (highlighted in the feedback from our stakeholder engagement work) and the city will be strengthened by bringing them into a single-tier authority. With an expanded geography, the unitary authority will be able to plan future growth strategically across a functional economic area, coordinating delivery of jobs, homes, healthy communities, infrastructure, skills, nature recovery and climate resilience.

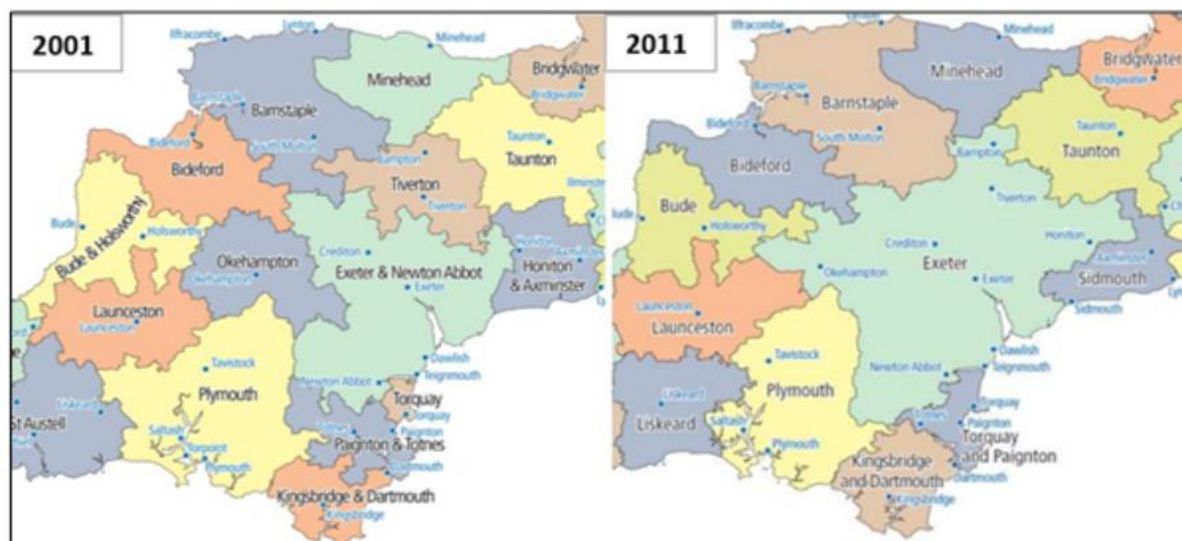
**Figure 1: Devon's Housing Market Areas, according to Devon Housing Commission (2024)**



Source: Devon County Council (2024) Devon and Torbay Local Transport Plan 4 2025 – 2040 Consultation (Oct 2024)

Figure 2: Travel to work Areas in Devon 2001 and 2011

Travel To Work Areas in Devon in 2001 and 2011



Source: Devon and Torbay Local Transport Plan 4 2025 – 2040 Consultation (Oct 2024)

Exeter has a prosperous and innovative economy and is an unbeatable place to live, work and visit, which retains its competitive edge to attract investment. But as a unitary authority, it could perform even better.

### Strong foundations for growth

Exeter has strong economic foundations, and an innovation potential to drive long term productivity and prosperity for all of Devon's communities, enabling them to fully participate in Exeter's economic, social, cultural and civic life. Exeter's economic success is based on the following core strengths:

- **Demography:** Exeter is currently the fastest growing city in the UK, second only to Cambridge. The total population in 2023 was 137,050, demonstrating a population increase of 15.2% during 2013-23 (Centre for Cities Outlook Report 2025).
- **Working Age Population:** Reflecting the city's large student population, Exeter's age profile is relatively young. The city has a high proportion of 16 to 24-year-olds: 19.7% of the city's population belongs to this age group, which is 9.2% higher than the English average. The proportion of 16 to 24-year-olds in Exeter has grown by 1.1% since 2011. Most of the working age population is qualified at Level 4 and above. Exeter has a low unemployment rate compared to national average (79.4% employment rate).
- **Economic performance:** Exeter's economy is forecast to exceed £5.5bn GVA, putting it in the top- ten UK cities for economic growth, as identified in the 2024 UK Powerhouse report. In recent years Exeter has seen an 8% growth in new businesses with 5,147 registered for business rates; and a 3% growth in jobs.
- **Clustering of high value sectors:** Exeter is home to some important regional clusters of the fastest growing sectors in the UK, including: **Digital Technologies** - Exeter is one of the lead growth locations for hi-tech business, competing globally; **Professional services** - Exeter is the 2nd largest centre for legal and engineering services in the Southwest, with the range and number of services is expected to grow further in the

next ten years along with ***Specialised manufacturing; Environmental science; Advanced engineering, including aerospace and transformative healthcare.***

- **Global leader in climate science:** Exeter is the UK's Science City, and a world-leading centre in climate change research with more IPCC authors than any other city in the world. The University of Exeter is home to the UK's top five most influential climate scientists – the only UK climate scientists to secure places in the global top 21. There are 18 Exeter-based climate scientists in the global top 1,000 – six from the University of Exeter, nine from the Met Office, and three with joint-positions with both institutions.
- **Education ecosystem:** Exeter has a nationally recognised ecosystem of outstanding education institutions, anchored by the University of Exeter and Exeter College. As stated above, our Russell Group university provides world class research in environmental intelligence and climate science, and coupled with the Met Office, which is also located in the city, uniquely positions Exeter as a global leader in tackling the climate emergency. The Ofsted Outstanding Exeter College and Exeter Maths School are delivering excellence and realising the ambitions of our young people from all over Devon and the wider region.
- **Connectivity:** Exeter and the surrounding area has a strategic role as Devon's major transport hub which connects the County to the rest of the UK, including an international airport to the east, two highspeed train lines to London, the Devon Metro, Devon's urban railway network which radiates from Exeter city centre and two junctions to the M5 motorway.

## **Delivering the Vision for Unitary Councils**

The new unitary council for Exeter and the surrounding area would deliver this vision through strong collaborative working at the neighbourhood, local, regional and national levels:

- **Neighbourhood level:** new neighbourhood partnerships and committees will enable each community to shape their own futures, achieve their potential and raise living standards
- **Local level:** New relationships between Devon's new unitary council's will be forged, capitalising on the distinctive and complementary strengths of each area and building resilience against economic shocks
- **Regional level:** the unitary council would be a key pillar of regional governance, working closely with the Devon and Torbay Combined County Authority and other public bodies across Exeter and Devon, strengthening partnerships and playing a leading role in delivering a vision for the whole region
- **National level:** closer working with government agencies including Homes England, will establish Devon as a priority place for investment and will become a brilliant example of how the public sector can unite to promote and accelerate delivery.

## **Economic Growth Strategy for Exeter**

Exeter is the regional connector and gateway to the southwest, a national climate city, a place where science and innovation thrive, and the cultural hub for Devon. Working collaboratively with each new unitary authority, the proposed new unitaries will develop an economic growth



strategy, based on the following nine pillars, and will closely align with the emerging Local Growth Plan for Devon and Torbay.

1. **Support for high value sectors:** The success of Exeter and the surrounding area will be underpinned through support to the cluster of high-value sectors within the expanded Exeter area.
2. **Science and Innovation:** Harness our nationally and internationally recognised research and high-tech industries to form part of a broader Southwest innovation spine. The new unitary council for Exeter and the surrounding area will use this platform to attract investment, commercialise research, and retain high-level talent.
3. **Driving Investment:** The new unitary council for Exeter and the surrounding area would have the powers and scale to plan and deliver infrastructure, unlock strategic development, and coordinate with Government and institutional investors to accelerate economic growth. With control over planning, land assembly, and infrastructure coordination, the authority would shape investment-ready locations and ensure they are aligned with wider growth priorities, delivering at pace and scale.
4. **Investing in a Connected and Accessible City Region:** The new unitary council for Exeter and the surrounding area would be able to coordinate employment growth across the travel to work and study area. This would support more integrated and sustainable transport planning - working with the Devon and Torbay Combined County Authority (DT-CCA) to deliver the objectives of the Local Transport Plan. Exeter's role as a strategic transport node will be strengthened through coordinated investment in public transport, active travel, and decarbonised mobility, ensuring high-growth communities are connected to employment, education and services.
5. **Enabling Strategic Housing delivery:** The new unitary council for Exeter and the surrounding area would bring forward a more coordinated and accountable approach to housing development, aligning land use planning, infrastructure provision, and public investment across a functionally connected geography. The unitary council will enact the recommendations of the Devon Housing Commission and provide leadership to bring forward a Strategic Housing Plan and, in time, a Spatial Development Strategy for Devon.
6. **Demonstrate Clean Growth, Climate Resilience and Environmental Stewardship:** The new unitary council for Exeter and the surrounding area would support the transition to Net Zero through spatial planning, infrastructure coordination, and environmental stewardship. With direct control over highways, land use, and housing policy, the council could embed low-carbon design, climate resilience, and nature recovery into strategic decision-making. It would also simplify coordination with delivery partners on energy, water, and active travel—ensuring that growth contributes positively to health, equity, and environmental outcomes across the new geography. The unitary council would streamline responsibilities for habitat mitigation and biodiversity net gain and strengthening delivery of green infrastructure as part of strategic health and nature-based objectives.
7. **Leading a Thriving Regional Centre:** The new unitary council for Exeter and the surrounding area would continue to invest in Exeter city centre to ensure it remains vibrant, resilient and attractive for residents, visitors and employers. Building on the success of regionally significant regeneration schemes, including the development of Princesshay Shopping Centre and our new Passivhaus leisure centre and swimming pool at St Sidwell's Point, the unitary authority will work with our partners to attract nationally significant commercial brands. The council will lead coordinated efforts to

enhance public realm, support the evening and cultural economy, and ensure the city centre continues to evolve as a safe place to live, work and visit.

8. **Civic and Cultural Leadership:** a unitary council for Exeter and the surrounding area would be well placed to coordinate cultural investment and strengthen Exeter's role as a place where people come together to learn, celebrate, and express shared identity. Culture, sport, and placemaking will play a key role in supporting wellbeing, attracting talent, and sustaining a vibrant, inclusive area for future generations.
9. **Developing and Retaining Talent to address the country's needs:** The new unitary authority for Exeter and the surrounding area would work with education providers, employers, and the DT-CCA to strengthen skills pathways, promote lifelong learning, and support workforce development across its geography. Building on Exeter's strong education offer and graduate base, the council would help connect local people to opportunities in high-value sectors—ensuring inclusive access to emerging careers in climate science, health, digital, and the green economy. Alignment with the Devon and Torbay Local Skills and Future Workforce Plan would ensure that education and economic strategies are joined-up, inclusive, and tailored to future demand.

# Why Devon Needs Fundamental Change

## Devon, the People, the Place

The County of Devon is a unique place to live and work - where people feel a sense of connection to their environment and their communities. It's a place with a beautiful natural landscape offering a high quality of life, undeveloped coastline, undulating green hills, woodlands, rivers, valleys and estuaries

Our two National Parks of Dartmoor and Exmoor, offer stunning coastlines with the world-famous Jurassic Coast, Country Parks and Reserves and the North Devon Biosphere. These all serve as a magnet for tourists. As a large geographic area, Devon is made up of dispersed populations with three major urban areas – Exeter, Plymouth and Torbay.

Exeter is one of the UK's fastest-growing cities, playing a pivotal role in driving economic and housing growth across the wider region. With a youthful, growing population and strong business and industry sectors, Exeter is well positioned to lead investment, innovation, and connectivity across Devon. Any local government reorganisation must recognise the economic importance of Devon's two major cities – Exeter and Plymouth and the urban area of Torbay – and ensure that their governance models support sustainable growth for the entire county.

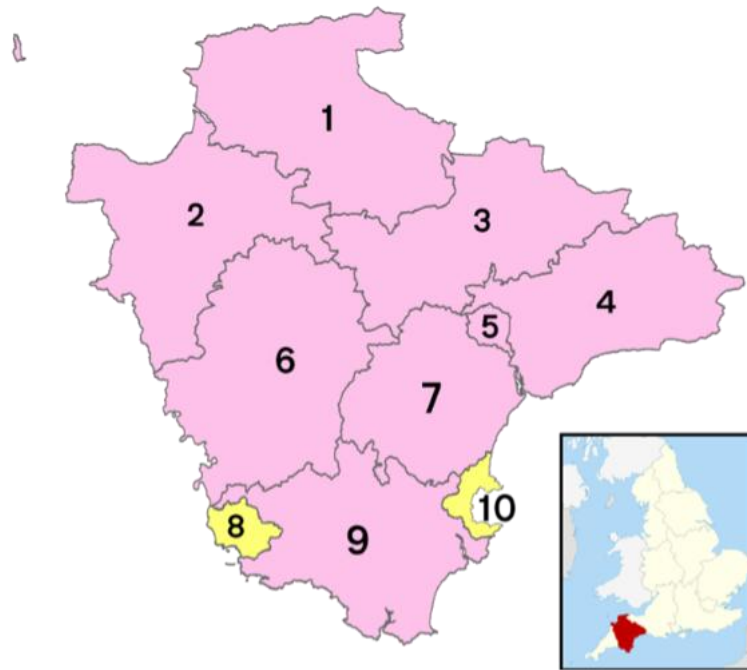
Across Devon, however, there are major challenges such as an ageing rural population placing huge pressure on public services, significant pockets of deprivation, a lack of affordable housing, skills gaps, low wages, and the migration of young people out of the rural areas, demonstrating a need to create more opportunities for them to stay and thrive. The challenges of rurality can overshadow those within urban centres of Exeter, Plymouth and Torbay, when Devon is viewed through its rural county lens.

Our proposal for local government reorganisation in Devon will address this by proposing four unitary authorities that unlocks the potential of our cities while protecting the special character of our rural and coastal places.

## The Case for Change

There are currently 11 local authorities in Devon covering a total population in 2024 of 1,254,506 across 530,181 households (2021 Census) and spanning a geographical area of 6,709 km<sup>2</sup> or 2,591 square miles.

- Devon County Council;
- Eight District Councils: East Devon District Council; Exeter City Council; Mid Devon District Council; North Devon District Council, South Hams District Council; Teignbridge District Council; Torridge District Council and West Devon District Council; and
- Two Unitary Councils: Plymouth City and Torbay.



The current two-tier system of local government in Devon is no longer fit for purpose. It fragments decision-making, duplicates services, and constrains the ability of councils to respond to the needs of their communities. It also inhibits strategic planning across housing, transport, and economic development, particularly in high-growth areas like Exeter and Plymouth.

### **Why Boundary Modifications are Essential**

Our Baseline Proposal for Devon reflects the rural nature of Devon whilst recognising Exeter, Plymouth and Torbay's distinctive urban characters. Whilst this provides a workable single tier of local government for Devon, this is not our final proposal, it is based on existing, historic council boundaries so it cannot deliver financially or functionally resilient organisations.

Our modified proposal for four unitaries as part of one Devon system does deliver. This proposes an expanded Exeter, an expanded Plymouth, an expanded Torbay, and a new Devon Coast & Countryside unitary - four bespoke unitaries aligned to functional economic areas and working as one delivery system with the Devon and Torbay Combined County Authority.

Devon has an ageing rural population placing huge pressure on public services, significant pockets of deprivation, a lack of affordable housing, skills gaps, low wages, and the migration of young people out of the rural areas. Our proposal is structured to address these challenges and avoid creating authorities with undue financial advantage or disadvantage, thus ensuring all areas benefit from appropriately allocated resources and that no community is left behind as Devon transitions to this new governance framework

The foundations for a successful future cannot be built on our existing administrative geography; one designed over 50 years ago. Our current district boundaries don't neatly aggregate into functional socio-economic areas. It's a geography that bakes in significant constraints to the future growth and prosperity of the county, locking in inefficiencies and cost inequalities that could otherwise be released. Nowhere is this more pertinent than with the current boundaries around the three urban areas that are too tight to facilitate sustainable

growth and funding. Our proposal therefore requires new boundaries to be drawn, based not on existing district boundaries but on those of our Parishes.

Our Modified Proposal meets the Government's criteria more effectively than any other we have seen. These perpetrate more of the same; they are based on existing district boundaries and do not address Devon's challenges. Our modified proposal recognises the significant and impactful roles of Exeter, Plymouth and Torbay. These are drivers of economic growth and, together with the proposed new Coast and Countryside unitary, create the opportunity to realise our vision and so benefit the whole of Devon.

We believe our Modified Proposal achieves the right balance between financial viability, population size and geographical span to enable the proposed unitary councils to focus on the unique needs of specific rural, urban and coastal communities, sustaining community identity and cohesiveness. Our Modified Proposal provides a coherent infrastructure to support the creation of a Strategic Mayoral Authority able to represent the diverse needs of the whole county of Devon.

# Our Baseline Proposal for Local Government in Devon

**We recognise the requirement under the Local Government & Public Involvement in Health Act 2007 to base a proposal on district council building blocks, and this is our Baseline Proposal. This Baseline Proposal meets the requirements under the 2007 Act. It is however not the final proposal that we are submitting. Our substantive Modified Proposal, which requests ministerial modification, is set out later.**

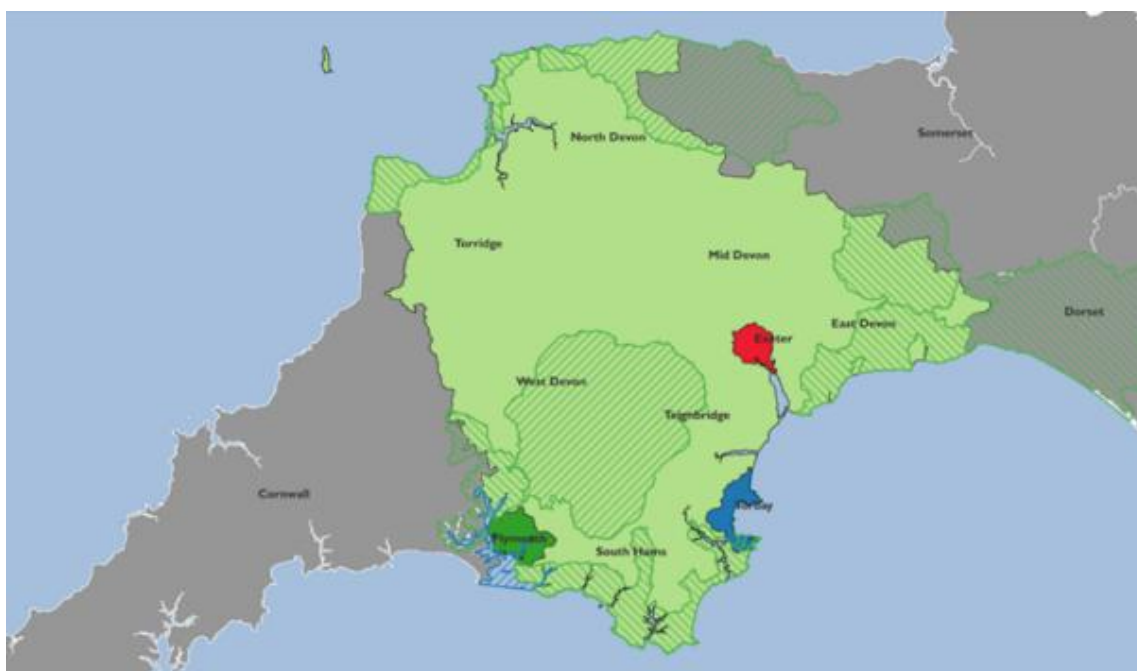
Our Baseline Proposal reflects the rural nature of Devon and champion's the distinctive urban character of Exeter, Plymouth and Torbay. It meets the requirements of the Local Government and Public Involvement in Health Act 2007 and compares favourably with the Governments' six criteria set out in the "English Devolution White Paper: Power and Partnerships: Foundation for Growth".

This provides a workable single tier of local government for Devon, but it is not financially viable, nor does it address the growth potential of our cities which is currently hampered by historical boundaries.

The councils in our Baseline Proposal are:

- A new unitary council for Exeter on existing boundaries
- A continuing unitary council for Plymouth on existing boundaries
- A continuing unitary council for Torbay on existing boundaries
- A new unitary council for Devon Coast and Countryside Council (based on existing district boundaries)

## Map: Four Unitary Councils on existing district boundaries



Key:

New Unitary Council for Exeter (Red)  
Existing Plymouth Authority (Dark Green)  
Existing Torbay Authority (Blue)

National Park and Areas of Outstanding Natural Beauty (Green Hatch)  
National Marine Park (Blue Hatch)

Baseline Four Unitary Proposal	
<b>Unitary A:</b> A new Exeter Unitary on existing boundaries (Type B proposal)	A new unitary council based on the current Exeter City Council boundary with a population of 138,399
<b>Unitary B:</b> Plymouth City Council (As a continuing authority)	The continuing unitary authority of Plymouth City Council with a population of 272,067
<b>Unitary C:</b> Torbay Council (As a continuing authority)	The continuing unitary authority of Torbay Council with population of 140,126
<b>Unitary D:</b> Devon Coast and Countryside Council (Type B proposal)	A new a new unitary council covering the rest of the current Devon County Council area, with a population of 703,914

Our Modified Proposal meets the Government's six criteria more effectively because it is financially viable and better aligned with the functional economic geographies of Devon

It recognises the significant and impactful roles of Devon's Capital City Exeter; the City of Plymouth and the urban area of Torbay as drivers of economic growth and outlines the opportunity that would benefit the whole of Devon.

Our Modified Proposal also responds to the feedback from our extensive stakeholder engagement work; better reflects how people live their lives; reinforces the importance of sustainability, whilst embracing a highly valued sense of place and community cohesiveness.

# Our Modified Proposal for Devon: Four Unitary Councils

**This section sets out the Modified Proposal that we are asking government to consider. The proposal is a modification of our Baseline Proposal, based on whole districts in accordance with Section 2 of the Local Government and Local Involvement in Health Act 2007.**

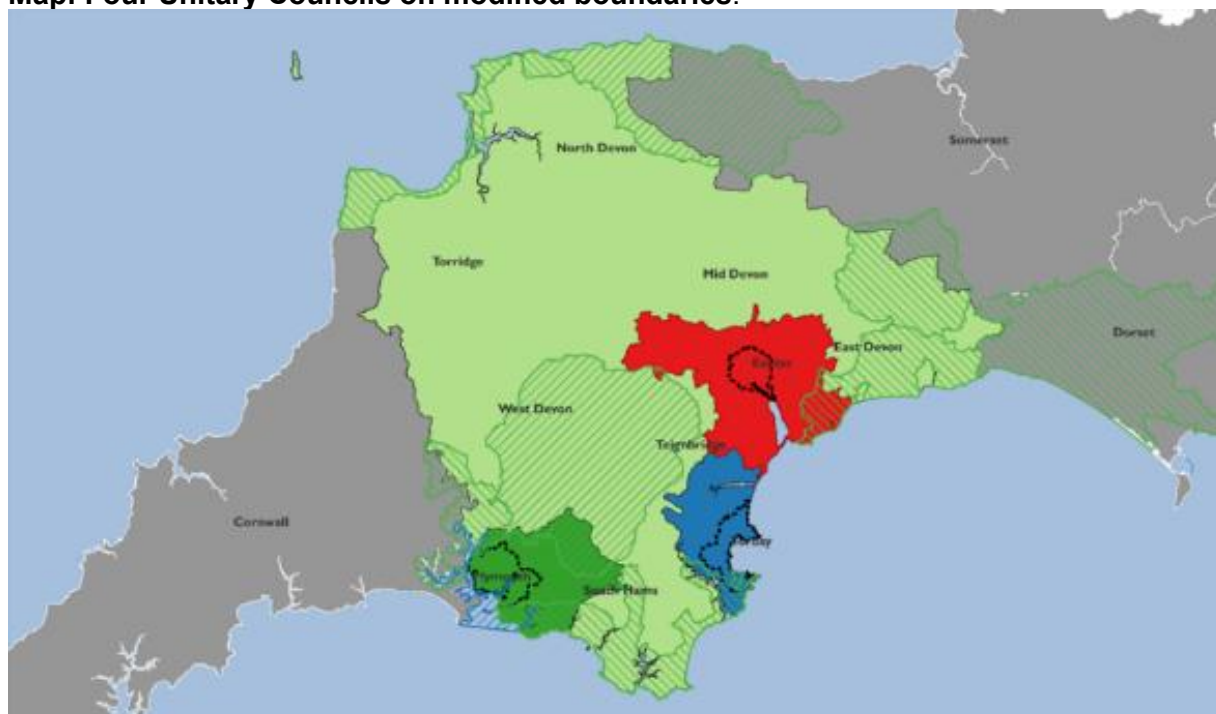
Our Modified Proposal sets out a bold and evidence-led vision for change; the creation of **four new unitary councils** that reflect Devon's functional economic geographies and community identities:

- A new unitary council for Exeter and the surrounding area
- A unitary council for Plymouth on an expanded boundary
- A unitary council for Torbay on an expanded boundary
- A new unitary council for Devon Coast and Countryside Council

This model will unlock the potential of Devon's cities and urban areas while protecting the character and resilience of its rural and coastal communities.

Our proposal establishes a single tier of local government that reflects the natural economic geography and functional relationships of Devon. We embrace the opportunity to reorganise local government in Devon into natural communities and cohesive localities that present clear opportunities to improve outcomes for all residents across Devon

**Map: Four Unitary Councils on modified boundaries.**



Key:

New Unitary Council for Expanded Exeter (Red)  
New Unitary for Expanded Plymouth (Dark Green)  
New Unitary for Expanded Torbay (Blue)  
New Devon Coast and Countryside Unitary (Light Green)

National Park and Areas of Outstanding Natural Beauty (Green Hatch)  
National Marine Park (Blue Hatch)



The Modified proposal groups existing principal authorities into four unitary councils with changes to existing districts summarised in the table below.

<b>Modified Four Unitary Proposal</b>	
<b>Unitary A:</b> An expanded Exeter Council (Type B proposal)	A new unitary council based on the current Exeter City Council boundary with a population of 138,399 with a Ministerial modification to extend this with 15 parishes from within Teignbridge District Council, 28 parishes from within East Devon District Council and six parishes from within Mid Devon District Council resulting in a population of 260,195
<b>Unitary B:</b> An expanded Plymouth City Council (As a continuing authority)	The continuing unitary Authority of Plymouth City Council with a population of 272,067 with a Ministerial modification, to extend this with 13 parishes from within the South Hams District Council resulting in a population of 305,731
<b>Unitary C:</b> An expanded Torbay Council (As a continuing authority)	The continuing Authority of Torbay Council with population of 140,126, with a Ministerial modification, extend this with 23 parishes from within the Teignbridge District Council and South Hams District Council resulting in a population of 232,697
<b>Unitary D:</b> Devon Coast and Countryside Council (Type B proposal)	A new a new unitary council covering the rest of the current Devon County Council area with a population of 455,883

Our proposal meets the Government's six criteria:

1. Single tier of local government for the area
2. Right size to achieve efficiencies, improve capacity & withstand financial shocks
3. Prioritise the delivery of high quality & sustainable public services to citizens
4. Councils in the area have sought to work together in coming to a view that meets local needs & is informed by local views
5. Must support devolution
6. Enable stronger community to engagement & deliver genuine opportunity for neighbourhood empowerment.

Our proposal has also been built on six principles which we have developed and shared with key partners in the Exeter Partnership. Responding to the first of the government's criteria for unitary government, the establishment of a single tier of local government, these principles reflect what we believe are the most important considerations in reorganisation for Devon.

1. Supporting growth, housing, transport and connectivity
2. Addressing the different needs of urban and rural communities
3. Making public services easier to access and navigate
4. Strengthening local identity, place and community voice
5. Creating a balanced and coherent population and service footprint
6. Ensuring financial sustainability and value for taxpayers.

These principles align with the criteria set by Government but include an additional focus on growth and addressing urban and rural issues.

## **Rationale for our Modified Four Unitary Proposal**

Maintaining existing historic boundaries continues to constrain the growth of Devon's two major cities of Exeter and Plymouth and urban area of Torbay. A shift to a single tier of local government with expanded geographies for the cities of Exeter and Plymouth and Torbay, alongside a Coast and Countryside authority simplifies accountability, improves services, and keeps costs under control, while protecting local identity and giving the strategic tier a clear partner for transport, planning and skills.

Our proposal meets the Government's criteria more effectively than the Baseline Proposal because it better aligns with the functional economic geographies of Devon and provides a balanced tier of local government for Devon. It responds to the feedback from our extensive stakeholder engagement work; better reflects how people live their lives; reinforces the importance of sustainability, whilst embracing a highly valued sense of place and community cohesiveness

The challenges of tackling this in the short-term are vastly outweighed by the aggregation of gains over the medium to long-term, which will positively impact future generations. It is on this basis that we invite the Secretary of State to use the powers in Section 11 of the 2007 Act to modify our Baseline Proposal to achieve better outcomes for the whole of Devon

### **Unitary A: An Expanded Exeter**

Plymouth and Torbay, as existing unitary councils have already demonstrated the benefits that urban unitaries can bring to their communities. Devon needs a similar focus for Exeter, which as a flourishing city, is well placed to accelerate growth for all of Devon.

Connectivity is vital for economic growth, and Exeter is in a pivotal place within Devon, with strong transport links across the South West and to London to exploit. With a strong base of business startups and world leading knowledge, health and climate science sectors, Exeter lies at the heart of a major transport corridor connecting the region to the wider UK. Young people and families are attracted to the city due to its accessibility, education, employment and lifestyle opportunities, but current boundaries inhibit housing growth.

Consequently, Exeter is a young, vibrant, and increasingly successful city. Many businesses, public sector partners; voluntary and community sector organisations and communities are active participants in the city's success, which brings with it a strong sense of pride in place reflected in feedback from the extensive stakeholder engagement work undertaken in relation to local government reorganisation.

Our proposal reflects the housing and economic growth of the areas surrounding the city's current boundary and identifies a realistic, functional economic and geographical area within which people look to the city for work, education, access to public services, leisure and cultural opportunities.

A unitary council for Exeter and the surrounding area will bring resilience and strengthen the region against economic shocks.

The following 49 Parishes are included in our modification:

Ashcombe, Aylesbeare, Bickton, Brampford Speke, Broadclyst, Budleigh Salterton, Cheriton Bishop, Chudleigh, Clyst Honiton, Clyst Hydon, Clyst St. Lawrence, Clyst St. George, Clyst St. Mary, Colaton Raleigh, Colebrooke, Cranbrook, Crediton, Crediton Hamlets, Dawlish, Dunchideock, East Budleigh, Exminster, Exmouth, Farringdon, Hittisleigh, Holcombe Burnell, Huxham, Ide, Kenn, Kerton, Lympstone, Mamhead, Netherex, Newton St. Cyres, Otterton,

Poltimore, Powderham, Rewe, Rockbeare, Shillingford St. George, Sowton, Starcross, Stoke Canon, Tedburn St. Mary, Upton Pyne, West Hill, Whimble, Whitestone and Woodbury.

### **Unitary B: An Expanded Plymouth**

The creation of an expanded unitary authority for Plymouth which builds upon Plymouth's innovative strategic planning approach through the Plymouth and South West Devon Joint Local Plan, already demonstrates successful collaboration across Plymouth and the communities of South Hams.

The expanded council for Plymouth will deliver integrated and effective local governance to the people of Plymouth and the surrounding area that already naturally function as part of the Plymouth housing and economic area.

An expanded Plymouth includes 13 adjacent parishes:

Bickleigh, Brixton, Cornwood, Ermington, Harford, Holberton, Ivybridge, Newton and Noss, Shaugh Prior, Sparkwell, Ugborough, Wembury, Yealmpton

### **Unitary C: An Expanded Torbay**

Our proposal creates an expanded unitary authority for Torbay which provides a more coherent geography and better coordination of critical infrastructure in the wider area. It reflects travel to work areas and creates the ability to focus on coastal renewal and the roll out of its existing innovative approach to health and social care within a wider catchment area.

An expanded Torbay Unitary would include 21 surrounding parishes:

Abbotskerswell, Berry Pomeroy, Bishopsteignton, Brixham, Broadhempston, Coffinswell, Denbury and Torbryan, Hacombe with Combe, Ideford, Ipplepen, Kingskerswell, Kingsteignton, Kingswear, Littlehempston, Marldon, Newton Abbot, Ogwell, Shaldon, Stoke Gabriel, Stokeinteignhead, Teigngrace and Teignmouth.

### **Unitary D: Devon Coast & Countryside**

Our proposal creates a rural focused council which reflects the dispersed settlement pattern in Devon and keeps the market towns and most rural areas together at a suitable scale.

Creating a dedicated Devon Coast and Countryside unitary authority ensures that Devon's rural and coastal communities receive governance tailored to their unique needs, able to focus on rural challenges rather than urban assumptions.

By complementing urban-focused councils for Exeter, Plymouth, and Torbay, the Coast and Countryside authority provides coherent planning for housing, transport, and economic growth, ensuring that rural priorities are not overshadowed. This approach creates simpler, stronger governance that delivers high-quality, locally responsive services and safeguards the character of Devon's countryside for future generations.

### **Supporting growth, housing, transport and connectivity**

Our proposal reflects Devon's geography and ways of life – three coherent economic areas aligned to key transport and economic corridors, and one coherent rural and coastal authority.

It promotes the opportunity for accelerated housing and economic growth; it reflects travel to work and housing market areas and creates the opportunity for public services to be provided in ways that better meet the distinctly unique needs of the urban, rural and coastal communities that we serve. Critically, it also responds to the feedback from our extensive stakeholder engagement work; better reflects how people live their lives; reinforces the importance of sustainability, whilst embracing a highly valued sense of place and community cohesiveness

Creating these four unitary councils for Devon will support the economies of our distinctive market towns and rural/coastal communities and drive continued growth of Devon's two major cities of Exeter and Plymouth, and the urban area of Torbay. The economic importance of Exeter, Plymouth and Torbay and their unique, yet complementary roles drive sustainable growth for the entire county.

### **Addressing the different needs of urban and rural communities**

By creating councils that are focused on the needs and challenges of their places and aligned with the functional economic geography of the county, we are putting in place firm foundations for the future. Councils can balance future growth, development, conservation, engagement, collaboration and service delivery across geographies that make sense for local people, businesses and communities and the way they lead their lives. The new councils would work alongside the Devon & Torbay Combined County Authority, ensuring coherence between local delivery and strategic priorities for growth, skills, transport, and climate action meeting the needs of the whole of Devon.

Exeter, Plymouth and Torbay, will lead on urban priorities while the new Devon Coast and Countryside authority can focus on the distinct needs of dispersed, market towns and villages. It demonstrates how tailored governance can better meet distinct local needs and can deliver achievable service and organisational savings within three years. Our Modified Proposal is a locally developed, future-ready solution that delivers best value for residents and places Devon on a firmer financial footing.

### **Strengthening local identity, place and community voice**

The modified proposal identifies councils on a geographical basis that people recognise. Parishes and towns are kept whole, with no principal settlement split. Town and Parish councils remain as critical community institutions enhanced by Neighbourhood Area Committees. This ensures local voices are enhanced, while councils have sufficient scale to carry complex services sustainably. By keeping parishes and towns intact, the Modified Proposal preserves local identity and accountability. This arrangement reflects the feedback from our extensive public engagement, it balances what matters most: resilient councils that can run accessible and effective services, neighbourhoods that retain a clear voice, and a county-wide structure that provides a credible foundation for devolution.

### **Creating a balanced and coherent population and service footprint**

Our proposal reflects Devon's geography and ways of life – three coherent economic areas aligned to key transport and economic corridors, and one coherent rural and coastal authority.

It provides a credible single tiered local government solution to Devon's unique mix of coastal, urban and dispersed communities.

Exeter, Plymouth and Torbay, as urban areas, have dense populations and clear identities and are service centres for the surrounding rural and coastal communities. These centres provide opportunities for economic growth, housing, education and employment as well as access to public services, sports, leisure and cultural facilities that can only be provided on this scale.

Using the existing Devon and Torbay Combined County Authority (DTCCA) as a strong first step, our Modified Proposal provides sensible population ratio sizes between constituent authorities as we move to a Mayoral Strategic Authority (MSA). We see the future MSA as the key to unlocking the power of combining localism with regional scale for both the Modified four Unitary Proposal and the wider peninsula.

### **Ensuring financial sustainability and value for taxpayers.**

Our proposal ensures each unitary council has a balanced and sustainable tax base, avoiding undue advantage or disadvantage for any area whilst retaining Devon's sense of place in both rural and urban areas. This matters because Devon's fair tax base supports financial resilience and equitable service delivery. It avoids fiscal imbalance that could lead to service cuts or unequal investment because each unitary is designed to have sufficient revenue capacity to meet local needs without over-reliance on central government support.

### **Request for Ministerial Modification to Baseline Proposal**

We request that the Secretary of State modifies the statutory Baseline Proposal outlined, incorporating the boundary refinements detailed in the Modified Proposal.

These adjustments more effectively meet the Government's criteria by enhancing the coherence of public services, strengthening financial sustainability, supporting local identities, and achieving the right balance of partners for devolution.

This is in accordance with the Government criteria and guidance received from MHCLG on 3 September 2025. The guidance from MHCLG states:

*Submissions must be a single, clear proposal with base case based on existing boundaries and modifications justified. Examples on when councils may wish to consider a proposal with modified boundaries include where existing boundaries would not meet the criteria or changes to boundaries would better meet the criteria.*

Please refer to **Appendix 7** MHCLG Meeting Note 3 Sep 2025

# How our Four Unitary Model Delivers

Our Modified Proposal for Devon strikes the right balance to make the most of the once in the generation opportunity to create local government for Devon that is firmly:

- **Rooted in place and delivering** better outcomes - focussed on distinct places and able to better manage resources, attract investment and delivery value for money.
- **Based on real places and economies** - functional geographies that support growth and accountability
- **Built on fair, sustainable finances** - based on a fair and balanced tax base to support financial resilience and aligned governance
- **Wrapped around communities** – giving them a real voice in decisions through local neighbourhood committees and stronger democratic representation
- **Protecting our environment** - from our coasts to cities, towns and villages, to our countryside
- **Providing simpler, smarter, public services that work better for people** – reducing duplication and complexity, delivering better decision making and improved customer experiences
- **Practical, phased and ready to deliver** - ensuring a logical flow into effective new authorities, with shared strategic need and value placed on working together.

## The right option for Devon

The configurations of the four unitary councils in the Modified Proposal sensibly reflects Devon's geography and ways of life - three coherent economic areas aligned to key corridors and one coherent rural-coastal authority. It provides a credible single tiered local government solution to Devon's unique mix of coastal, urban and rural communities. These functional areas avoid the remoteness of an oversized local authority and the cost and fragility of multiple smaller authorities.

This Devon-wide structure ensures coherent and strategic planning for growth, housing, and infrastructure across urban and rural contexts. The model leverages the unique economic identities, strengths, and connectivity of each area, enabling sustainable development and maximising the impact of Devon's resources.

Our Modified Proposal reflects the distinct profiles of our areas. It avoids unnecessary fragmentation by building on the proven track record of existing unitary councils serving Plymouth and Torbay, while ensuring that the new unitary councils are operationally viable. It equitably distributes resources aligned to an even distribution of demand, with the aim of consistent services for all Devon residents.

Simply put - the Modified Four Unitary Proposal reflects the needs of people across all of Devon. Its configuration is built around the principle that local government should be able to respond flexibly to where need and demand for services is highest. For Devon this involves key focuses on adult social care, children's services, housing, economic regeneration and

public health with bespoke planning and delivery designed around the needs of distinct communities and places.

The modified proposal reflects the distinct profiles of the four areas in relation to service delivery against need. It supports a more tailored service model which is responsive to the urban contexts of Exeter, Plymouth and Torbay and the rural context of Devon. Local government reorganisation presents a unique opportunity to design a system that reflects Devon's four functional economic geographies and will allow them to thrive. By aligning and streamlining existing governance, the new unitary authorities will be empowered to deliver for their communities—accelerating housing delivery, improving infrastructure outcomes, and driving inclusive economic growth across the county.

In recognising the unique economic identities and governance needs of each geographical area, this model enables strategic planning across housing, infrastructure, and skills, while maintaining local responsiveness.

Each unitary authority will be equipped to lead on place-based investment and service integration, ensuring that urban centres like, Exeter, Plymouth and Torbay can drive innovation and productivity, while rural Devon benefits from tailored solutions to its distinct rural challenges. This structure avoids the risks of economic incoherence and diluted accountability that can arise from broader, less differentiated models or a one size fits all.

## **Geography**

The Modified Proposal reflects functional economic areas, travel-to-work zones, and community identities, avoiding artificial boundaries that fragment service delivery.

This is important because sensible geography ensures that planning, housing, transport, and economic development are aligned with how people live and work. This avoids fragmented governance that hinders housing delivery because it allows councils to plan across coherent housing markets and infrastructure corridors, rather than negotiating across disconnected jurisdictions.

## **Local Identity**

Our Modified Proposal supports strong local identity. It critically maintains the current role of Town and Parish Councils and looks to enhance democratic accountability through the creation of Neighbourhood Area Committees and the extension of community focussed place-based governance. Exeter sees 37,000 commuters daily: where residents' shop, work, study, swim, or walk and sense of place isn't defined by where their council tax is collected, and this proposal sets to address that.

This matters because the Modified Proposal creates four local authorities that best reflect the lives of the communities they serve. It avoids the democratic disconnect of larger, remote councils because each unitary is sized to maintain meaningful engagement with residents, enabling decisions to be made by councils that understand local priorities and contexts and how people live their lives.

## **Resilience**

The Modified Proposal has been designed to balance operational scale with local responsiveness, ensuring the new councils are large enough to be efficient but small enough to remain visible and accountable.

It responds to a growing body of evidence that clearly demonstrates that running public services at ever larger scales, does not make them more efficient or cost effective. In fact, it can be argued that the larger the council is, the less they are connected to and understand the distinct needs of the different communities they serve. This lack of insight into people's lives- what their lives are like, what they would like for their local areas, families and communities makes it impossible to address the root causes of demand for public services.

Smaller councils are more impactful as they avoid the fragility of fragmented governance and the remoteness of mega-councils because each unitary is designed, rather than inherited, to deliver services efficiently, withstand financial shocks, and maintain a clear connection to the communities they serve. It builds on the proven track record of the two unitary authorities, the track record, significant and consistent growth and ambition of Exeter, and the possibility to deliver a fit for purpose rural unitary authority that drives efficiencies and responsiveness from the outset.

### **Preserves and Amplifies Our Identities**

Plymouth and Torbay retain their distinct urban profiles - Britain's Ocean City and the English Riviera - whilst the region's historic capital city of Exeter, and one of the fastest growing cities in the country, is elevated through boundary expansion to reflect its growing strategic role. This configuration allows each urban centre to pursue tailored strategies that reflect local culture, economic strengths, and service needs. The creation of the new rural authority complements this by enabling focused governance across Devon's dispersed communities, market towns, and coastal villages, ensuring that rural priorities are not overshadowed by urban agendas.

Preserving urban identities and establishing a dedicated rural authority ensures that governance is responsive to the unique characteristics of both urban and rural areas. It avoids the dilution of civic identity and strategic focus because each unitary council can maintain direct accountability to its residents, promote its economic and cultural assets, and deliver services that are locally relevant. The proposition represents a Devon solution for the unique makeup of the county. The Modified Proposal strengthens place-based leadership, supports inclusive growth, and ensures that no community - urban, coastal or rural - is left behind in the reorganisation.

### **High Quality Sustainable Public Services: Local Service Delivery**

Under the Modified Proposal each authority will focus on its own demographic and service pressures whilst sharing and collaborating on key issues and services where this is a fiscal or rational demand. For example, Torbay and Plymouth will continue to directly address urban deprivation, health inequalities, and ageing populations through measures such as integrated care models and targeted regeneration. In Exeter, the new authority would be uniquely positioned to respond to the city's rapid population growth and its role as a regional economic powerhouse; better able to respond to the housing and lifestyle needs of its younger, growing population. Rural Devon will be able to focus on the needs of dispersed communities and of an aging rural demographic.

Services that are failing to improve people's lives are not efficient, even if they cost less to deliver. There is clear evidence that focusing on a scale of place that people identify with, enabling community power, and investing in preventative, relational, and asset-based ways of working, all have the potential to improve outcomes as well as enabling better use of resources and sustainable cost reductions for the long term. Closer collaboration with communities and with local partners, systems leadership, developing new capabilities across the workforce, and local government taking on the role of enabler and place shaper, are all key ingredients and form the bedrock to our Modified Proposal.



This matters because targeted service delivery ensures that councils can respond effectively to the distinct challenges and opportunities within their areas. It avoids the inefficiencies and mismatches of one-size-fits-all governance because each authority can design and deliver services that reflect local demographics, economic conditions, and community expectations. This leads to better outcomes for residents, more efficient use of public resources, and stronger accountability to local priorities.

## **Economic Growth**

Under our modified proposal, Exeter, Plymouth and Torbay will continue to develop as prosperous and innovative economies, retaining their competitive edge to attract new investment. As each urban economy becomes more successful, the benefits will extend to settlements across their travel to work areas, raising quality and local pride in each community. Exeter, Plymouth and Torbay will be agile and innovative. Economic growth will be clean, inclusive and resilient, local supply chains will be stronger, supporting businesses and social enterprises and keeping more money within the local economy. All residents will have access to world-class education and training, and meaningful, high-quality employment with fair wages. The life-changing benefits of access to and participation in arts, culture and physical activity will be realised. Employers will be able to recruit, nurture and retain a skilled local workforce as well as attracting the best global talent.

## **Housing Delivery**

Our Modified proposal provides greater flexibility to accommodate needs in appropriate locations driven by the central influence of Exeter, Plymouth and Torbay together with the market and coastal towns and more rural areas. Working in a more cohesive way across a wider geography will improve efficiency and speed up delivery.

The new unitary councils would establish a more integrated and strategically aligned Local Planning Authorities, encompassing a functionally connected areas. New unitary Local Plans, will be the key tool to align housing delivery with infrastructure and service provision, streamlining decisions and improving delivery certainty. These new plans would eventually replace the fragmented patchwork of local plans and joint plans, aligning housing, employment, infrastructure, economic development, transport, Net-Zero, and environmental management functions across a wider geography, supporting coherent spatial planning and delivery of new homes.

Each unitary authority would retain the capacity to specialise across both urban and rural contexts, ensuring the diversity of planning needs across the new geography is understood and addressed. Strategic oversight would improve land supply planning, compliance with the Housing Delivery Test, five-year supply maintenance and Development Management.

## **Financial resilience: ensuring a fair and sustainable tax base**

In the Modified Proposal each unitary council has a balanced and sustainable tax base, avoiding undue advantage or disadvantage for any area whilst retaining Devon's sense of place in both rural and urban areas. This matters because Devon's fair tax base supports financial resilience and equitable service delivery. It avoids fiscal imbalance that could lead to service cuts or unequal investment because each unitary is designed to have sufficient revenue capacity to meet local needs without over-reliance on central government support.

It has been specifically designed to align with the distinct needs of Devon's communities. Senior Finance Officers from Devon's two current unitary authorities have collaborated closely with their counterpart in Exeter and sought input from independent financial consultants. This

partnership has ensured that financial assessments are robust and representative of coherent economic areas, thereby supporting the establishment of a suitable and balanced tax base across the four new authorities.

### Financial Viability Model

Using expenditure data from 2025-26 and funding projections (at 2025-26 prices) based on the new funding formula provided by Pixel Financial Management, the model demonstrates viability across the board with each Council having sufficient funding to deliver existing service demand and service debt and other financial obligations.

	<b>Devon Coast &amp; Countryside £m</b>	<b>Exeter &amp; Parishes £m</b>	<b>Plymouth &amp; Parishes £m</b>	<b>Torbay &amp; Parishes £m</b>
Net Cost of Services	503.5	316.4	338.4	276.8
Total Core Spending Power Funding	511.3	321.0	341.2	279.6
<b>Viability surplus / (gap)</b>	<b>7.7</b>	<b>4.6</b>	<b>2.8</b>	<b>2.8</b>
	1.5%	1.4%	0.8%	1.0%

### Disaggregation Costs and Savings

It is recognised that an additional upper tier Council will require additional costs arising from disaggregation of upper tier services. These have been built into the financial model along with savings derived from merging lower tier services, harmonising service provision at a lower tier level and harmonising income levels in lower tier services.

	<b>Estimated cost / (saving) (£m)</b>
Service disaggregation costs	13.5
Projected Savings	(71.9)
<b>TOTAL NET MODELLED ANNUAL SAVING</b>	<b>(58.4)</b>

## Transitional Costs

Transitional Costs will fall predominantly on the Exeter & Parishes and Devon Coast and Countryside as the two existing unitaries largely have systems in place which can accommodate the additional area and services provided.

Cost category	Estimated cost - £m				
	Year -1 (2026/27)	Year 0 (2027/28)	Year 1 (2028/29)	Year 2 (2029/30)	TOTAL
Exeter & Parishes / Devon Coast & Countryside	4.6	22.4	20.1	7.9	55.0
Plymouth & Parishes	0.4	2.2	2.1	0.2	4.9
Torbay & Parishes	0.8	3.1	5.1	1.2	10.2
<b>TOTAL</b>	<b>5.8</b>	<b>27.7</b>	<b>27.3</b>	<b>9.3</b>	<b>70.1</b>

## Funding Transitional Costs

Analysis by LG Inform demonstrates the level of usable balances (revenue and capital) based on the proposed new boundaries of the Councils. The analysis demonstrates that there are sufficient reserves available to manage transition costs. This includes any transition costs that fall on the Housing Revenue Account (HRA). However, it is acknowledged that many of these reserves may be held for a specific purpose and therefore unusable in this context. Both Plymouth and Torbay have confirmed that they have sufficient reserves to manage the transition costs within their proposals and Exeter have a significant pipeline of capital receipts in progress to manage the transition costs that fall on the new Council.

	Devon Coast & Countryside £m	Exeter & Parishes £m	Plymouth & Parishes £m	Torbay & Parishes £m
General Fund (GF) Usable Revenue Reserves	166.546	88.521	82.607	100.152
GF Usable Capital Reserves	65.913	65.867	52.803	52.803
HRA Reserves	20.3	14.6	0	0

## Payback

Payback is projected within three years, with the opportunity to reinvest future savings in enhanced service delivery. No assessment of service transformation savings has been made for upper tier services although there is the potential for service improvements to deliver additional savings.

Proposal (£m)	Year -1 (2026/27)	Year 0 (2027/28)	Year 1 (2028/29)	Year 2 (2029/30)	Year 3 (2030/31)	Year 4 (2031/32)
Transition costs	5.8	27.7	27.3	9.3	0.0	0.0
Savings in each year	0.0	0.0	(4.9)	(29.7)	(54.8)	(58.4)
Incremental Net Impact	5.8	27.7	22.4	(20.4)	(54.8)	(58.4)
Cumulative Impact	5.8	33.5	55.9	35.6	(19.2)	(77.6)

# Detailed Options Appraisal of our Modified Proposal

The table below provides an options appraisal of our Modified Proposal for four unitaries in which Torbay Council and Plymouth City Council would continue as unitary authorities with expanded boundaries.

The councils in our Modified Proposal include:

- A new unitary council for Exeter and the surrounding area
- A unitary council for Plymouth on an expanded boundary
- A unitary council for Torbay on an expanded boundary
- A new unitary council for Devon Coast and Countryside Council

## Populations<sup>1</sup>:

- Plymouth population: 300,727 (24%)
- Torbay population: 220,205 (18%)
- Exeter population: 256,422 (21%)
- Devon population: 445,226 (37%)

## Option One: Appraisal against six criteria

Government Criteria	4 Unitaries (Modified Case)	Rationale
1.Single tier of local government	High	Creates a single tier of local government in Devon, removing the existing two-tier arrangements. Reflects the true nature of place. Aligns with functional economic areas and housing market areas reflecting the true nature of Devon enabling the planning, investment and infrastructure decisions to be made coherently across the wider area.
2.Right size and financial resilience	High	The expansion of Plymouth, Torbay and Exeter provides the planning capacity for sustainable growth - critically absent in the Base Case- unlocking the regions potential. Reduction of the number of councils from 11 to 4 delivers efficiency savings through the rationalisation of senior roles and governance and consolidation of systems and estates. Delivering essential services on specific needs of urban and rural communities creates opportunities to address higher unit costs in the current county area. Tax base of each authority is sustainable and large enough to resist financial shocks. Creates nationally significant, growth orientated unitary councils with balanced populations.

<sup>1</sup> Populations calculated using Mid-2022 ONS Output Area level data

3.High quality & sustainable public services	High	<p>Creates a coherent service geography for school admissions, transport, skills, and social care.</p> <p>Maximises opportunities for growth and simplifies residents' access to services.</p> <p>Establishment of single tier local government removes duplication and confusion of service delivery.</p> <p>Maximises opportunities to maintain service continuity especially in the areas of SEND and children and adults' social care yet also offers a catalyst for much needed change.</p> <p>Creates opportunity to design services around the specific needs of urban and rural populations</p> <p>Creates coherent service geography based on a new localised, place-based model in either urban or rural areas.</p> <p>Reduces administrative duplication. Provides significant service transformation opportunities.</p> <p>Enables strategic planning to be better coordinated within the Mayoral Strategic Authority.</p> <p>Energises strategic relationships with NHS</p>
4.Collaboration and responsiveness	High	<p>A Four Unitary Model is supported by two existing unitary authorities and Exeter City Council.</p> <p>Provides for recognised and legally coherent administrative boundaries which reflect settlement patterns and functional economic relationships</p> <p>Extensions based on building blocks of Parish and Town Councils.</p> <p>Builds on existing good partnerships and relationships with the voluntary, community and social enterprise sector, business and the wider public sector.</p>
5.Supports devolution	High	<p>Creates a group of balanced constituent authorities to link into a Mayoral Strategic Authority, allowing retained expertise to support a regional Strategy. There would be equality of population size ratios between constituent authorities of the new Mayoral Strategic Authority.</p>
6.Community engagement and neighbourhood empowerment	High	<p>Responds to extensive stakeholder feedback. New neighbourhood governance arrangements to be developed.</p> <p>Maintains a foundation of existing governance arrangements in each of the unitary authorities enabling a transition to the new arrangements set out in the English Devolution and Community Empowerment Bill being enacted.</p> <p>Enables a Local Government Boundary Commission review of ward boundaries to be undertaken after Vesting Day.</p> <p>Protects existing parish and town council arrangements.</p> <p>Enables existing partnerships to form the basis of Neighbourhood Networks, ensuring further community empowerment.</p>

## Criteria 1: Single tier of local government for the area

	Devon	Plymouth	Torbay	Exeter	Range
Population	445,226	300,727	220,205	256,422	
Projected population growth to 2040	114%	105%	110%	114%	
Council Tax band D average	2,014	1,965	1,983	2,001	
Council Tax band D maximum	2,071	1,998	2,004	2,040	
Council Tax base	182,395	90,449	82,356	88,493	
Council Tax Base per unit of population	2.44	3.32	2.67	2.90	0.79
Council Tax income per unit of population	825	591	742	690	234

## Criteria 2: Right size to achieve efficiencies, improve capacity & withstand financial shocks.

	Devon	Plymouth	Torbay	Exeter	Range
Grant funding per unit of population	323	544	528	562	239
Non-earmarked reserves	9.625m	-59.326m	8.363m	9.159m	-68.951m
Non-earmarked reserves per unit of population	22	-197	38	36	-235.25
Ratio of financing costs to net revenue	4%	7%	8%	6%	4%
Total funding/resources 26/7 per head	1,275.76	1,242.54	1,404.24	1,314.72	161.70
Estimated savings from people services (Newton model)	£38.17				
RAG ranking of potential set up costs					

## Summary Assessment

This is the preferred option as it meets all Government criteria. It establishes four balanced and financially resilient authorities with populations ranging from approx. 220,000 to 450,000. The structure respects community identities, creates a clear distinction between urban and rural areas, and enables strategic capacity for growth and devolution.

The configuration succeeds because:

- Plymouth gains strategic capacity with a population of 300,727 while maintaining its urban character.
- An expanded Torbay solidifies financial sustainability through a 67% increase in its tax base.
- An expanded Exeter can accommodate city-region growth with a balanced urban and suburban character.
- Devon Coast and Countryside will be a viable authority scaled appropriately for effective rural service delivery.

## An Extended Plymouth

### Key Statistics

Under this option, the Plymouth authority would have a population of approx. 300,000 across an expanded area of 358.7 km<sup>2</sup>, resulting in a new population density of approx. 830 people per square kilometre. Its responsibilities would cover a council tax base of 90,449 Band D equivalent properties and a road network of 1,800 km.

Compared to the Base Case, this represents a significant change in scale with a population increase of approx. 30,000 (+12.4%); a geographical increase of 278.8 km<sup>2</sup> (+349%). There would be an increase of 13,891 Band D equivalent properties (+18.15%) and a population density decrease from 3,311 to 830 people/km<sup>2</sup>

## Demographic Profile

Children (0-15 years)	17.3%
Working age (16-64 years)	63.5%
Older people (65+ years)	19.2%
Home ownership rate	59.5%

Under this option, Plymouth maintains its young demographic profile. The proportion of children remains stable at 17.3%, and the working-age population is strong at 63.5%. Although the older population (19.2%) and home ownership (59.5%) increase slightly due to the new extension areas, these figures remain well below those of neighbouring authorities. The key outcome is that this expansion adds valuable capacity without changing Plymouth's core character as a young, working-age city.

## Indices of Deprivation

Domain	Decile
Index of Multiple Deprivation (IMD)	4
Income Deprivation	5
Employment Deprivation	4
Education, Skills and Training	5
Health Deprivation and Disability	3
Crime	6
Barriers to Housing and Services	6
Living Environment	5
Income Deprivation Affecting Children (IDACI)	5
Income Deprivation Affecting Older People (IDAOP)	5

*Where 1 equals most deprived 10% of Lower Super Output Areas, 10 equals least deprived 10%*

Key challenges persist, health deprivation remains high at decile 3, requiring a continued focus on inequalities. While child poverty improves marginally (from IDACI 4 to 5), the level of need is still substantial. The crucial advantage of this model is that the enhanced population and tax base provide greater capacity to address these long-standing issues.

## Service Implications

A population increase from 270,000 to over 300,000 expands the authority's service base while maintaining its core deprivation profile (IMD decile 4, IDACI decile 5). This larger population also strengthens the workforce, improving capacity to deliver specialist services tailored to the area's needs.

Although the proportion of residents aged 65 and over increases slightly (from 18.5% to 19.2%), the authority's larger scale is a key advantage. It enables better commissioning of services and more effective planning for specialist provision across the entire area.

Health deprivation of decile 3 indicates a clear need for focused intervention. The expanded authority is better positioned to address this by supporting integrated health improvement programmes and coordinating with NHS partners for the combined population.

More broadly, the larger population base enables more effective strategic planning. This supports a coordinated approach to the functional housing market, employment, skills development, and infrastructure across the combined geography.

## Financial Analysis

The expansion further improves Plymouth's financial sustainability. The increase in tax base to provides enhanced revenue capacity whilst spreading fixed costs across a larger population. One-off transition investment of £4.9 million generates over £6 million in annual benefits, representing excellent value for money. Enhanced financial resilience enables the authority to withstand demographic shocks, invest in preventative services, and fund strategic infrastructure necessary to accommodate defence sector growth and housing delivery.

## Critical Assessment

This option addresses Plymouth's fundamental constraint by providing geographic space and financial capacity necessary for sustainable long-term service delivery. The expansion into the Plymouth Growth Area aligns with functional economic relationships and creates a coherent authority capable of fulfilling its role as the region's principal city.

## An Expanded Torbay

### Key Statistics

The proposed expanded Torbay authority would have a population of approx. 220,000 across an area of 263.2 square kilometres, resulting in a new population density of approx. 835 people per square kilometre. This new authority would be responsible for a council tax base of 82,356, Band D equivalent properties and a 1,526-kilometre road network.

Compared to the Base Case, this new option represents a significant expansion in scale and resources for Torbay. The population increases by 80,329 (a 57.7% growth), while the tax base grows by 133,101 Band D equivalent properties (a 67.2% increase). The authority's land area expands by 200.3 square kilometres (318%), which reduces the overall population density by 62%. Compared to the Base Case, this new option represents a significant expansion in scale and resources for Torbay.

### Demographic Profile

Children (0-15 years)	16%
Working age (16-64 years)	57.5%
Older people (65+ years)	26.5%
Home ownership rate	66.8%

The expanded Torbay proposal maintains the area's essential coastal character. The age profile remains very similar to the Base Case, with only slight improvements in home ownership and professional employment that reflect the inclusion of the extension areas.

While the older population remains substantial at 26.5%, creating significant demand for adult social care, the 62% increase in the tax base provides the enhanced financial capacity required to meet these challenges effectively.

### Indices of Deprivation

Domain	Decile
Index of Multiple Deprivation (IMD)	5
Income Deprivation	4
Employment Deprivation	4
Education, Skills and Training	5
Health Deprivation and Disability	5
Crime	7
Barriers to Housing and Services	6



Living Environment	6
Income Deprivation Affecting Children (IDACI)	5
Income Deprivation Affecting Older People (IDAOPI)	5

Where 1 equals most deprived 10% of Lower Super Output Areas, 10 equals least deprived 10%

Torbay's deprivation profile improves across most domains. Most notable gains are in health (decile 3 to 5) and employment (decile 3 to 4). Whilst overall deprivation improves to IMD decile 5, significant needs remain. Crucially, the 62% tax base increase provides enhanced financial capacity to address these remaining challenges effectively.

### Service Implications

The expanded authority maintains and enhances Torbay's proven service delivery model. The larger scale provides resources to sustain innovative approaches to integrated care and children's services whilst building resilience against demographic pressures of an ageing coastal community.

### Financial Analysis

The 62% increase in tax base transforms Torbay's financial sustainability. Enhanced revenue capacity enables sustained investment in preventative services and integrated care partnerships without requiring unsustainable efficiency gains. The authority gains financial resilience necessary to manage demographic challenges of an ageing population whilst maintaining service quality.

### Critical Assessment

This option provides Torbay with the financial capacity and geographic scope necessary to sustain its proven service delivery model long-term. The expansion addresses the fundamental mismatch between service demands and available resources in the Base Case.

### Expanded Exeter

#### Key Statistics

The proposed expanded Exeter authority would have a population of approx. 260,000 across a significantly larger area of 605.6 square kilometres, resulting in a new, much lower population density of approx. 411 people per square kilometre. The authority would be responsible for a council tax base of 88,439 Band D equivalent properties and a road network of 2,351 kilometres.

Compared to the Base Case, this represents a transformation in scale for Exeter. The population grows by approx. 90%, while the council tax base more than doubles. The most dramatic change is the geographic expansion of 1,188%, which adds 558.6 square kilometres to the authority's area.

#### Demographic Profile

Children (0-15 years)	15.7%
Working age (16-64 years)	63%
Older people (65+ years)	21.4%
Home ownership rate	63.8%
Professional and Managerial occupations	33.8%

An expanded Exeter Unitary Council creates a balanced city-region authority by blending the young university city core with its surrounding suburban and rural areas. This expansion broadens the demographic profile to include more families and older residents, all while maintaining the city's strong professional employment base. A key result of incorporating these

surrounding communities is a substantial increase in the home ownership rate, which rises from 57.2% to 63.8%.

Indices of Deprivation	
Domain	Decile
Index of Multiple Deprivation (IMD)	7
Income Deprivation	7
Employment Deprivation	6
Education, Skills and Training	6
Health Deprivation and Disability	7
Crime	8
Barriers to Housing and Services	7
Living Environment	5
Income Deprivation Affecting Children (IDACI)	7
Income Deprivation Affecting Older People (IDAOPI)	6

*Where 1 equals most deprived 10% of Lower Super Output Areas, 10 equals least deprived 10%*

By incorporating extension areas that complement the university city character, Expanded Exeter maintains a low deprivation profile.

### Service Implications

The expanded authority gains capacity to deliver specialist services at appropriate scale. Strategic planning capacity for housing growth, employment sites, and transport infrastructure aligns with city-region needs. The authority can fulfil its role as Devon's capital with services matching its regional status.

### Financial Analysis

The transformation is dramatic. The tax base more than doubles, providing financial resources commensurate with Exeter's regional capital status. The increase in geographic area provides access to growth areas and commuter zones that expand the tax base. This creates capacity for strategic infrastructure investment, coherent transport planning, and effective housing delivery.

### Critical Assessment

This option addresses Exeter's most severe spatial constraint. The expansion provides planning capacity to accommodate city-region growth whilst maintaining the knowledge-economy character. The expanded authority gains resources and space to fulfil its role as Devon's capital without compromising service quality or democratic accountability.

## Devon Coast and Countryside

### Key Statistics

The proposed Devon Coast and Countryside authority would have a population of approximately 450,000 distributed across a vast area of 5,486.0 square kilometres. This option results in a very low population density of approx. 82 people per square kilometre. The new authority would be responsible for a council tax base of 182,395 Band D equivalent properties.

This new entity is formed from the Baseline Proposal for Devon by transferring its urban/suburban areas to other authorities. As a result, its population decreases by 231,414 (a 34.0% reduction) and its tax base is reduced by 95,580 Band D equivalent properties (a 34.3% reduction). While the land area also decreases, the reduction is smaller at 15.9%, making the new authority more consistently rural with its lower population density.

## Demographic Profile

Children (0-15 years)	15.8%
Working age (16-64 years)	56.0%
Older people (65+ years)	28.3%
Home ownership rate	69.5%

The removal of urban areas from the Base Case creates the Devon Coast and Countryside authority, which is a more consistently rural entity. The authority now has the oldest population, with 28.3% of residents aged over 65, and the highest rate of home ownership at 69.5%.

## Indices of Deprivation

Domain	Decile
Index of Multiple Deprivation (IMD)	6
Income Deprivation	6
Employment Deprivation	6
Education, Skills and Training	6
Health Deprivation and Disability	7
Crime	9
Barriers to Housing and Services	5
Living Environment	4
Income Deprivation Affecting Children (IDACI)	6
Income Deprivation Affecting Older People (IDAOPI)	7

Where 1 equals most deprived 10% of Lower Super Output Areas, 10 equals least deprived 10%

The 'Devon Coast and Countryside' authority has a moderate overall deprivation level (IMD decile 6). This score, however, reflects specific rural challenges, particularly in barriers to housing and services (decile 5) and the living environment (decile 4).

## Service Implications

The focused rural authority can concentrate entirely on distinct challenges of dispersed service delivery, rural poverty, connectivity, and ageing demographics without managing dense urban cores with fundamentally different needs.

## Financial Analysis

The 34% reduction in population and tax base creates a more coherent rural authority. Whilst resources decrease, the authority maintains appropriate scale for financial resilience and specialist services. The more consistently rural character enables focused investment in rural service delivery models without competing urban priorities.

## Critical Assessment

This option achieves appropriate scale for rural governance: large enough for financial resilience and specialist services but coherent enough for genuine local accountability and tailored service models.

# Options Appraisals (alternative options)

## Option Assessment Methodology

In addition to the detailed appraisal of our preferred option we have undertaken assessment of options being considered by other Councils in Devon. We have used both qualitative and quantitative approaches to consider their compliance with Government's six criteria.

1. Single tier of local government for the area
2. Right size to achieve efficiencies, improve capacity & withstand financial shocks
3. Prioritise the delivery of high quality and sustainable public services to citizens
4. Councils in the area have sought to work together in coming to a view that meets local needs & is informed by local views
5. Must support devolution
6. Enable stronger community to engagement and deliver genuine opportunity for neighbourhood empowerment.

The table below provides a summary of the overall option appraisals supporting our preferred option of the Modified Proposal for four unitaries in which Torbay Council and Plymouth City Council would continue as unitary authorities on expanded boundaries. A new expanded Exeter Council would be formed to serve an expanded Exeter area, and the rest of Devon would be served by a new Devon Coast and Countryside council.

Government Criteria	Our Modified proposal	'New Devon'	'1-4-5'
	Four unitary councils	Three unitary councils	Three unitary councils
Single tier of local government	High	Medium	Medium
Right size and financial resilience	High	Low	Low
High quality & sustainable public services	High	Medium	Low
Collaboration and responsiveness	High	Low	Low
Supports devolution	High	Low	Low
Community engagement and neighbourhood empowerment	High	Medium	Low

In assessing against criteria 1 and 2 we have used a financial appraisal based on the following indicators:

#### **Criteria 1. Establishing a single tier of local government**

- Projected population growth to 2040
- Council Tax band D average
- Council Tax band D maximum
- Council Tax base
- Council Tax Base per unit of population
- Council Tax income per unit of population
- Business rates per unit of population

#### **Criteria 2. Efficiency, capacity and withstanding financial shocks**

- Grant funding per unit of population
- Non-earmarked reserves
- Non-earmarked reserves per unit of population
- Ratio of financing costs to net revenue

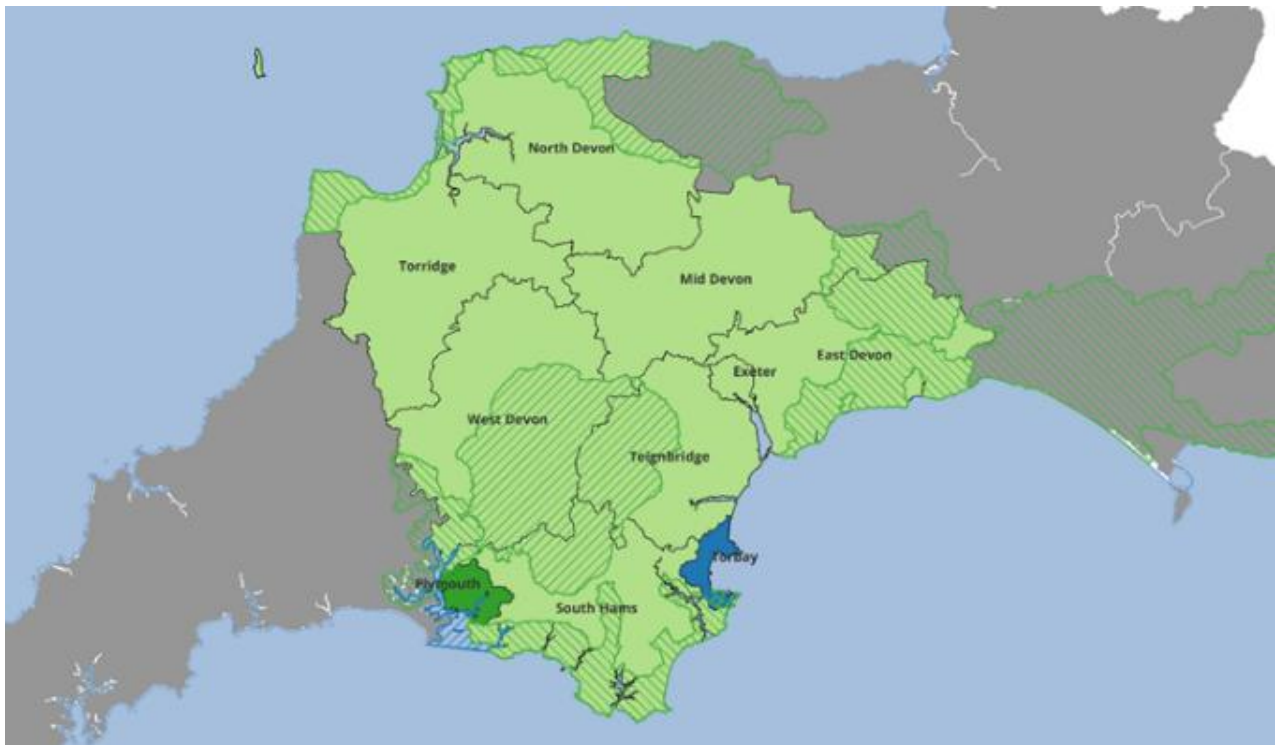
- Total funding/resources 26/7 per head
- Estimated savings from people services (Newton model)
- RAG ranking of potential set up costs

As the Government's criteria has no weighting, we have scored each option against the six criteria and Exeter's principles using the following scale:

- Low – the option meets very few or none of the criteria's requirements (Red)
- Medium – the option meets some of the requirements of the criteria (Amber)
- High – the option meets most or all the requirements of the criteria (Green)

In the following sections we set out our options appraisal for local government reorganisation in Devon, assessing the strengths and weaknesses of the other known proposals for Devon.

## Option Two: Three Unitaries (New Devon)



Key:

Continuing Plymouth Unitary on existing boundaries (Dark Green)

Continuing Torbay Unitary on existing boundaries (Blue)

New unitary for rest of Devon Unitary (Light Green)

National Park and Areas of Outstanding Natural Beauty (Green Hatch)

National Marine Park (Blue Hatch)

The councils in this proposal include:

- Plymouth City Council as a continuing authority
- Torbay Council as a continuing authority
- A new unitary authority for the rest of Devon.

Populations:<sup>2</sup>

- Plymouth population: 272,067 (22%)
- Torbay population: 140,126 (11%)
- Devon population: 842,313 (67%)

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<sup>2</sup> Based on ONS Mid-2024 Populations: Source Devon Data Room

## Option Two: Appraisal against six criteria

Government Criteria	'New Devon' Three unitary councils	Rationale
1. Single tier of local government	Medium	Creates three legally recognised unitary authorities, removing the two-tier structure. There is extreme size variation (6:1 ratio) which undermines equality between authorities and creates an imbalanced foundation for partnership working
2. Right size and financial resilience	Low	This option creates a significant imbalance across the three councils around Council Tax and Business rates with high variances for the rates per head of population. This imbalance in population and tax base sizes raises serious concerns about the overall size of the Devon unitary. Estimates of 2040 population also suggests imbalance and a very low growth rate for Plymouth, suggesting financial challenges due to low Council Tax base. Whilst slightly better, Torbay's projected growth is also a cause for concern on its existing boundary.
3. High quality & sustainable public services	Medium	Current service delivery models across the existing unitaries and Devon County would remain. Extreme size variation makes collaboration and standardisation very difficult. Urban needs in Exeter and surrounding areas may become marginalised as rural issues dominate.
4. Collaboration and responsiveness	Low	This option is supported by only one local authority. Devon's dominance risks marginalising Plymouth and Torbay in partnership working. Integrated Care System, police, fire and devolution arrangements all face challenges from size imbalances. It is of concern that Exeter loses its profile as the region's fastest growing city.
5. Supports devolution	Low	Creates unequal partners for devolution, with Devon dominating at 66.8% of population. Plymouth cannot represent its functional economic area. Exeter becomes marginalised as it is subsumed in a large disparate rural unity losing the voice of the city at strategic level Difficult foundation for balanced Mayoral Authority or combined authority arrangements.
6. Community engagement and neighbourhood empowerment	Medium	Uses established principal authority boundaries with clear democratic legitimacy. However, Devon's scale (811,000) risks weakening local democratic connection. Residents in large rural wards may feel distant from decision-making. Residents in Exeter may feel disengaged and marginalised.

## Criteria 1: Single tier of local government for the area

Overall Score				
	Devon	Plymouth	Torbay	Range
Population	842,313	272,067	140,126	
Projected population growth to 2040	114%	104%	106%	
Council Tax band D average	2,405	2,325	2,340	
Council Tax band D maximum	2,471	2,325	2,340	
Council Tax base	319,445	76,557	49,254	
Council Tax Base per unit of population	2.64	3.55	2.84	0.92
Council Tax income per unit of population	808	580	726	-229
Business rates per unit of population	193	245	261	69

This option maintains administrative clarity through established boundaries but does not fully create the foundation for optimised strategic growth or balanced regional partnership. This option creates three unitary authorities of significantly different scales, which presents challenges for balanced regional governance and strategic coordination.

Whilst each authority can deliver core services within their existing boundaries, the arrangement does not optimise the opportunities for strategic growth, partnership working, or balanced devolution. The arrangement faces challenges in supporting:

- Strategic growth planning across functional economic areas.
- Balanced partnership working between authorities of different scales.
- Effective coordination of regional priorities.

Extreme imbalance in geographic size (Torbay at 63 sq. km, Plymouth at 80 sq. km and Devon at 6,627 sq. km) with the new Devon Unitary Council being much larger than housing market and travel to work areas. The geographic scale of a new Devon Unitary Council creates risks with a lack of connectivity across the area.

## Criteria 2: Right size to achieve efficiencies, improve capacity & withstand financial shocks.

Overall Score				
	Devon	Plymouth	Torbay	Range
Grant funding per unit of population	270	452	514	244
Non-earmarked reserves	21.560m	-60.138m	6.4m	-81.698
Non-earmarked reserves per unit of population	26	-221	46	-246.54
Ratio of financing costs to net revenue	4%	8%	9%	5%
Total funding/resources 26/7 per head	1,277.76	1,260.82	1,501.36	240.54
Estimated savings from people services (Newton model)	£42.16m			
RAG ranking of potential set up costs				

This option creates a significant imbalance across the 3 councils around Council Tax and Business rates with high variances for the rates per head of population. There is also imbalance in population and tax base sizes raising serious concerns about the overall size of the Devon unitary. Estimates of 2040 population also suggests imbalance and a very low growth rate for Plymouth, suggesting financial challenges due to low Council Tax base. Whilst slightly better, Torbay's projected growth is also a cause for concern on its existing boundary.



There is considerable variation in the population distribution. Devon (811,000) would be considerably larger than both Torbay (140,000) and Plymouth (270,000), which creates complexity in establishing balanced partnership arrangements and devolution structures that give each authority appropriate influence in strategic decision-making.

Torbay council would be below 200,000 population, though many authorities across England successfully deliver services at this scale. Plymouth's existing boundaries limit opportunities for strategic planning across its wider economic area. Devon would become one of the larger unitary authorities in England, creating some challenges around maintaining local connection across its extensive geography.

Maintaining Plymouth council on its existing boundaries means that the council will continue to struggle with a weak Council Tax base and limited opportunity to grow. Estimates of 2040 population suggests the very low growth rate for Plymouth continues, despite a small expansion -suggesting financial challenges due to low Council Tax (CT) Base will get worse over time. This also presents itself in the low CT income per head for Plymouth and large imbalance across the Unitaries.

There is a large imbalance in reserves and funding per head, placing continuing challenges on the viability of Plymouth, without any expansion. It also presents a large variance and imbalance in the rate of grant funding per head. The financial viability assessment for Plymouth on existing boundaries shows a small, negative gap between funding and expenditure, when considering the new funding formula.

Viability challenges are demonstrated for Plymouth on its existing boundaries based on the current financial position and proposing the continuation of this will do nothing to address those risks in the future.

The Newton model suggests a high level of potential savings is possible. Transition costs are expected to be high driven by higher redundancy costs but fall only on the 'New Devon' Council as both Plymouth and Torbay would continue unchanged as existing unitaries.

### **Criteria 3: Prioritise the delivery of high quality & sustainable public services to citizens.**

This option maintains the groundbreaking Integrated Care Organisation which currently delivers joined up health and social care to the residents of Torbay, including the community support model which supports residents without the need for statutory services.

All three areas face age-related pressures but with Plymouth and Torbay on sharper trajectories; this option enables localised support dependant on need. However, Children's services and adult social care would not need to be disaggregated in Plymouth or Torbay.

The proposed model preserves accountability for local performance variations, especially in relation to children's services, however this model maintains the status quo for children's services in Devon losing the opportunity for a reorganisation to provide a much-needed catalyst for change and a renewed focus on improving children's services and services for children and young people with SEND. Enables joint commissioning where appropriate, including for market-shaping, but preserves clear local accountability for managing costs.

It also preserves visibility of different workforce issues and needs profiles, enabling the adoption of tailored improvement strategies for Torbay and Plymouth but lumps the very

different needs of Exeter in with a large rural area where, like now in the two-tier system, they are more likely to get overlooked.

Services over such a large geography within the new Devon Unitary Council risk continuing as now with higher costs and wide variation in outcomes between rural and urban areas: new services delivery models will have to be carefully and sensitively created, otherwise they would not be relatable to need or place. It will continue to be, as now, extremely difficult to undertake effective co-production across a bigger geographic area, making it more difficult to have effective service design.

The impact of combining authorities with and without Housing Revenue Accounts and very different homeless need profiles into a new Devon Unitary Council would need to be considered carefully, amalgamating the capital city of Exeter into a massive rural unitary will inevitably diminish attention of the very specific needs of its younger population.

**Criteria 4: Councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views**

Within Devon, there have been good examples of the district councils working positively with the County Council, for example during the pandemic. On LGR, councils across Devon, including Plymouth and Torbay have made good efforts to work together, agreeing a share data in a Hub hosted by Plymouth City Council, agreeing some joint questions as part of residents surveys to allow comparisons and agreeing to support the development of a Mayoral Strategic Authority (MSA) and agreeing the distribution of the funds allocated by MHCLG to local government re-organisation.

It has however not proven possible for all councils to contribute to the development of all the proposals going forward although various councils have coalesced around particular proposals. Each council has kept the other councils informed on developments in their proposals particularly in respect of the geography contained within proposals.

New Devon Unitary Council blends urban, rural and coastal communities which could reflect the pan-Devon sense of belonging; however this scale of place is not reflective of the insights from the extensive public engagement work undertaken across Devon and in particular in Exeter and the surrounding area where residents identify Exeter as “their place”: the city is where people look to for work, access to services, education, employment and leisure.

Plymouth and Torbay retain their strong urban identity, including the identities of Britain’s Ocean City and the English Riviera. Exeter’s vital position as the capital city of Devon and one of the fastest growing cities in the UK, is demoted in this proposal in which it is described as a “town”. This raises significant concerns about the future potential of the city being eviscerated in this option. Plymouth and Torbay’s standalone status aligns with existing arrangements in health and policing and reflects Plymouth’s distinct Travel to Work Area yet, concerning this option ignores Exeter’s even more extensive and distinct Travel to Work Area as significant enough to preserve its unique city identity.

A new Devon Unitary Council does not fit well with people’s local sense of identity and their connection to their local town and community. A Devon-wide unitary includes multiple Travel to Work Areas, which may dilute alignment with specific commuting patterns.

**Criteria 5: Must support devolution**

All existing Leaders of the Devon Authorities are in favour of pursuing a MSA for the whole of Devon. It would be relatively straightforward for the existing DTCCA to be transferred into a

Devon Combined Authority with the new Devon Unitary Council and Torbay Council already being constituent members.

This option would enable such an Authority on a whole county footprint, including Plymouth City Council. Torbay would maintain its voice, but Exeter will totally lose its strategic voice which seems anomalous. There would be considerable inequality of population size ratios between constituent authorities of any new Mayoral Strategic Authority.

If the Devon Combined Authority wishes to remain as a Foundation Strategic Authority and Plymouth City Council does not wish to join (as per the option with the CCA's Constitution), Plymouth City Council would become a "devolution island".

### **Criteria 6: Enable stronger community to engagement & deliver genuine opportunity for neighbourhood empowerment**

In this option Torbay Council and Plymouth Councils' existing networks of Community Partnerships remain they could form the basis of Neighbourhood Area committees to better represent local voices.

Communities in Plymouth and Torbay would maintain closer access to local councillors and the democratic process these compact unitaries could sustain local voice and alignment with residents' needs. However, there is considerable potential for democratic deficit in the new Devon Unitary Council due to large geographic spread, with the potential to struggle to deliver meaningful local engagement over very diverse areas due to scale. It will be more difficult for communities to have access to their local councillors and the democratic process in a new Devon Unitary Council due to poor connectivity in a large geographic area. The new Devon Unitary Council would be further away from communities and would need to mitigate this through new model of neighbourhood governance.

Complexity and scale within the new Devon Council risk weakening neighbourhood empowerment and accountability which is of particular concern in Exeter which is currently unparished and may also lose its voice entirely within the context of a mega scale rural unitary area where urban issues will be lost (as now in the two-tier system) as they compete on an uneven playing field with rural constituencies.

Communities in Exeter, Paignton and Torquay are not currently served by parish councils which could lead to disparity of representation and services: consideration will need to be given to Community Governance Reviews

### **Impact on Plymouth**

#### **Key Statistics**

Plymouth is a densely populated urban authority. It accommodates 270,000 people within a compact 79.9 km<sup>2</sup> area, resulting in a population density of 3,311 people per square kilometre. The council's responsibilities include managing a 1,046 km road network and a tax base of 76,557 Band D equivalent properties.

#### **Demographic Profile**

Children (0-15 years)	17.4%
Working age (16-64 years)	64.1%
Older people (65+ years)	18.5%
Home ownership rate	57.7%
Social Rented	20.5%
Private Rented	21.8%

Compared to Torbay and Devon, Plymouth has a younger age profile, with a higher proportion of both children (17.4%) and working-age residents (64.1%). The city's lower home ownership rate of 57.7% is characteristic of its urban housing market. At 3,311 people per square kilometre, Plymouth has the highest population density of any authority considered in this option, a direct result of its compact geography being constrained by administrative boundaries. This small area of just 79.9 km<sup>2</sup> constrains spatial planning capacity and limits the tax base available to fund regional strategic development.

## Indices of Deprivation

Domain	Decile
Index of Multiple Deprivation (IMD)	4
Income Deprivation	5
Employment Deprivation	4
Education, Skills and Training	5
Health Deprivation and Disability	3
Crime	6
Barriers to Housing and Services	6
Living Environment	5
Income Deprivation Affecting Children (IDACI)	4
Income Deprivation Affecting Older People (IDAOPI)	5

*Where 1 equals most deprived 10% of Lower Super Output Areas, 10 equals least deprived 10%*

Plymouth experiences significant overall deprivation (IMD decile 4), with acute challenges in both health (decile 3) and children's income deprivation (decile 4). In fact, its level of health deprivation is the most severe of any authority considered in this option. Addressing these needs effectively is made more difficult by the city's limited tax base and constrained population.

## Service Implications

The city's compact urban geography enables efficient service delivery through established structures and consistent models. While the authority operates with known capacity, its small scale is a major disadvantage, and the limited tax base severely restricts investment. This lack of resources is compounded by substantial service pressures, which are driven by high levels of health deprivation (decile 3) and child poverty (IDACI decile 4). The city's scale also makes it difficult to maintain a full specialist workforce, further limiting its ability to respond. These pressures are felt across numerous key services. Children's services face high demand from child poverty, and adult social care must manage health deprivation alongside an ageing population. At the same time, SEND provision operates at a constrained scale, public health teams must address deep health inequalities, and housing services are forced to manage intense urban pressures. Ultimately, the city's small geographic area of 79.9 km<sup>2</sup> prevents strategic growth and leaves it vulnerable to demographic and financial shocks.

## Financial Analysis

Plymouth's financial position is characterised by structural constraints. The tax base of 76,557 Band D equivalent properties serving 270,000 people must support higher than average service demands. The combination of health deprivation, child poverty, and compact urban geography creates service cost pressures that cannot be offset through economies of scale. The constrained boundary prevents access to growth areas that could expand the tax base, creating long-term sustainability concerns.

## Critical Assessment

The small geographic area of 79.9 square kilometres prevents strategic growth and leaves Plymouth vulnerable to demographic and financial shocks. This option fails to address the city's fundamental requirement for expansion into its functional economic area.

## Impact on Torbay

### Key Statistics

Torbay is a compact authority with a population of approx. 139,000 living within a 62.9 km<sup>2</sup> area, giving it a high population density of 2,215 people per square kilometre. The council is responsible for a 651 km road network and a tax base of 49,254 Band D equivalent properties.

### Demographic Profile

Children (0-15 years)	16.0%
Working age (16-64 years)	57.3%
Older people (65+ years)	26.7%
Home ownership rate	64.0%
Social Rented	19.8%
Private Rented	16.2%

Torbay has the oldest age profile in this option, with over a quarter of its population (26.7%) aged 65 or over. This creates significant demand for adult social care and health services, a challenge compounded by a smaller working-age population (57.3%) that constrains economic capacity. The area's character as a coastal resort is also reflected in its moderate home ownership rate of 64.0%. The authority's population density of 2,215 people per km<sup>2</sup> is second only to Plymouth's. This density, combined with its small geographic footprint of 62.9 km<sup>2</sup>—the smallest in this arrangement—severely limits its capacity for growth and strategic development. These limitations are intensified by the natural constraints of the bay's geography.

### Indices of Deprivation

Domain	Decile
Index of Multiple Deprivation (IMD)	4
Income Deprivation	4
Employment Deprivation	3
Education, Skills and Training	4
Health Deprivation and Disability	3
Crime	6
Barriers to Housing and Services	6
Living Environment	6
Income Deprivation Affecting Children (IDACI)	4
Income Deprivation Affecting Older People (IDAOPI)	4

*Where 1 equals most deprived 10% of Lower Super Output Areas, 10 equals least deprived 10%*

Despite being the smallest authority in this option, with a population of approx. 139, 000 and a tax base of 49,254 Band D equivalent properties, Torbay manages disproportionately high service demands. These demands are driven by a challenging demographic profile. The authority has the oldest population (26.7% over 65) and faces significant deprivation related to health (decile 3), employment (decile 3), and poverty affecting both children (IDACI decile 4) and older people (IDAOPI decile 4).

### Service Implications

Torbay demonstrates remarkable capability, delivering high-quality outcomes through innovative strategies and strong partnerships. Key strengths include:

- Children's Services rated Good (only one in Devon area)
- Integrated partnership with NHS for health and social care
- Proactive approach to improving employment, health, and wellbeing

## Financial Analysis

Torbay's financial position reflects the challenges of operating at small scale with high service needs. The tax base of 49,254 Band D equivalent properties serving 139,000 people must support significant adult social care demands from an ageing population (26.7% over 65), alongside health and employment deprivation both at decile 3. The compact 62.9 square kilometre geography prevents expansion that could increase the tax base, whilst the coastal setting constrains development options.

## Critical Assessment

Whilst Torbay delivers high-quality outcomes through innovation, the authority's small scale creates long-term financial pressures. Sustainable delivery will require either enhanced resources or continued exceptional efficiency gains that may not be maintainable.

## Impact on Devon

### Key Statistics

Devon would be a large rural authority encompassing approximately 811,000 people across 6,569 km<sup>2</sup>, creating a population density of 124 people per square kilometre. The council would manage an extensive 24,556 km road network serving numerous towns, villages, and dispersed rural communities across Devon's varied landscape.

## Demographic Profile

Children (0-15 years)	15.80%
Working age (16-64 years)	58.4%
Older people (65+ years)	25.8%
Home ownership rate	68.2%
Social rented	11.5%
Private rented	19.0%

New Devon has a settled rural population with over a quarter of residents aged 65 or over. The working-age population supports both resident population and diverse rural economy spanning agriculture, tourism, market towns, and coastal communities. At 124 people per square kilometre, the population is much more dispersed than urban authorities. Communities range from substantial market towns to small villages and isolated farms.

## Indices of Deprivation

Domain	Decile
Index of Multiple Deprivation (IMD)	6
Income Deprivation	6
Employment Deprivation	6
Education, Skills and Training	6
Health Deprivation and Disability	7
Crime	8
Barriers to Housing and Services	6

Living Environment	5
Income Deprivation Affecting Children (IDACI)	6
Income Deprivation Affecting Older People (IDAOPI)	6

*Where 1 equals most deprived 10% of Lower Super Output Areas, 10 equals least deprived 10%*

New Devon encompasses both Exeter (with low deprivation at IMD decile 7) and rural areas (with moderate deprivation at IMD decile 6). This creates an authority with mixed deprivation profile where Exeter's urban needs and rural Devon's dispersed service challenges must be managed within a single structure.

### **Service Implications**

The primary challenge is managing fundamentally different service models within one authority. Exeter requires dense urban service delivery for a young, knowledge-economy population, whilst rural areas require dispersed delivery models for an ageing population across vast geography. The scale at 811,658 population may compromise local connection and democratic accountability.

### **Financial Analysis**

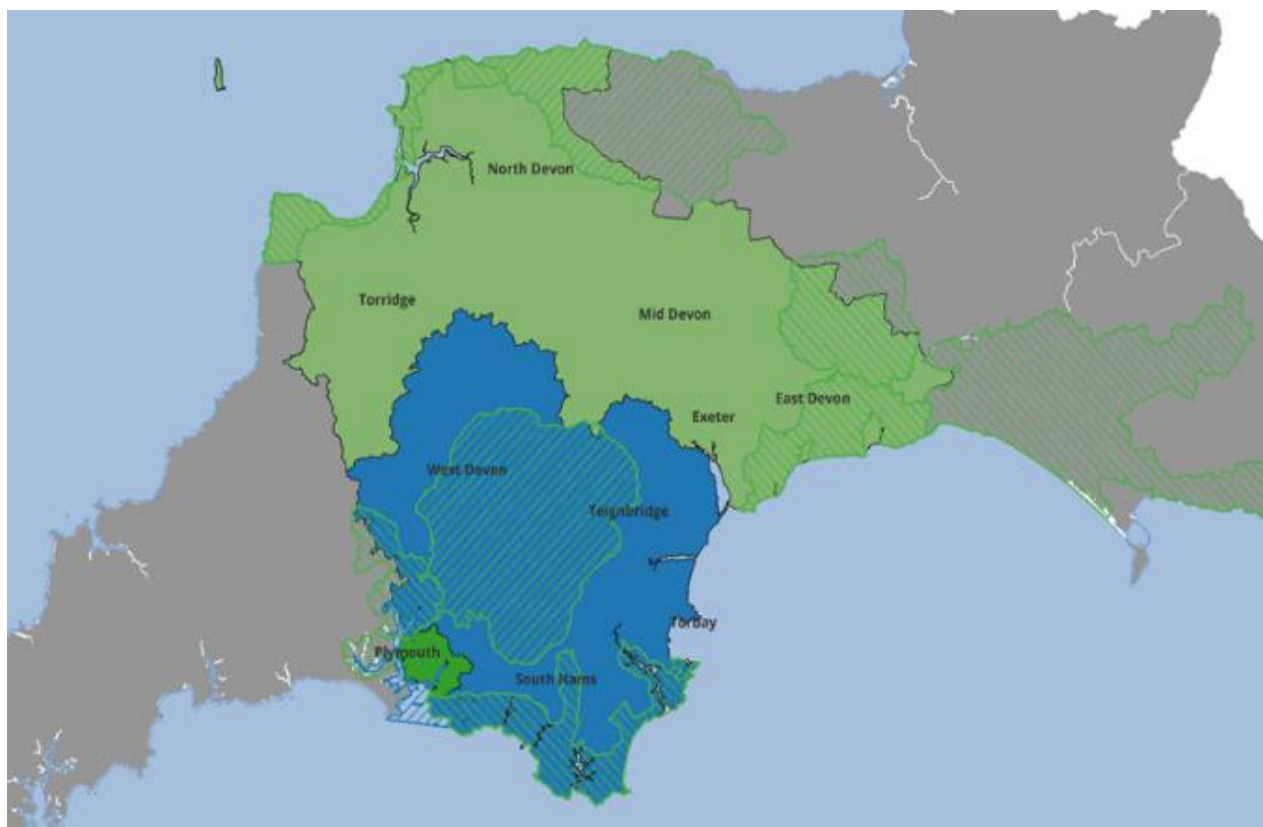
New Devon would be financially sustainable at this scale, with good capacity for strategic investment and service development. However, the key consideration is ensuring that extensive geography and dispersed population do not create inefficiencies that offset benefits of scale, and that partnership arrangements with Plymouth and Torbay enable balanced regional governance.

### **Critical Assessment**

This option creates a fundamental democratic deficit by submerging Exeter (Devon's capital and fastest-growing city) within a vast authority where the capital becomes a minority voice. Exeter's distinct growth challenges and urban service needs become subordinated to rural priorities, hindering the city's development and regional role.

There is considerable variation in the population distribution. Devon (811,000) would be considerably larger than both Torbay (140,000) and Plymouth (270,000), which creates complexity in establishing balanced partnership arrangements and devolution structures that give each authority appropriate influence in strategic decision-making.

### Option Three: Three Unitaries (District Grouping 1-4-5)



Key:

Continuing Plymouth Unitary on existing boundaries (Dark Green)

New Unitary for South Devon based on existing district boundaries (Blue)

New Unitary for North and East Devon based on existing boundaries (Light Green)

National Park and Areas of Outstanding Natural Beauty (Green Hatch)

National Marine Park (Blue Hatch)

The councils in this proposal include:

- Plymouth City Council as a continuing authority
- A new South Devon Unitary covering the areas of Torbay, South Hams, West Devon and Teignbridge
- A new North and East Devon Unitary covering the areas of Exeter, Torridge, Mid Devon, North Devon and East Devon.

Populations<sup>3</sup>:

- Plymouth population: 272,067 (22%)
- Southern population: 429,745 (34%)
- North & Eastern population: 552,694 (44%)

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<sup>3</sup> Based on ONS Mid-2024 Populations Data: Source Devon Data Room



### Option Three: Appraisal against six criteria

Government Criteria	'1-4-5' Three unitary councils	Rationale
1. Single tier of local government	Medium	Creates three legally recognised unitary authorities, removing the two-tier structure. There is extreme size variation (6:1 ratio) which undermines equality between authorities and creates an imbalanced foundation for partnership working
2. Right size and financial resilience	Low	This option creates an imbalance across the three councils around Council Tax and Business rates. The 2040 population estimates suggest imbalance and a very low growth rate for Plymouth, suggesting financial challenges due to low Council Tax base. Plymouth remains at a non-resilient size, and this failure is magnified by the creation of hugely advantaged neighbours with tax bases 117% and 160% or larger than Plymouth.
3. High quality & sustainable public services	Low	All service sustainability challenges of the Base Case remain for Plymouth, while the model allocates vastly superior resources to new, more affluent districts. Torbay would be likely to lose its pioneering partnership with the NHS. Extreme size variation makes collaboration and standardisation very difficult. The urban needs in Exeter and surrounding areas and Torbay may become marginalised as rural issues dominate
4. Collaboration and responsiveness	Low	This option is supported by 7 of the 8 districts authorities in Devon. Boundaries slice through existing urban extensions such as those surrounding Exeter and Plymouth, paying no regard to the functional relationships between communities in proximity. Torbay loses its identity and it is of concern that Exeter loses its profile as the region's fastest growing city
5. Supports devolution	Low	This model would create an even more imbalanced partnership for devolution than the New Devon option. Plymouth would be a minor partner, dwarfed by the two new super-districts creating unequal partners for devolution. Exeter becomes marginalised as it is subsumed in a rural authority losing the voice of the city at strategic level as does Torbay.
6. Community engagement and neighbourhood empowerment	Low	Uses established principal authority boundaries with clear democratic legitimacy. However, the creation of vast, artificial districts with no established structures or relationships" would fundamentally undermine meaningful community identity across the wider region. Residents in Exeter and Torbay may feel disengaged and marginalised

## Criteria 1: Single tier of local government for the area

Overall Score				
	Plymouth	South	North East	Range
<b>Population</b>	272,067	429,745	552,694	
Projected population growth to 2040	104%	111%	115%	
Council Tax band D average	2,359	2,400	2,396	
Council Tax band D maximum	2,392	2,471	2,433	
Council Tax base	82,499	162,440	200,317	
Council Tax Base per unit of population	3.30	2.65	2.76	0.65
Council Tax income per unit of population	599	822	772	223
Business rates per unit of population	243	218	191	52

The model adheres to the principle of creating single-tier authorities however it presents significant governance challenges as it fails to meet Government criteria. It creates unitary authorities based solely on old administrative boundaries, failing to reflect current functional economic relationships. The result is an imbalanced structure that favours rural areas, undermines Plymouth and Exeter's ability to fulfil their role as the region's principal city, and leaves Plymouth as the smallest and most constrained authority.

Whilst the population numbers of the proposed new unitary councils, together with the population of Plymouth, are close to the guiding principle of councils having a population of 500,000 or more: this option is fundamentally flawed as it fails to meet Government criteria. It creates artificial unitary authorities based solely on old boundaries, lacking any coherent rationale. The result is an imbalanced structure that favours rural areas, undermines Exeter's ability to fulfil its role as the region's capital city, and leaves Plymouth as the smallest and most constrained authority.

The evidence for this imbalance is stark. Plymouth remains unchanged with a population of 270,000 and an area of just 79.9 square kilometres. In contrast, the proposed South would have a population of approx. 420,000 across an area 35 times larger, while North East Council would have approx. 530,000 people across an area that is 48 times the size of Plymouth.

Whilst the areas covered by the proposed North-East Unitary Council already look to Exeter for work, education, public services and leisure, the geography is predominantly rural. This will impair the ability of the council to focus sufficiently on the specific needs of the city. Effectively this model will maintain the status quo of the existing two-tier system, rural issues will dominate, and this has the potential to limit the growth opportunities of Exeter.

It is difficult to see how this model responds to the stakeholder feedback which highlighted the importance of sense of place and identify particularly in relation to Torbay and Exeter, both critical places for economic growth who become subsumed into the wider rural areas.

## Criteria 2: Right size to achieve efficiencies, improve capacity & withstand financial shocks

Overall Score				
	Plymouth	South	North East	Range
Grant funding per unit of population	439	325	294	114
Non-earmarked reserves	-59,844,305	12,617,305	15,049,000	-74,893,305
Non-earmarked reserves per unit of population	-220	29	27	-249.32
Ratio of financing costs to net revenue	8%	5%	5%	3%
Total funding/resources 26/7 per head	1,242.54	1,320.86	1,401.11	158.57
Estimated savings from people services (Newton model)	£32.93m			
RAG ranking of potential set up costs				

Maintaining Plymouth council on its existing boundaries means that they will continue to struggle with a weak Council Tax base and limited opportunity to grow. Estimates of 2040 population suggests the very low growth rate for Plymouth continues, despite a small expansion - suggesting that financial challenges due to low Council Tax Base will get worse over time. This also presents itself in the low Council Tax income per head for Plymouth and large imbalance across the Unitaries. Viability challenges are demonstrated for Plymouth on its existing boundaries current financial position and proposing the continuation of this will do nothing to address those risks in the future.

The financial viability assessment for Plymouth on existing boundaries shows a small gap between funding and expenditure, when considering the new funding formula. Whilst the other two Council's demonstrate the scale to be both resilient and viable, it does not provide a complete solution for the whole of the Devon area.

Transition costs are estimated to be relatively high due to changes across all Councils including Torbay as an existing Unitary Authority. Although savings estimated remain at a reasonable level, they are the lowest of all models.

Balances local responsiveness with some economies of scale, with opportunities for ongoing service budget savings. There will be need for some upwards harmonisation of costs which present overall financial risks. The demography of the new Southern Unitary Council has an older, and ageing, population base which could lead to increased demand for adult social care and the associated costs

### **Criteria 3: Prioritise the delivery of high quality & sustainable public services to citizens.**

This option preserves accountability for local performance variations, especially in relation to children's services, in Plymouth. This option does provide a much-needed catalyst for change and a renewed focus on improving children's services and services for children and young people with SEND. It enables joint commissioning where appropriate, including for market-shaping, but preserves clear local accountability for managing costs. However, there would be challenges in disaggregating children's services and adult social care into the new Southern and Northern Unitary Councils, with the added challenge of also aggregating the existing children's services and adult social care of Torbay Council.

This option preserves visibility of different workforce issues and need profiles, enabling the adoption of tailored improvement for and Plymouth but lumps the very different needs of Torbay and Exeter in with large rural areas where, like now in the two-tier system, they are more likely to get overlooked.

This option allows for targeted approaches to different levels of income deprivation; regional variation to be visible while pooling resilience across sub-regions, including opportunities for regional commissioning.

The new Northern Devon Unitary Council would have a stronger, sustainable base within the adult social care market, with the market in Southern Devon more fragile, although a local focus could help tackle accessibility issues.

Services over a larger geography would have to be carefully and sensitively created, otherwise they would not be relatable to place. Both new unitary councils would need to develop delivery models which serve both rural and urban areas.

The creation of a Southern Unitary Council would likely see the end of the groundbreaking Integrated Care Organisation in Torbay which currently delivers joined up health and social care to the residents of Torbay, including the community support model which supports residents without the need for statutory services.

The impact of combining authorities with and without Housing Revenue Accounts and very different homeless need profiles would need to be considered carefully, amalgamating the capital city of Exeter into a rural unitary will inevitably diminish attention of the very specific needs of its younger population.

#### **Criteria 4: Councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views**

Within Devon, there have been good examples of the district councils working positively with the County Council, for example during the pandemic. On LGR, councils across Devon, including Plymouth and Torbay have made good efforts to work together, agreeing a share data in a Hub hosted by Plymouth City Council, agreeing some joint questions as part of residents surveys to allow comparisons and agreeing to support the development of a Mayoral Strategic Authority (MSA) and agreeing the distribution of the funds allocated by MHCLG to local government re-organisation.

The proposed North-East Unitary Council comprises, North Devon & Torridge with a shared coastal/rural identity, Mid Devon which includes rural and market towns. East Devon whilst rural also contains significant suburban housing growth linked to Exeter. The proposed Southern Unitary Council contains Dartmoor and a wide range of coastal communities with a diverse economy in marine, tourism, agriculture, and digital innovation. Northern and Southern unitaries reflect some existing service groupings, but Exeter's inclusion in the north may complicate alignment with NHS and police zones.

The new rural unitaries blend urban, rural and coastal communities which but the scale of place is not reflective of the insights from the extensive public engagement work undertaken across Devon and in particular in Exeter and the immediate surrounding area where residents identify Exeter as "their place": the city is where people look to for work, access to services, education, employment and leisure.

Plymouth retains its strong urban identity of Britain's Ocean City, but Torbay will lose its profile as the English Riviera and Exeter's vital position as the capital city of Devon and one of the fastest growing cities in the UK, is subsumed into a wider rural council. This raises significant concerns about the future potential of the city being eviscerated in this option. Plymouth and standalone status aligns with existing arrangements in health and policing and reflects Plymouth's distinct Travel to Work Area. However, it is concerned that Torbay loses its current profiles, and this option ignores Exeter's even more extensive and distinct Travel to Work Area as significant enough to preserve its unique city identity.

This option maintains the strong, coherent Voluntary, Community and Social Enterprise sectors within Plymouth, vital for supporting preventative work within communities but does not recognise the very distinctive and high-profile role the VCSE sector plays in both Torbay Exeter which both define themselves as very separate from the wider Devon VCSE which rightly has a greater focus on rural issues.

### **Criteria 5: Must support devolution**

All existing Leaders of the Devon Authorities are in favour of pursuing a Mayoral Strategic Authority for the whole of Devon. It would be relatively straightforward for the existing Devon and Torbay Combined County Authority to be transferred into a Devon Combined Authority with the new Northern and Southern Unitary Councils being constituent members. This option would enable such an Authority on a whole county footprint, including Plymouth City Council. Torbay would lose its voice as Exeter would be subsumed within a rural authority.

If the Devon Combined Authority wishes to remain as a Foundation Strategic Authority and Plymouth City Council does not wish to join (as per the option with the CCA's Constitution), Plymouth City Council would become a "devolution island".

### **Criteria 6: Enable stronger community to engagement & deliver genuine opportunity for neighbourhood empowerment**

Towns in Northern and Southern unitaries could support Neighbourhood Area Committees. Existing VCSE partnerships in Torbay and South Hams can be built upon. Exeter has a thriving VCSE sector supported through the pioneering Exeter City Council's Wellbeing Exeter programme. This could be built upon in the proposed new unitary but there is also a risk that this work gets diminished as the specific urban issues of the city get diluted within this largely rural council.

Plymouth City Council has existing voluntary and community sector partnerships but would need Neighbourhood Area Committees to represent local voice. Communities in Exeter, Paignton and Torquay are not currently served by parish councils which could lead to disparity of representation and services in both the proposed Southern and Northern Unitary Councils.

Communities in Plymouth would maintain closer access to local councillors and the democratic process. This compact unitary could sustain local voice and alignment with residents' needs. However, there is potential for democratic deficit in the new Rural authorities due to large geographic spread and illogical boundaries. With the dilution of both Torbay and Exeter there is potential for the 2 new authorities to struggle to deliver meaningful local engagement over very diverse areas due to scale. It will be more difficult for communities to have access to their local councillors and the democratic process in these rural unitaries due to poor connectivity over large geographic areas. Residents in Exeter and Torbay for example would be further away from councils who would need to mitigate this through new model of neighbourhood governance.

Complexity and rurality within the new rural Councils risks weakening neighbourhood empowerment and accountability which is of particular concern in Torbay and Exeter which is currently unparished and may also lose its voice entirely within the context of a rural unitary area where urban issues will be lost (as now in the two-tier system) as they compete on an uneven playing field with rural constituencies.

Communities in Exeter, Paignton and Torquay are not currently served by parish councils which could lead to disparity of representation and services: consideration will need to be given to Community Governance Reviews

## Impact on Plymouth

The impact of these options on Plymouth is the same as set out in the Baseline Case as this option has Plymouth unchanged.

## The Four District Unitary (South West)

### Key Statistics

The proposed Four District Unitary would have a population of 420,000 across a vast area of 2,785.3 square kilometres, resulting in a low population density of approx. 151 people per square kilometre. The authority would be responsible for a council tax base of 167,275 Band D equivalent properties and an extensive 7,569-kilometre road network.

### Demographic Profile

Children (0-15 years)	15.7%
Working age (16-64 years)	56.9%
Older people (65+ years)	27.4%
Home ownership rate	68.6%

### Indices of Deprivation

Domain	Decile
Index of Multiple Deprivation (IMD)	6
Income Deprivation	5
Employment Deprivation	5
Health Deprivation and Disability	7

*Where 1 equals most deprived 10% of Lower Super Output Areas, 10 equals least deprived 10%*

The predominantly rural and more affluent character of the Four District Unitary model is reflected in its deprivation levels. The authority has a moderate-to-low deprivation score (IMD decile 6), making it significantly less deprived than Plymouth (IMD decile 4).

### Service Implications

The proposed district is exceptionally large and predominantly rural. It covers an area 35 times greater than Plymouth but with very low population density of 151 people per square kilometre. This vast, sparsely populated area combines many distinct communities without an obvious single service centre or pre-existing administrative structure, posing significant challenges for cohesive governance and effective service delivery.

### Financial Analysis

A key concern is the significant imbalance this creates with Plymouth. The district has a population 58% larger than Plymouth and a council tax base 117% greater. However, its population has lower levels of deprivation, indicating comparatively lower need for intensive public services. This arrangement concentrates greater financial resources in a less deprived district whilst leaving Plymouth with higher concentration of service demand and more constrained budget.

### Critical Assessment

This option creates an authority that lacks coherence, combining Torbay's dense coastal urban character with vast rural hinterlands without a unified service delivery logic or established administrative structure.

## Five District Unitary (North East)

### Key Statistics

The Five District Unitary covers an area of 3,846.8 square kilometres and has a population of approx. 530,000, resulting in a density of 138 people per square kilometre. Compared to Plymouth, the district is 48 times larger, yet its population density is 24 times lower than Plymouth's 3,311 people per square kilometre. The local authority maintains 10,483 kilometres of roads and has a council tax base of 199,805 Band D equivalent properties, which is 160% larger than Plymouth's.

### Demographic Profile

Children (0-15 years)	15.9%
Working age (16-64 years)	59.3%
Older people (65+ years)	24.8%
Home ownership rate	66.7%

### Indices of Deprivation

Domain	Decile
Index of Multiple Deprivation (IMD)	6
Income Deprivation	6
Employment Deprivation	6
Health Deprivation and Disability	7

*Where 1 equals most deprived 10% of Lower Super Output Areas, 10 equals least deprived 10%*

With an IMD decile of 6, District 5 shows moderate to low deprivation, reflecting its predominantly rural and more affluent character.

### Service Implications

Five District Unitary would have population density of 138 people per square kilometre, comparable to Devon's 104 in the Base Case. The primary concern is not density but lack of established service infrastructure and transition costs of creating new delivery models, unlike Devon which has decades of established rural service delivery systems.

### Financial Analysis

This option creates profound disparity between resources and service demands. The district possesses a council tax base 160% larger than Plymouth's, granting substantially greater financial capacity. However, its population has lower deprivation profile, indicating proportionally smaller need for intensive public services. This arrangement concentrates immense resources in a district with comparatively fewer needs, leaving Plymouth to manage greater concentration of service demand with severely constrained financial base.

### Critical Assessment

This option is presented as fundamentally flawed and inequitable, failing to meet core tests of good governance. It creates artificial groupings without functional economic rationale or established administrative structures, whilst perpetuating and exacerbating regional imbalances.

# Financial Resilience

The financial model for the proposal has been based on the latest information published by each Council. The section 151 Officers in Devon agreed to share a range of information to support each proposal, with the intent that the data used would be uniform across the bids. The information in the grid below has been taken from the 2024/25 draft Statement of Accounts for each Council, except for Torbay who have provided their 2023/24 audited accounts. The net revenue budget and reserves position has been taken from the official RA Government return for 2025-26.

The overall position shows that the level of debt across Devon is not as significant as elsewhere in the Country and significantly below the level of assets supported in most cases. The level of unearmarked reserves is relatively low across the County. It should also be noted that, like many upper tier Councils across the Country, there are financial challenges around SEND expenditure with funding not covering the level of demand. This is not unique to Devon and has been reflected in the figures set out.

The total debt and total assets figures for East Devon, Exeter and Mid Devon include assets and debt associated with their Housing Revenue Accounts (HRA). The viability model has ignored the HRA, however there is a section later covering the impact on the HRA.

The key financial information for each existing Council is set out on the next page.

Authority	Net Revenue Budget (£000s)	General Fund Unearmarked Reserves (£000s)	General Fund Earmarked Reserves (£000s)	Total Debt Long & Short term (£000s)	Total Assets (£000s)
Devon County Council	1,321,705	16,036	76,806	518,634 PFI 132,399	1,745,727
East Devon DC	32,740	4,800	18,044	91,090	426,502
Exeter City Council	22,878	4,074	7,696	173,616	626,636
Mid Devon DC	17,050	1,347	12,110	29,399	239,604
North Devon DC	23,356	0	5,727	12,095	161,277
South Hams DC	20,139	0	13,321	13,364	117,984
Teignbridge DC	27,874	2,500	19,825	0	152,474
Torridge DC	14,264	3,712	12,159	713	58,840
West Devon BC	12,914	1,907	11,129	26,370	38,610
Plymouth City Council	472,083	(60,138)	49,778	710,805	1,500,795
Torbay BC	285,288	7,600	35,900	362,700	667,200

## Financial Modelling

For both the baseline case and the modified proposal, the Council has commissioned Pixel Financial Management (Pixel) to assess the likely resources available to each Council using the Fair Funding 2.0 formulae. The information provided delivers the projected Core Spending Power (CSP) funding (Council Tax, Business Rates, Revenue Support Grant and any specific grants remaining in CSP) for each of the four proposed Unitary Councils under both the base and modified models. Damping has been removed from the projected funding to reflect the



fact that there will be no damping arrangements by 2028/29, but the figures have been adjusted to reflect the 2025/26 totality of funding to ensure a like for like comparison with the available expenditure figures.

<b>Modified Proposal</b>	<b>Devon Coast &amp; Countryside £m</b>	<b>Exeter &amp; Parishes £m</b>	<b>Plymouth &amp; Parishes £m</b>	<b>Torbay &amp; Parishes £m</b>
Settlement Funding Assessment	143.9	144.0	163.5	116.3
Council tax	367.4	177.0	177.8	163.3
<b>TOTAL CORE SPENDING POWER FUNDING:</b>	<b>511.3</b>	<b>321.0</b>	<b>341.2</b>	<b>279.6</b>

Other Specific Grants and funding that fall outside of CSP have been taken from the official Government return the RA form for 2025/26.

Expenditure figures have also been taken from the RA form 2025/26 and have been allocated on a population basis, except for the expenditure for Adult and Children's Services including SEND, when the County Council, Plymouth and Torbay commissioned demand data at MSOA level. This demand data has been used to allocate the expenditure set out in the RA form for those three areas.

In analysing the funding for the proposed Unitary Councils Pixel's view is that:

- **Fair Funding gains and losses.** Outcome of Fair Funding 2.0 is likely to give a reduced share of funding to Devon as a whole, except for Plymouth. The County Council loses overall, as do a number of the shire district councils.
- For the Rest of Devon unitary, this is likely to result in no real-terms growth in funding over the next 3 years (around 2% pa). This will make financial sustainability more difficult to achieve for this unitary. On the other hand, the creation of a new unitary in Exeter would result in substantial funding gains (30% over 3 years). Unitaries based on Plymouth and Torbay would see increases in funding close to the national average over the next 3 years.
- **Key service scale.** The four proposed unitaries would have key services that are of sufficient scale, although an expanded Torbay Council (and to a lesser extent an expanded Exeter Council) would still be close to the lower thresholds for financial scale. Whilst some services might be relatively small (particularly children's services), there ought to be sufficient resources to redistribute within the budget if necessary.
- **Overall RNF** ("needs", spending) and **overall resources** show more substantial financial scale. This is because of these measures take into account council tax. On this basis, all the unitaries would have a reasonable financial scale – in other words, they are at least around the average compared to other single tier councils in England.

## Baseline Case

The work on financial viability for the base proposal identifies issues with viability for a Unitary based on Exeter's existing boundary. Exeter's Council Taxbase is low. There are 61,000 dwellings on the valuation list. Of these 71% are in Bands A-C and 12% are exempt from Council Tax, mainly as a result of housing students. This results in Exeter, whilst having a similar population to Torbay, generating £17m less in Council Tax.

Even when considering the new formula funding model to be introduced from 2026-27, which adds around £15 million to the funding for the city, Exeter does not score significantly against the formula underpinning the Children's Relative Needs Formula (RNF) or the Adults RNF.

As the only city in the two-tier Devon area, there is the potential that centralisation of specialist services within Exeter, whilst the actual demand comes from outside the current Exeter city boundary but from within the wider two-tier area inflates the projected expenditure figures. This information is not readily available but will be essential to ensure the financial gap narrows to allow a sustainable financial solution.

<b>Base Proposal</b>	<b>Devon Coast &amp; Countryside £m</b>	<b>Exeter £m</b>	<b>Plymouth £m</b>	<b>Torbay £m</b>
Net Cost of Services	751.8	181.7	315.8	185.0
Total Core Spending Power Funding	795.3	156.9	312.2	185.2
<b>Viability surplus / (gap)</b>	<b>43.5</b>	<b>(24.8)</b>	<b>(3.6)</b>	<b>0.2</b>
	5.8%	(13.7%)	(1.1%)	0.1%

### **Transition Costs – Modified Case**

The transition process ensures that change is managed effectively. The costs have been assessed across the total area and cover:

- Redundancy and workforce exit
- Programme delivery teams
- Shadow authority costs
- Closing down existing Councils
- ICT and other arrangements.

The assessed costs are set out below.

Cost category	Estimated cost for Modified proposal - £m				
	Year -1 (2026/27)	Year 0 (2027/28)	Year 1 (2028/29)	Year 2 (2029/30)	TOTAL
Redundancy / workforce exit	0.0	5.0	14.0	6.0	25.0
Programme delivery team	2.4	5.1	1.7	0.9	10.1
External communication and branding	0.0	1.0	0.6	0.0	1.6
Workforce onboarding, culture and development	0.0	0.8	0.9	0.0	1.7
ICT set up and consolidation	2.4	8.7	5.0	1.0	17.1
New council establishment - policy & process	0.3	0.3	0.3	0.0	0.9
Shadow authority costs	0.7	1.9	0.0	0.0	2.6
Accommodation rationalisation	0.0	0.9	1.0	0.7	2.6
Programme contingency	0.0	4.0	3.8	0.7	8.5
<b>TOTAL</b>	<b>5.8</b>	<b>27.7</b>	<b>27.3</b>	<b>9.3</b>	<b>70.1</b>

Cost category	Estimated cost for Modified proposal - £m				
	Year -1 (2026/27)	Year 0 (2027/28)	Year 1 (2028/29)	Year 2 (2029/30)	TOTAL
Exeter & Parishes / Devon Coast & Countryside	4.6	22.4	20.1	7.9	55.0
Plymouth & Parishes	0.4	2.2	2.1	0.2	4.9
Torbay & Parishes	0.8	3.1	5.1	1.2	10.2
<b>TOTAL</b>	<b>5.8</b>	<b>27.7</b>	<b>27.3</b>	<b>9.3</b>	<b>70.1</b>

## Transition Costs

Transitional Costs will fall predominantly on the Exeter & Parishes and Devon Coast & Countryside as the two existing Unitaries largely have systems in place which can accommodate the additional area and services provided.

Cost category	Estimated cost - £m				
	Year -1 (2026/27)	Year 0 (2027/28)	Year 1 (2028/29)	Year 2 (2029/30)	TOTAL
Exeter & Parishes / Devon Coast & Countryside	4.6	22.4	20.1	7.9	55.0
Plymouth & Parishes	0.4	2.2	2.1	0.2	4.9
Torbay & Parishes	0.8	3.1	5.1	1.2	10.2
<b>TOTAL</b>	<b>5.8</b>	<b>27.7</b>	<b>27.3</b>	<b>9.3</b>	<b>70.1</b>

## Funding Transitional Costs

Analysis by LG Inform demonstrates the level of usable balances (revenue and capital) based on the proposed new boundaries of the Councils. The analysis demonstrates that there are sufficient reserves available to manage transition costs. This includes any transition costs that fall on the Housing Revenue Account. However, it is acknowledged that many of these reserves may be held for a specific purpose and therefore unusable in this context. Both Plymouth and Torbay have confirmed that they have sufficient reserves to manage the transition costs within their proposals and Exeter have a significant pipeline of capital receipts in progress to manage the transition costs that fall on the new Council.

	Devon Coast & Countryside £m	Exeter & Parishes £m	Plymouth & Parishes £m	Torbay & Parishes £m
GF Usable Revenue Reserves	166.546	88.521	82.607	100.152
GF Usable Capital Reserves	65.913	65.867	52.803	52.803
HRA Reserves	20.3	14.6	0	0

## Disaggregation Costs and Savings – Modified Case

The table below sets out the anticipated disaggregation costs and savings.

	Estimated cost / (saving) (£m)
Service disaggregation costs	13.5
Service consolidation savings	(26.5)
Corporate services consolidation savings	(20.8)
Optimising Senior Leadership	(3.3)
Optimising costs of democracy	(3.3)
Property rationalisation	(1.5)
Service Transformation Savings	(11.3)
Additional potential saving - harmonisation of income	(5.2)
<b>TOTAL NET MODELLED ANNUAL SAVING</b>	<b>(58.4)</b>

**The total estimated annual saving of £58.4m** for the modified proposal has been included in our viability modelling. This is a net figure, with savings from the consolidation of lower tier and corporate services offsetting the additional costs of creating a fourth set of upper tier services. A brief explanation of each category of saving is set out here - further detail (including detail on assumptions and methodology used) is set out in **Appendix 1**.

**Service disaggregation costs** are the additional fixed costs of setting up a fourth set of upper-tier services – an addition to existing costs for management, systems and specialist fixed cost functions in education, social care, highways, public health and other ‘top tier’ service areas across the two existing unitary councils and Devon County Council.

**Service consolidation savings** are savings to fixed costs for lower-tier services, delivered by reducing the level of duplication in systems, management costs and specialist functions for planning, waste collection, environmental health, parks, street cleaning and other functions that are currently carried out by 10 different councils (which would reduce to 4 under our proposals).

**Corporate service consolidation savings** are savings to fixed costs for corporate services, delivered through a reduction in the number of corporate functions (HR, Finance, Asset Management, ICT etc.) across local government in Devon from 11 to 4. Optimising senior leadership savings will be delivered through a reduction in the number of senior leaders across local government in Devon.

**Optimising costs of democracy savings** relate to a reduction in the number of elected councillors across Devon, and a reduction in the number of local government elections held, because of reducing the number of councils from 11 to 4.

**Property rationalisation** is anticipated as a result of local government re-organisation – as in previous LGR exercises elsewhere in the country, there are likely to be some council office buildings that become surplus to requirements because of the merger of councils and a re-distribution of staff work bases. The saving has been estimated based on the costs of main office accommodation only.

**Service transformation savings** relate to further reductions in the cost of delivering frontline services (over and above the service consolidation savings) because of changes to delivery models that deliver efficiencies. There are likely to be many opportunities for service transformation savings; the estimated figures included here relate mainly to anticipated reductions in the cost of waste collection services and social care work because of a more localised approach to service delivery, cutting down on travel time and optimising processes. Savings in this category will be significantly larger in the modified proposal, which will create coherent and balanced service delivery geographies that allow for localised, efficient service delivery models.

**Harmonisation of fees and charges** will be required where councils merge – new authorities will have to set consistent policies and prices for charging for services like licensing, leisure and parking. The experience of previous LGR exercises elsewhere in the country is that harmonising charges results in a more efficient service, with higher levels of overall income. Savings in this category are larger in the modified proposal, primarily due to modelling by Exeter City Council on how charging policies would be harmonised across an Extended Exeter Unitary.

**‘Stretch’ savings – further savings that might be delivered through our proposal.** In addition to the savings categories described above, there is a possible additional saving of £11.3m, modelled on a reduction in the cost of social care packages through ‘right sized’, localised delivery models. This additional saving has not been included in the wider financial modelling of financial viability and payback periods because there are differing views on how Local Government Reorganisation in Devon (and other two-tier areas) might impact on the cost of commissioned social care services.

Currently, the unit costs of providing social care packages in the County Council area are observably higher than similar unit costs in the Unitary council areas of Torbay and Plymouth. It is arguable that some of this difference relates to the benefits of providing social care through a more localised, responsive delivery model in a smaller geographical area. The £11.3m saving is based on a modest (2-3%) reduction in the cost of commissioned social care packages across the current county area – based on an assumed reduction in unit costs that are currently higher than the unit costs of councils in Devon which operate more localised social care services. However, we feel that this assumed reduction is more uncertain than other assumptions used in our financial modelling, and so we are taking a prudent approach by excluding this saving from our financial viability calculations.

## Payback – Modified Case

Setting out the Transitional Costs and savings in a 10-year model, demonstrates a relatively timely payback period of three years. The payback analysis ignores funding increases and changes in demand and inflation. It is based on the savings set out above and does not rely on service transformation savings to deliver this payback. The opportunities for savings derived from localised service delivery will add to the potential for reinvestment in services. By the end of the 10-year period, cumulative savings of £500m are anticipated.

<b>Proposal (£m)</b>	<b>Year -1 (2026/27)</b>	<b>Year 0 (2027/28)</b>	<b>Year 1 (2028/29)</b>	<b>Year 2 (2029/30)</b>	<b>Year 3 (2030/31)</b>	<b>Year 4 (2031/32)</b>
Transition costs	5.8	27.7	27.3	9.3	0.0	0.0
Savings in each year	0.0	0.0	(4.9)	(29.7)	(54.8)	(58.4)
Incremental Net Impact	<b>5.8</b>	<b>27.7</b>	<b>22.4</b>	<b>(20.4)</b>	<b>(54.8)</b>	<b>(58.4)</b>
Cumulative Impact	<b>5.8</b>	<b>33.5</b>	<b>55.9</b>	<b>35.6</b>	<b>(19.2)</b>	<b>(77.6)</b>
<b>Proposal (£m)</b>	<b>Year 5 (2032/33)</b>	<b>Year 6 (2033/34)</b>	<b>Year 7 (2034/35)</b>	<b>Year 8 (2035/36)</b>	<b>Year 9 (2036/37)</b>	<b>Year 10 (2037/38)</b>
Transition costs	0.0	0.0	0.0	0.0	0.0	0.0
Savings in each year	(58.4)	(58.4)	(58.4)	(58.4)	(58.4)	(58.4)
Incremental Net Impact	<b>(58.4)</b>	<b>(58.4)</b>	<b>(58.4)</b>	<b>(58.4)</b>	<b>(58.4)</b>	<b>(58.4)</b>
Cumulative Impact	<b>(136.0)</b>	<b>(194.4)</b>	<b>(252.8)</b>	<b>(311.2)</b>	<b>(369.6)</b>	<b>(428.0)</b>

## Viability Model – Modified Case

The methodology used has been set out above. The viability model for the modified case is based on 2025-26 expenditure and funding levels and makes no assessment of increases in funding or inflation. The model demonstrates viability across the board with each Council having sufficient funding to deliver existing service demand and service debt and other financial obligations.

<b>Modified Proposal</b>	<b>Devon Coast &amp; Countryside £m</b>	<b>Exeter &amp; Parishes £m</b>	<b>Plymouth &amp; Parishes £m</b>	<b>Torbay &amp; Parishes £m</b>
Net Cost of Services	503.5	316.4	338.4	276.8
Total Core Spending Power Funding	511.3	321.0	341.2	279.6
<b>Viability surplus / (gap)</b>	<b>7.7</b>	<b>4.6</b>	<b>2.8</b>	<b>2.8</b>
	1.5%	1.4%	0.8%	1.0%

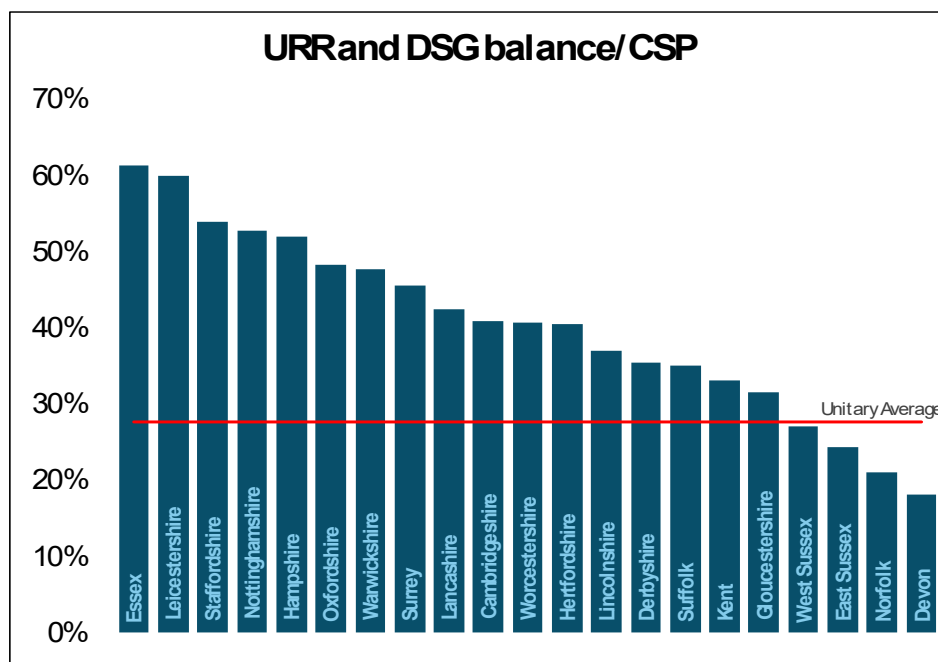
The viability gap supports the projection that Transition costs will be recovered within three years of the new Unitary Councils. The model makes no assessment of the opportunity for the new Councils to deliver further efficiencies through Service transformation in the Upper tier services.

Further detail is set out in **Appendix 1**. Whilst the Devon Coast and Countryside Unitary is larger, the Modified Four Unitary model proposed provides the greatest similarity in financial strength across all proposed Councils.

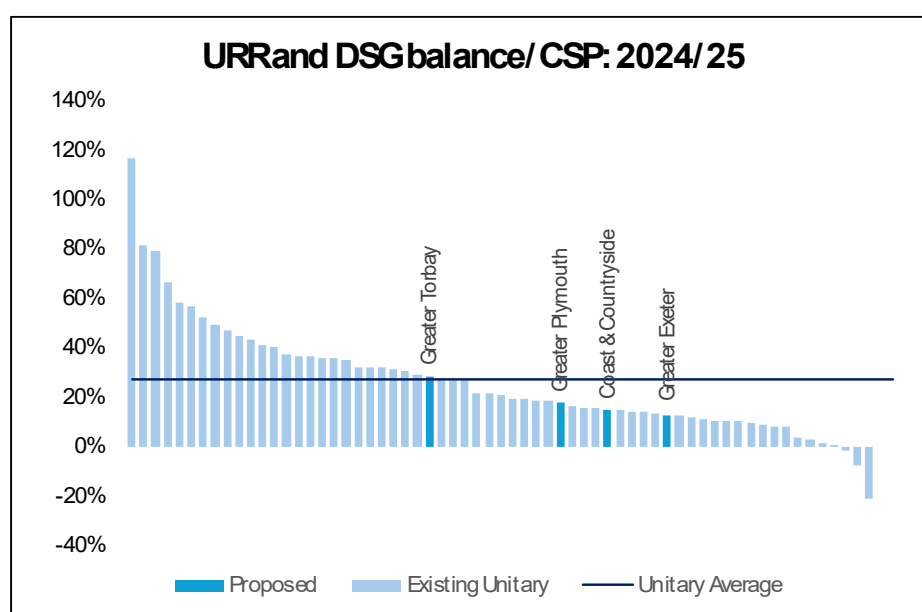
## Balance Sheet resilience – Modified Proposal

As evidenced below, whatever solution is recommended for Devon, the new Unitaries will inherit a weak financial position. Devon has the lowest ratio of Usable Reserves (URR) (taking into account the Dedicated Schools Grant (DSG) Balance) to Core Spending Power (CSP) of any area of the Country impacted by Local Government Reorganisation.

The graphs in this section have been provided by LG Inform, who have undertaken detailed analysis of the Balance Sheets of the existing Councils and the expected starting point of the new proposed Unitary Councils.



The new Unitary Councils will share this relatively equally. Whilst three Councils will be to the lower end of existing Unitary Councils, they will be in a stronger position than a number of existing Authorities, which provides a solid basis to grow financial strength.





The proposed Unitary Councils Balance Sheets are set out below. Again, this provides evidence of resilience across all four Councils. The scale of resources and Balance Sheet strength further support the viability of a four Unitary model.

	Greater Plymouth	Greater Exeter	Greater Torbay	Coast & Countryside
<b>Usable Reserves</b>	<b>2024/25</b>			
Usable Revenue Reserves	82,607	88,521	100,152	166,546
HRA Reserves	0	14,579	0	20,267
Schools Balances	3,257	4,234	5,537	7,359
Usable Capital Reserves	56,326	65,867	52,803	65,913
<b>Total Usable Reserves</b>	<b>142,190</b>	<b>173,201</b>	<b>158,492</b>	<b>260,085</b>
<b>Unusable Reserves</b>				
Equity Reserves (CAA+RR)	507,337	895,575	373,063	1,084,312
Collection Fund Adj Acc	(215)	2,724	6,230	8,779
DSG Deficit Adj Acc	(25,401)	(52,124)	(23,896)	(90,593)
Other Unusable Reserves	(29,233)	1,583	6,425	(10,927)
<b>Total Unusable Reserves</b>	<b>452,488</b>	<b>847,757</b>	<b>361,821</b>	<b>991,571</b>
<b>Net Assets (excl. pensions)</b>	<b>594,678</b>	<b>1,020,958</b>	<b>520,313</b>	<b>1,251,656</b>

*Data provided by LG Inform*

## Council Tax Harmonisation

All eleven councils in Devon currently set different rates of council tax. Any local government reorganisation would require harmonisation so that new unitary councils levy a consistent rate across their area. This has been standard practice in previous reorganisations and should not present significant challenges, provided government offers continuing and shadow authorities similar flexibility to that granted previously.

Decisions on harmonisation would be taken by democratically elected shadow and continuing authorities in February 2028, assuming new councils commence in April 2028. We are not proposing how this should be done. That will be a matter for future political decision makers based on local circumstances and priorities.

For financial modelling purposes, we assume harmonisation to the average point in the first year of each council. This represents a modest impact of around £2 per month, either upwards or downwards depending on previous district, for a typical Band B Devon household before accounting for any underlying increase councils may choose to apply.

	Devon Coast & Countryside	Modified case		
		Expanded Exeter	Expanded Plymouth	Expanded Torbay
2025/26 notional band D - equalised to average	2,014.27	2,001.00	1,965.23	1,982.81
High band D	2,070.67	2,040.38	1,997.92	2,003.54
Low band D	1,973.04	1,973.04	1,932.54	1,946.96
Mid point band D	2,021.86	2,006.71	1,965.23	1,975.25
Average Band D	2,014.27	2,001.00	1,965.23	1,982.81
2025/26 notional band D - equalised to lowest	1,973.04	1,973.04	1,932.54	1,946.96
2025/26 notional band D - equalised to highest	2,070.67	2,040.38	1,997.92	2,003.54

### Why the Modified Four Unitary Proposal provides the best Financial Solution

Whilst undoubtedly, there will be additional costs from service disaggregation, the scale of savings identified over a ten-year period are significant enough to make the proposal viable.

Most importantly the proposal best aligns the size of the four Councils from a financial perspective. Any three Unitary proposal will provide one or two Unitary Councils of enormous size whilst leaving one or two relatively small Unitary Councils. Any proposal of that nature will undoubtedly risk the long-term viability of the smaller Councils, especially as the existing boundaries, particularly for Plymouth limit the amount of growth that they can benefit from.

The transitional costs will not be significantly different in any proposal, although in all cases they will fall mainly on the two-tier area of the County.

Overall, the Modified Proposal provides the best balance of financial viability, resilience and balance for the County of Devon as a whole.

# Strengthening Democracy and Community Empowerment

This section of our proposal sets out a transformative vision for local governance in Devon through the creation of four new unitary authorities. These changes aim to ensure strong and equitable democratic representation and empower communities through greater local engagement, and involvement in decision-making.

Proposed council sizes have been developed in line with Local Government Boundary Commission for England (LGBCE) criteria to ensure effective representation, manageable workloads for councillors, and a balance between urban and rural needs. A new model of neighbourhood-based governance, including plans to establish Local Area Neighbourhood Committees (or similar forums), will further strengthen community voice and participation.

Feedback from our stakeholder engagement, highlights a strong desire for more transparent and participatory local governance. Building on Exeter's excellent track record in community engagement, these proposals seek to redefine relationships with residents and deliver a governance model that is inclusive, responsive, and future-ready.

Our vision is for a modern, ambitious and innovative governance. However, whilst embracing the future, it is important to recognise the value of preserving Exeter's historic city status and civic traditions. To ensure continuity of these highly valued customs during the transition, Charter Trustees are being proposed to maintain ceremonial functions and civic identity.

## **Governance model**

The existing Leader and Cabinet model will continue for Exeter<sup>4</sup>, Plymouth and Torbay, with the respective Leaders retaining authority to appoint up to nine Cabinet members (in accordance with the Local Government Act 2000). The Coast and Countryside authority would be established using the same Leader and Cabinet model. Cabinet portfolios will reflect the new unitary council's expanded responsibilities.

The four new unitary councils will strengthen and expand scrutiny arrangements to provide effective oversight of services including new unitary responsibilities where relevant, across the new areas, ensuring robust accountability and consideration to both urban and rural priorities.

## **Council size and democratic representation**

MHCLG has asked that all proposals include early views on the number of councillors which would ensure effective democratic representation and effective decision-making arrangements.

Exeter City Council members have been actively involved in discussions with officers about council size. Members have carefully considered the criteria alongside the three core areas examined by the Local Government Boundary Commission for England (LGBCE) when conducting an electoral review and determining council size:

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<sup>4</sup> Exeter City Council has an Executive which operates as a Cabinet

Strategic  
Leadership

Accountability

Community  
Leadership

In coming to a cross-party agreement on proposed councillor numbers, members were also keen to ensure that, in addition to the three criteria:

- Communities are well represented by a supportive and accessible local ward councillor
- Councillors have manageable caseloads, especially when taking on responsibility for work currently dealt with by upper-tier councils
- There is a good balance of councillors in both urban and rural areas with the Coast and Countryside authority being of particular concern
- There are multi-member wards and numbers mean elections are possible in halves or thirds
- Numbers align with committee best practice<sup>5</sup>; a committee of 8-11 members is optimal for informed debate
- Numbers stay within the LGBCE parameters for a unitary i.e. between 30 and 100.

Our proposal for council size is further underpinned by members' understanding of the challenges of addressing electoral equality across a diverse geography, as well as the day-to-day reality of being an effective councillor.

The proposed council sizes set out below, meet LGBCE criteria and offer sensible interim arrangements for democratic representation until final numbers are determined through a full electoral review.

### Proposed council sizes

Unitary authority	Estimated Electorate*	Proposed Councillor Numbers	Representation Ratio (Electors per Councillor)
Exeter and surrounding areas	178,000	72	1:2472
Plymouth and adjacent areas	220,000	60 - 72	1:3666 or 1:3055
Torbay expanded	169,000	44 - 54	1:3840 or 1:3129
Devon Coast and Countryside	366,000	70 - 100	1:5228 or 1:3660

*\*Number of electors calculated using LGBCE electoral data (2024) and rounded down to nearest 1000 as a conservative estimate*

**Exeter and surrounding area: A proposed unitary for Exeter and surrounding area would serve a population of approximately 260,000 and an electorate of around 178,000.**

At the last electoral review completed in 2015, LGBCE recommended 39 councillors for Exeter with a ratio of 1:2223. An expanded authority, with one of the UK's fastest growing populations and one which incorporates 49 surrounding parishes, requires additional representation to maintain democratic accountability.

<sup>5</sup> Reform of planning committees: technical consultation 28 May 2025

Our proposal for 72 councillors reflects the expanded authority's distinctive mixed semi-urban geography which combines the city centre with market towns and rural areas. It provides sufficient capacity for both intensive urban casework and more dispersed rural community engagement and reflects the new responsibilities that councillors will be assuming as members of a unitary authority.

The ratio of 1:2472 is broadly in line with the previous LGBCE decision and provides effective representation across both the urban core and newly incorporated parishes.

Based on a minimum of 132 regulatory committee places<sup>6</sup>, each councillor would sit on between one and three different committees. It is anticipated this workload will increase with councillors sitting on roles on new Local Neighbourhood Area Committees (or similar local neighbourhood governance structures).

**Plymouth and adjacent areas: An expanded Plymouth authority, with a population of approximately 305,000 and an electorate of approximately 220,000, would likely require between 60 and 72 councillors.**

Plymouth's electoral review, paused by the LGBCE pending this reorganisation process, had agreed a council size of 60 councillors for the existing authority based on detailed analysis of CIPFA comparators. The expanded authority, incorporating additional communities, requires additional representation to maintain effective democratic accountability.

At 60 councillors, the ratio would be approximately 1:3666 electors per councillor; at 72 councillors, approximately 1:3055. All ratios within this range provide effective representation across both the urban core and incorporated parishes.

Based on a minimum of 132 regulatory committee places, each councillor would sit on between one and three different committees. It is anticipated this workload will increase with councillors sitting on roles on new Local Neighbourhood Area Committees (or similar local neighbourhood governance structures).

**Expanded Torbay: Expanded Torbay, with a population of approximately 230,000 and an electorate of approximately 169,000 would likely require between 44 to 54 councillors.**

Torbay Council currently has 36 councillors, established through the LGBCE's 2017 electoral review. The expanded authority, incorporating neighbouring communities would require additional representation to reflect its larger population and geography.

At 44 councillors, the ratio would be approximately 1:3840 electors per councillor and at 54 councillors, approximately 1:3129. These ratios are aligned with those of Plymouth and Exeter, maintaining the intensive local accountability characteristic of coastal urban authorities whilst providing capacity for strategic leadership across the expanded area.

Based on a minimum of 132 regulatory committee places, each councillor would sit on between two and three different committees. It is anticipated this workload will increase with councillors sitting on roles on new Local Neighbourhood Area Committees (or similar local neighbourhood governance structures).

**Devon Coast and Countryside Council: The proposed rural-coastal authority, covering approximately 455,000 residents and an electorate of approximately 366,000, would**

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<sup>6</sup> Calculated based on minimum 12 statutory committees all with 11 places

**serve a vast and sparsely populated area. Analysis suggests a Devon Coast and Countryside Council would require between 70 and 100 councillors.**

At 70 councillors, the ratio would be approximately 1:5228 electors per councillor. At 100 councillors, the ratio would be approximately 1:3660, which although at the top end of the LGBCE parameters, would be better aligned to the ratios proposed for Exeter, Torbay and Plymouth. As the largest council in our proposal this authority needs sufficient councillors to ensure equitable democratic representation and must also reflect the practical realities of serving an extensive rural geography compared to the three urban based unitary councils.

Based on a minimum of 132 regulatory committee places, each councillor would sit on between one and two different committees. It is anticipated councillors will also take on additional workload and roles on new Local Neighbourhood Area Committees (or similar local neighbourhood governance structures).

The councillor numbers proposed are intended as a starting point for further discussion between the new unitary councils and the LGBCE. We have proposed numbers that ensure fair representation, effective governance, and responsiveness to both urban and rural community needs. We have also looked forward to the creation of new Neighbourhood Area Committees to ensure that councillor capacity is future-proofed and councillor roles can adapt to a new model of local government. Ultimately, these are indicative, and the right number of councillors should be determined by a full electoral review process following local consultation.

# Neighbourhood based governance: Empowering communities and strengthening community engagement

Our modified proposal outlines a modern, ambitious model of local government that strengthens neighbourhood governance and deepens community engagement. Four new unitary councils will enhance local leadership by ensuring residents' voices are heard and needs are met, while also contributing to regional decision-making through a strategic authority.

Once Government publishes regulations, we will have clarity on the statutory responsibilities that councils will have in relation to the creation of neighbourhood governance arrangements. This section, therefore, outlines our current vision for neighbourhood governance which we would expect to refine once regulations are in place.

Our learning through decades of Asset Based Community Development has taught us that prescriptive top down one size fits all approaches rarely deliver for local communities. We want to empower communities and enable them to take action on what matters most to them and we are committed to genuine community engagement. Our approach is to work alongside communities to agree common purpose and a set of guiding principles and then to co-design the structures that will work best for each locality. We describe below our ideas and early thinking on how this might work in practice.

This section describes our ideas for neighbourhood-based governance, the role of existing formal neighbourhood partnerships and the new Neighbourhood Area Committees (NACs) and how relationships with Town and Parish councils could also be strengthened. It sets out how our approach will deliver meaningful community engagement with the aim of strengthening resident participation in the democratic process of decision-making. Once Government has made its decision on the future of local government in Devon we will proactively work with communities to co-design the new structures.

Our vision for reorganisation in Devon supports the government's aim to devolve power to communities, enabling tailored governance that unlocks Devon's social, cultural, and economic potential, improves the environment, tackles inequalities, and delivers better outcomes for all.

The result will be a local government system that is;

1. **Stronger & Simpler:** The strength and simplicity of the new structures will enable a stronger voice for residents driving growth, attracting inward investment and tackling complex strategic challenges.
2. **Local & Effective:** Local and effective through the co-production of a system of new Neighbourhood Area Committees and Community Networks to enable stronger community engagement and deliver genuine opportunities for neighbourhood empowerment.
3. **Efficient & Sustainable:** Efficiency and sustainability achieved through an organisation of an appropriate scale to improve the financial sustainability of the growing urban area by removing inefficiencies, duplication and fragmented ways of working to deliver greater value for money for local people, and by driving ambitious transformation from digital innovation and alternative delivery models.

Our local insights demonstrate this is what Exeter residents want. In a resident survey (January 2025), when asked about delivering “a Well-Run Council”, respondents across all age groups ranked “**more engagement with residents when making decisions and improving services**” as their top priority.

Insights from surveys we conducted as part of our stakeholder engagement process for reorganisation reinforced that view. People want decisions made about their place to be made locally; they value information about, and early engagement in decision making and having a supportive and accessible local ward councillor.

In addition to our information, engagement and consultation activity, Exeter City Council are long term funders and the lead agency for the pioneering Wellbeing Exeter partnership - an asset-based system of community development activity embedded across the city. It represents a strong alliance between the public and Voluntary, Community and Social Enterprise (VCSE) sectors for community wellbeing activity, responding to complex system challenges.

A critical benefit of the Wellbeing Exeter model is that it is tried and tested, built on thirteen years of reflection and learning. It proves that collective ownership is efficient and effective. It is built to be scalable and replicable in other places around the nation. We think this model of community engagement is something we can build on.

A new unitary for Exeter will build on this type of evidenced based insight, in conjunction with over a decade of partnership working with communities through Wellbeing Exeter, to co-produce a new model for neighbourhood-based governance.

## **Our vision for neighbourhood empowerment and stronger community engagement**

We recommend that following reorganisation, unitary councils use devolved powers under the Local Government and Public Involvement in Health Act 2007 (Part 4) to carry out **Community Governance Reviews** to establish local community governance arrangements. Neighbourhood Area Committees (NACs) could be explicitly included as part of that process.

We envisage neighbourhoods that are empowered, inclusive, and resilient places where local people shape decisions, drive improvements, and foster community pride. We believe NACs, when properly co-designed and resourced, will ensure greater accountability, bring decision making closer to residents and offer the new unitaries the following strengths:

- **Community Representation:** These committees can be effective in representing local interests and ensuring that residents' voices are heard in decision-making processes. Their proximity to the community allows them to address specific local issues more effectively.
- **Conflict Resolution:** They can act as mediators in local disputes, leveraging their understanding of community dynamics to facilitate solutions. This can help maintain harmony and cooperation within the community.
- **Community Engagement:** By organising events and initiatives, these committees can promote civic engagement and strengthen community bonds. Activities like neighbourhood clean-ups, cultural festivals, and public consultations encourage active participation in local governance
- **Resource Allocation:** Committees can be instrumental in identifying the needs of the neighbourhood and advocating for the allocation of resources. This ensures that local priorities are addressed, and resources are used efficiently.



We have identified four core principles for Community Engagement and Empowerment to align with our vision and embedded in our Pillars for Change below:

1. **Locally integrated services:** integrated council, wider public sector and VCSE services and support.
2. **Local accountability:** Neighbourhood Area Committees, political accountability for the discharge of statutory functions and services at local level.
3. **Local action:** local people, partners and communities working together in Community Networks to identify and deliver against needs and priorities.
4. **Local empowerment:** devolution of powers to town and parish councils and community groups to run assets and services where they want to.

Putting People First in Devon Pillars for Change		
1. Tackling local challenges	2. Developing locality owned solutions	3. Evidence and insight-led practice
Creating solutions in each locality that focus on prevention and the strengths and assets of local communities.	Strategies and plans define a clear agenda and encourage local action.	Integrating data to build rich pictures of local communities to better target demand and understand need.
Delivering	Strengthening	Collaborating
Effective place-based services: where services are tailored to local population needs and council footprints	Neighbourhoods and community support: where trust relationships and prevention are built	At the right scale to ensure sustainability, specialism or strategic coherence
<b>Local services and access:</b> integrated council, wider public sector and VCSE services and support.	<b>Local action:</b> local people, partners and communities working together in <b>Community Networks</b> to identify and deliver against needs and priorities.	<b>Local accountability:</b> <b>Neighbourhood Area Forums</b> , political accountability for the discharge of statutory functions and services at local level.

**Local empowerment:** devolution of powers to town and parish councils and community groups to run assets and services where they want to.

## Neighbourhood Area Committees

We will approach the work to establish NACs alongside communities to agree common purpose, a set of guiding principles and to co-design the structures that will work best for each locality. This section therefore outlines a starting point so that mobilisation can begin as soon as possible.

The four proposed new unitary councils will follow a four-step process illustrated below, establishing new NACs immediately after vesting day, beginning with local engagement to define the boundaries and recruit members. An implementation roadmap below details each stage and an indicative timeframe. At every step, the process will be co-produced – this will not be imposed from the top down.

Typically, NACs or other similar local governance structures serve anywhere between 30,000 and 60,000 residents<sup>7</sup>. Although it will be for each new unitary authority to define the number of NACs based on real community identities and existing partnership footprints.

The exact number of committees will be determined as part of the co-design process to ensure that boundaries reflect meaningful community or neighbourhood identities. Where it makes sense to do so, NACs will be aligned to enable close partnership working with police neighbourhood teams, community safety teams, VCSE networks and NHS.

Local councillors and partners will be represented on the committee, providing an inclusive forum for partners to come together to agree priorities on behalf of their communities. Local organisations or bodies such as National Park Authorities might also be included where this is appropriate or other statutory members specified in the new government regulations.

Each new unitary will be responsible for their own budget setting and will identify appropriate levels of funding for the creation of NACs. It is anticipated that funding will come through a combination of sources including:

- efficiency savings resulting from reorganisation (removing duplications where they exist)
- harmonisation of small local budgets
- local developer funding (CIL)

The new unitaries will set out in their constitutions which functions, powers and funding will be devolved to Neighbourhood Area Committees, including whether this is a consultative/advisory function or includes full decision-making powers. They will provide a framework to enable and support NACs.

Neighbourhood Area Committees will be supported in their work through the development of resources such as:

- Neighbourhood Data Packs
- Community Planning Toolkits
- Digital Engagement Platforms
- Training for Committee Members

The Government has been clear on its ambitions for greater devolution of powers. Over time, as NACs become embedded into the fabric of locality-based governance structures, and once

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<sup>7</sup> Somerset has 18 Local Community networks each serving 31,547 residents; in Cornwall 12 Community Area Partnerships represent 36,774 residents each; Surrey County Council “Test, Learn, Grow” Pilot has an average population per committee of 50,000; Northumberland has 5 Community Partnerships each serving 64,102 residents.

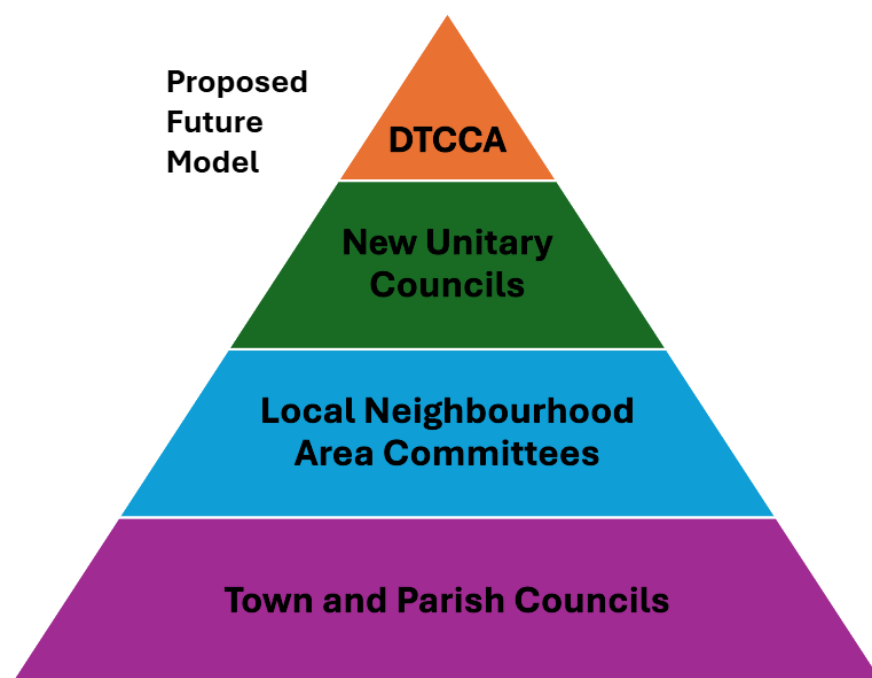
appropriate mechanisms have been developed, the intention is to devolve even greater powers and responsibilities to the committees, including but not limited to:

- Discretionary annual budget for local projects
- Allocation of local community grants and small-scale capital projects
- Management of local parks and green spaces, allotments, community centres etc.
- Involvement in local planning, highways, licencing and environmental health etc.
- Partnership working to improve community safety and cohesion.

The pace of change will be driven by the NACs, subject to any new Government regulations, and based on local needs and priorities. Unitary councils will provide appropriate training and support throughout.

## **Role of Town and Parish Councils**

As independent elected institutions, town and parish councils are valued by their local communities and have a vital contribution to make towards meaningful community engagement and neighbourhood working. In our proposed model below, they play an invaluable role as key partners of the newly created NACs, ensuring they are locally grounded and representative.



In the unparished areas of Exeter, Plymouth and Torbay, NACs will create a vital link between communities and the new unitaries, addressing the current issue of democratic deficit.

Where Town and Parish Councils already exist, NACs will not replace or duplicate their work, nor is there any suggestion that any assets or powers will be removed. Instead, NACs will work collaboratively with Town and Parish Councils as part of the new local governance arrangements.

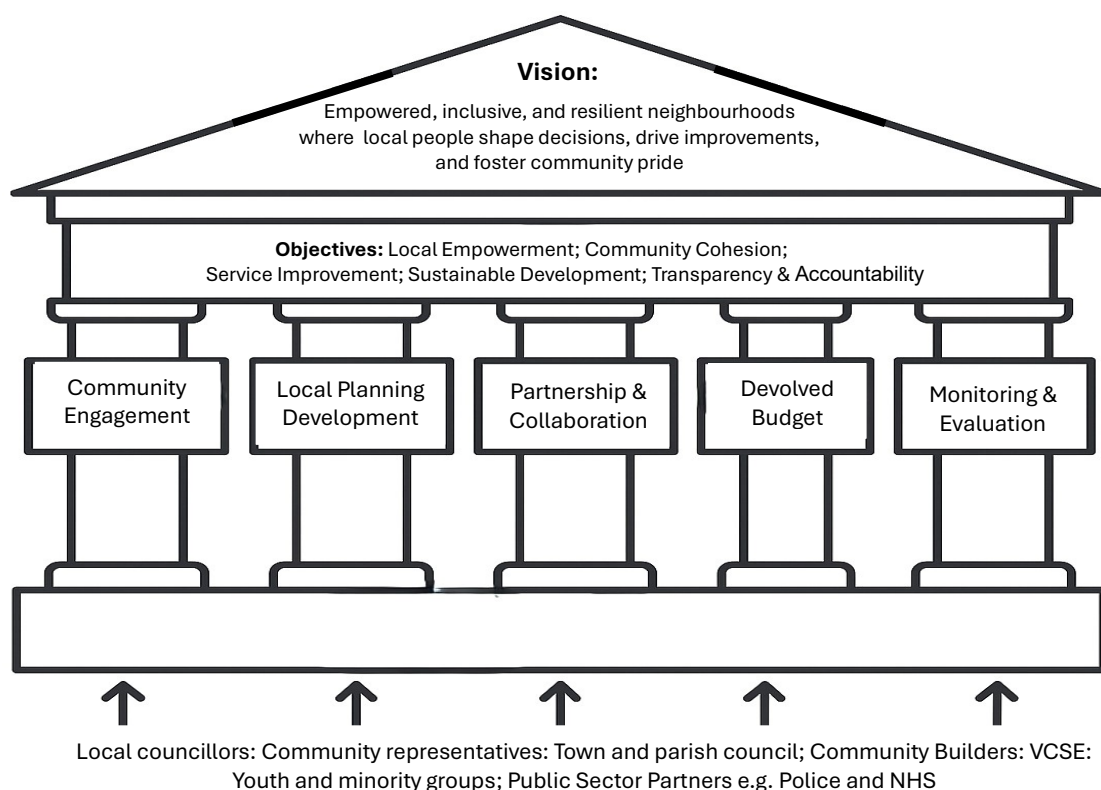
Building on the existing Town and Parish Council infrastructure in Devon and combined with the proposed Neighbourhood Area Committees, this model would provide a strong basis for a

highly localised model of public service delivery and democratic representation which balances the best of strategic and the local

- **Devon and Torbay Combined County Authority (DTCCA)** would be used as the vehicle for decisions and delivery which benefit from scale and the inclusion of urban areas. This includes MSA functions but could be extended to reflect the specific challenges Devon faces, including social housing, market management and workforce shortages.
- **The new unitary councils**, as principal authorities for their respective areas, form a bridge between the hyper local and the DTCCA to deliver core services that residents and businesses need based on local insights. Each has strategic influence, working with partners and the DTCCA.
- **Neighbourhood Area Committees** are the forum in which partners come together in an area, using data and insights from communities to develop local strategies for addressing the specific needs of each place. This is then used to inform budget and service delivery decisions by the new unitary councils.
- **Town and Parish Councils** are the vehicles through which local delivery happens, with functions and assets devolved (with the necessary resource) to the most local level. This is agreed in consultation with each local unitary council.

Operating effectively, this model would ensure that the needs of the diverse local places that exist across Devon are reflected at every level of decision making, with neighbourhoods having genuine power over the way services are delivered in their area. Central to this model is the use of data and insight flowing between levels as well as engagement with partners.

## Draft Community Empowerment Framework



Based on our local learning and what we know of the Government's plans for more effective community empowerment, we have started to assemble **a Draft Community Empowerment Framework**, illustrated below, that would form the basis of the co-production work with communities, town and parish councils, local Community Associations and VCSE groups as well as key stakeholders such as the local NHS and Devon and Cornwall Police.

## 1. Vision

Empowered, inclusive, and resilient neighbourhoods where local people shape decisions, drive improvements, and foster community pride.

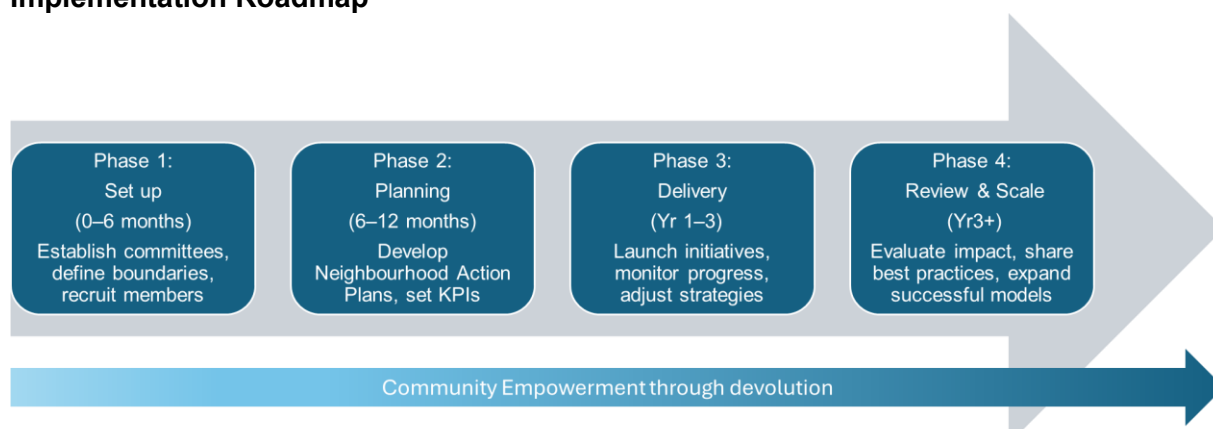
## 2. Objectives

- Local Empowerment: Enable residents to influence decisions affecting their area.
- Community Cohesion: Foster inclusive, safe, and connected communities.
- Service Improvement: Improve delivery and responsiveness of local services.
- Sustainable Development: Support regeneration, environmental sustainability, and economic growth.
- Transparency & Accountability: Ensure open governance and measurable outcomes.

## 3. Strategic Pillars:

Community Engagement	Local Planning & Development	Partnership & Collaboration	Devolved Budget	Monitoring & Evaluation
<ul style="list-style-type: none"> <li>• Regular public forums and surveys</li> <li>• Participatory budgeting</li> <li>• Digital platforms for feedback and updates</li> </ul>	<ul style="list-style-type: none"> <li>• Input into Local Plans and Neighbourhood Plans</li> <li>• Influence on planning applications and regeneration projects</li> <li>• Alignment with the Plan for Neighbourhoods regeneration guidance</li> </ul>	<ul style="list-style-type: none"> <li>• Work with local authorities, police, NHS, schools, and businesses</li> <li>• Joint initiatives with voluntary and faith groups</li> <li>• Leverage funding from national and local sources.</li> </ul>	<ul style="list-style-type: none"> <li>• Neighbourhood CIL</li> <li>• Local Community Grants</li> <li>• Local Infrastructure Projects</li> </ul>	<ul style="list-style-type: none"> <li>• Annual Neighbourhood Report</li> <li>• Key Performance Indicators: Resident satisfaction, Crime and safety, Service delivery, Community participation</li> <li>• Independent audits and community feedback loops</li> </ul>

## Implementation Roadmap



## Preserving Exeter's Ceremonial and Civic Functions

Exeter's identity as a city is deeply rooted in centuries of history, tradition, and civic pride. Its city status, granted by royal charter in the early 13th century by King John, is not merely a title, it reflects Exeter's enduring role as a centre of governance, culture, and community. From its designation as a county corporate in 1537 to its evolution through successive local government reforms, Exeter has consistently upheld the responsibilities and symbolism of city status.

Retaining city status is vital to preserving Exeter's unique heritage. The right to appoint a mayor, the ceremonial regalia, and the civic traditions are not just formalities, they are living links to the city's medieval past and its continued relevance today. These elements foster a strong sense of place, belonging, and continuity for residents and visitors alike.

City status also enhances Exeter's visibility and prestige nationally and internationally. It supports tourism, investment, and civic engagement, reinforcing Exeter's role as a historic and cultural beacon in the South West. Losing this status would risk eroding the identity and pride that generations have built and cherished.

The government has confirmed its intention to preserve ceremonial responsibilities throughout the process of local government reorganisation. However, this commitment must be reflected explicitly in the Structural Changes Order. This is particularly important for

Exeter which currently holds ceremonial status but is unparished. To ensure that historic rights and traditions are not lost during administrative restructuring, and until such time as a **Community Governance Review**<sup>8</sup> can be undertaken, it is anticipated the Charter Trustee Model will be used.

Charter trustees are primarily responsible for ceremonial and historic functions and do not provide local government services. Their expenses are chargeable only to the area they represent, and they may issue precepts to the unitary council for funding. These responsibilities and limitations are consistent with the framework established under the 2007 Act and the 2009 Regulations, with certain provisions of the 1972 Act which apply to support their functions.

The establishment of Charter Trustees will enable the continuation of civic traditions within the city boundaries whilst governance transitions to the new unitary council for Exeter and the surrounding areas. Although the new authority for Exeter will encompass a wider geography, we will not seek to extend the mayoralty beyond the city itself.

As previously outlined, it will be a matter for the new unitary council to initiate a Community Governance review but at that point, further consideration could be given to the most appropriate solution to protect assets and privileges, including city status, for as long as required.

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<sup>8</sup> A Community Governance Review could be initiated under Section 82 of the Local Government and Public Involvement in Health Act 2007

We request that specific provision is made in the Structural Change Order to create Charter Trustees for the City of Exeter who will:

- Maintain the continuity of the city charter, identity, and historic rights
- Conduct ceremonial activities, including the election of a Lord Mayor
- Hold and manage civic regalia, charters, and insignia, such as maces and the city plate, which represent the city's heritage
- Manage the ceremonial budget and precept, and to be treated as a small parish council for financial purposes.

Exeter's story is one of resilience and adaptation, and its city status must be protected to ensure that its legacy continues to inspire future generations.

# Sustainable Public Services Across Devon: tailored to local needs

This section outlines how our Modified four Unitary Proposal will deliver high-quality, innovative, and sustainable public services tailored to local needs.

The delivery of high-quality public services that are responsive to and shaped by local needs is the bedrock upon which good local government is built. Residents and businesses rightly expect their local council to get the basics right and provide services that are reliable and efficient. This includes regular waste collections, timely consideration of planning applications, well-maintained roads, high quality education and childcare, and the vital care and support for vulnerable children and adults.

Our Modified four Unitary Proposal responds to a growing body of evidence that running public services at ever larger scales, does not necessarily make them more efficient or cost effective. Services that are failing to improve people's lives are not efficient, even if they cost less to deliver. There is clear evidence that focusing on a scale of place that people identify with, enabling community power, and investing in preventative, relational, and asset-based ways of working, all have the potential to improve outcomes as well as enabling better use of resources and sustainable cost reductions for the long term.

Rising demand, cost and complexity in critical public services such as Adult and Children's Social Care and Special Education Need and Disabilities (SEND) is creating financial pressure for many councils. Reorganisation offers an opportunity to inject new ideas and localised, place-based approaches.

Our current landscape of unitary and two-tier councils is a product of history and service delivery performance and outcomes vary. It creates artificial barriers that prevent the truly joined up services that modern public service delivery requires and that our residents deserve. This is a moment of opportunity, and we must be structured to seize it.

## **Putting People First: Locally tailored services**

In our Four Unitary Modified Proposal the three urban-focused unitary councils covering a similar population, and a fourth unitary council serving dispersed communities, provides a financially resilient model enabling each authority to achieve efficiencies, improve capacity and withstand financial shocks. By creating four unitary councils based on the specific needs and characteristics of the places and communities they serve, underpinned by these council's track record of effective strategic and operational partnerships, the modified model offers an even better backdrop for further integration and more effective delivery of high quality and sustainable public services to citizens.

Our proposal outlines a bold vision to build on the county's considerable strengths by creating four unitary councils, each designed to unlock the full potential of the communities they serve.

There is a growing national movement towards a focus on neighbourhoods as engines of change; towards councils working alongside citizens to build community capacity and capability, and services co-locating to work together at a hyper-local scale. This movement is a direct response to rising demand, public service failure and an unmet appetite for people to have more influence over their own lives and the places that matter to them.

There is a growing body of evidence (Collaborate CIC) signaling for reimagining public services through place-based and neighbourhood approaches. There is a wide range of overwhelming evidence that smaller unitary councils based on natural geographies can reduce demand and



make services more effective by building better relationships with local people and communities, by giving them more power over the decisions that affect them and greater access to the resources of local government and other partners.

There is also strong evidence that whilst scale is a factor for local government, bigger is not necessarily better, in their recent report for the District Councils Network, the Staff College emphasise the importance of place and that the prevailing narrative that big is beautiful and brings economies of scale is not supported by the evidence and that there is an alternative view. The evidence indicates that what matters to people are proximity; the places they live in, staying close to families and supporting them. Decades of challenges in Children's Services in Devon provides a compelling narrative that we need to seize the opportunity of reorganisation in Devon to transform critical services to improve people's lives.

Both Torbay and Plymouth's experience as unitary councils demonstrate that authorities on this scale can deliver excellent services. The four-unitary model extends these benefits across Devon:

- Plymouth and Exeter can focus on urban service challenges including housing, regeneration, and young populations
- Torbay continues tailored services for its communities and ageing demographic
- Devon Coast and Countryside can design services explicitly for dispersed rural geography rather than imposing urban models.

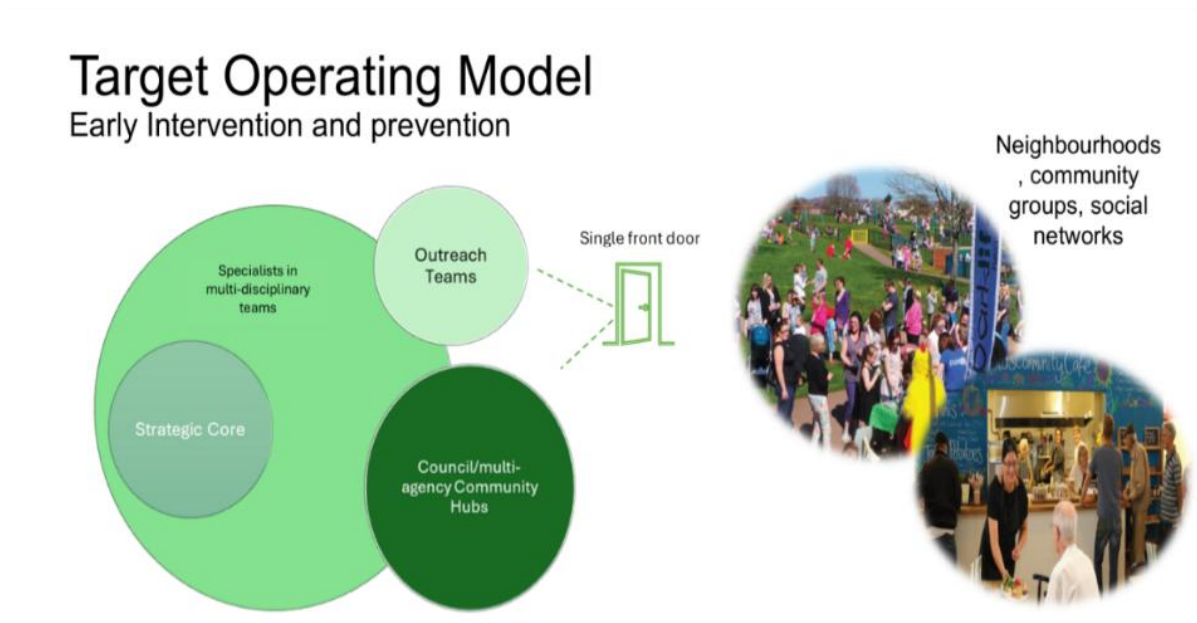
This tailored approach delivers better outcomes than any single large authority attempting to serve incompatible urban and rural needs. It offers the best conditions for high-quality, locality-based services by implementing structures which best reflect the distinct profiles of our areas. It avoids unnecessary fragmentation by building on the capacity of the existing unitary councils serving Plymouth and Torbay, while ensuring that the new unitary councils are operationally viable.

This transformation will create simpler, stronger, and more strategic local government. It will allow us to extend our best and most effective services to more people, delivering better outcomes and creating a healthier, more prosperous future for every resident in Devon. It will enable more efficient and sustainable with councils of the right scale to be able to drive innovation through digital and alternative delivery models and deliver better outcomes for people.

Putting People First in Devon Engagement and Empowerment in service delivery		
Tackling local challenges	Developing locally owned solutions	Evidenced and insight-led practice
Creating solutions in each locality that focus on prevention and the strengths and assets of local communities.	Strategies and plans define a clear agenda and encourage local action.	Integrating data to build rich pictures of local communities to better target demand and understand need.
Delivering	Strengthening	Collaborating
Effective place-based services: where services are tailored to local population needs and council footprints.	Neighbourhoods and community support: where trust relationships and prevention are built	At the right scale to ensure sustainability, specialism or strategic coherence.

## Our Proposed Approach

Our proposed approach seizes the opportunity to drive ambitious transformation ranging from digital innovation to new relationships with communities and alternative delivery models. Our on-going work to better understand the needs of residents and use data to inform service improvements, is based upon Government Digital Services best practice for improved customer insight, and published work by local authorities. A proposed high-level Target Operating Model for the new councils is set out below: this offers a simple blueprint for how people, processes, technology and other resources could work together to achieve the strategic goals of the new unitaries.



In this model core services such as housing, social care and education will work with VCSE partners to unlock better outcomes for residents. Services will be co-located in community-based hubs where appropriate, and work closely with NHS Neighbourhood Teams, schools, and voluntary groups. Outreach into priority neighbourhoods, alongside digital and phone

access, will ensure all residents benefit from a clear “no wrong door” offer, with earlier, joined-up support available in trusted local settings.

This will deliver locally tailored support directly responding to specific local pressures. For example, in Exeter specific needs such as street attachment and homelessness for people with overlapping needs; school attendance and issues facing families on low incomes in priority neighborhoods and growing demand on family carers. Support will be relational and strengths-based, considering the whole picture of housing, health, work, and family life. Multidisciplinary teams will coordinate responses, so residents only tell their story once, with case management shifting seamlessly as needs change.

For staff and partners, our proposed Target Operating Model enables flexible team working with shared data, stronger collaboration, and less duplication. For residents, it means earlier, more connected help that strengthens families, supports carers, and improves wellbeing. Over time, this will reduce demand for costly statutory interventions, deliver better outcomes for residents and a more sustainable system for Devon.

More details of how we see this system working are in **Appendix 2**.

## **Implementation: Safeguarding and Service Continuity**

The safety and safeguarding of all people receiving services is an absolute priority throughout this reorganisation and beyond. We are committed to ensuring that no one will experience any reduction in the quality, safety, or continuity of their services during transition or in the new unitary structures.

Safeguarding duties under the Children Act 1989, the Care Act 2014, and all related statutory frameworks will be maintained without interruption. Robust safeguarding arrangements, oversight mechanisms, and multi-agency partnerships will remain in place and be strengthened throughout the reorganisation process. The protection of vulnerable people is non-negotiable and will take precedence over all other considerations in our implementation plans.

To ensure we deliver on our commitment to safeguarding and service continuity we are already designing a transition plan based on learning from other councils across the country.

1. **Preparation:** During this stage, we will continue to engage widely with our communities and partners, establish robust programme management and set up an Implementation Executive arrangement to progress.
2. **Transition:** We will establish workstreams to ensure leadership, teams and infrastructure are in place, before formal go-live and elections.
3. **Transformation:** We will review and optimise our services, so that we realise the full benefits of transformation and improve outcomes for our residents.

Our Modified four Unitary Proposal offers the new councils the opportunity to fundamentally rethink the delivery of local public services; how they interact with residents, businesses and partners, rather than just merging organisations together and removing areas of overlap and duplication. Our ambition means that transformation alongside reorganisation has the potential to deliver better outcomes for people in Devon. This will take time and investment but over the longer terms, this has the potential to deliver longer term financial sustainability.

With all councils in Devon working together, this proposed approach will provide the smoothest transition to the new arrangements, minimising disruption while ensuring the most efficient and effective processes and structures are put in place.

## **Children's Services and Education**

Children's Services and Education form an interdependent statutory system that supports children and young people from birth up to age 25.

Nationally, the system faces significant pressures: Children's Services and Education remain under intense pressure from rising demand, financial risk, and workforce shortages. At the same time, government is introducing wide-ranging reforms, including strengthened safeguarding, expanded early help, new Family Hubs, increased capital and reform of the special education disability (SEND) provision.

Locally our multiple systems do not always deliver the right outcomes for children and young people. This is demonstrated in relation to the two-tier system in Devon where, for example, too many adolescents are entering the care system in an unplanned way with too many young people leaving care without homes to go to. This becomes polarised in Exeter where young people from across Devon (and beyond) choose to live, as it is a safe, vibrant, young city with good access to employment, leisure and education opportunities. However, many of these young people have overlapping needs that makes them more vulnerable to exploitation, and this is reflected in the high number of care leavers caught in a cycle of street attachment, substance misuse, crime and homelessness.

### **Reorganisation: Priorities for Children's Services and Education**

As the only authority in Devon rated 'Good' by Ofsted, the expanded Torbay Council could become a recognised centre of excellence for children's services. Torbay council's transformation journey, built on restorative practice and workforce engagement, has achieved remarkable results with notably low social worker vacancy rates.

In February 2023, Torbay became the first UK local authority awarded Registered Restorative Organisation status by the Restorative Justice Council. The Learning Academy's 'grow your own' approach to recruiting and developing social workers offers potential to benefit children and families across a wider South Devon geography.

The opportunity to extend this excellence requires balanced consideration. Expansion would enable Torbay's restorative practice framework to benefit a larger cohort of children and families, with the Learning Academy model creating career development pathways across the enlarged area. However, protecting current performance during any expansion requires careful transition planning, maintaining workforce stability, and ensuring the restorative culture can be embedded across new teams. The authority would need to preserve the focused leadership and clear accountability that has been fundamental to Torbay's improvement journey.

The authority demonstrates strong cost control in Children's Services despite high demand pressures. Through the Safety Valve intervention programme, Torbay is successfully addressing High Needs Block pressures with a clear deficit recovery plan, progress that could be maintained within stable boundaries. Strategic SEND planning across a larger geography could create additional opportunities for sufficiency planning and local provision development, whilst requiring coordination to maintain progress on deficit reduction.

Plymouth's children's services are progressing well following the January 2024 Ofsted assessment, which recognised strengthened practice. Once Government has decided the pattern of government, the subsequent implementation plan will demonstrate how we will protect this improvement trajectory, and those in wider Devon, ensuring that the Directors of Children's Services can maintain focus on delivering and sustaining transformation outcomes.

Detailed implementation planning will include ring-fenced governance to protect the Plymouth Improvement Board's work and expanding to support desegregation from Devon to its expanded boundary, within clear timelines that avoid disruption to critical improvement milestones, and measurable performance targets covering workforce stability, caseload levels, and statutory compliance rates.

Extending Plymouth's boundary will create greater consistency in children's services across what is functionally a single community. The expanded area will enable a more unified approach to family hubs and preventative services directly addressing one of the key improvement priorities identified by Ofsted, whilst ensuring families receive seamless support regardless of historical administrative boundaries.

Devon County Council's Children's Services have been rated Inadequate by Ofsted since 2020, with recent reinspection in September 2024, revisited in 2025, finding the authority still inadequate. The creation of four new councils would provide a necessary catalyst for transformation, enabling a fresh start with new leadership and clear accountability.

Areas that need urgent or sustained focus include:

- Consistency of leadership: in particular, the churn in the DCS role was identified by Ofsted as a significant factor in performance.
- Speed & quality of response: Ensuring child protection decisions, strategy discussions, and emergency placements are handled promptly and thoroughly.
- Workforce stability: Reducing dependence on agency staff, filling vacancies, retaining experienced staff.
- Better partnership working: Especially on issues like exploitation, domestic abuse, neglect.
- Financial management: Controls on placement costs, reducing overspend, making sure resources are used efficiently.
- Consistent quality of social work: Good practice needs to be more uniformly applied across the county.

Statutory Directions in relation to Devon's Children's Services were issued on the 11 June 2025. The Directions appoint Nigel Richardson CBE as a Children's Services Commissioner for Devon and requires him to advise whether improvement can be achieved whilst operational control remains with the council, and to advise on the future delivery and governance arrangements for Children's Social Care. Early engagement with the Government Commissioner will be a priority should the Direction Order for Devon appear likely to still be in place on vesting day. Should this be the case we would want to consider, in agreement with the Commissioner, establishing transitional governance arrangements for Devon Children's services which avoid disaggregation, but ensure accountability, while the Direction Order is in place.

Based on 2023/4 data, Devon County is not an outlier in terms of volumes but underperforms in timeliness, consistency and sustainability of interventions. This suggests that there are no demand side pressures making a significant impact on overall performance. As the first stage for any new council, service improvement would be based on an existing improvement plan and engagement with the Commissioner and Department for Education will be critical.

Within Children's Services, Torbay Council and Plymouth City Council currently demonstrate greater cost control despite higher demand pressures. The existing Devon County Council costs are significantly higher, reflecting market weakness and less effective placement matching. The expansion of Torbay and Plymouth City Council's boundary enables targeted improvement strategies to meet the specific challenges and strengths of each area.

In putting forward our Modified four Unitary Proposal we recognise the absolute priority of ensuring that this improvement journey is safeguarded and where possible accelerated. Once government has made its decision on which proposal to take forwards, we would want to explore a joint approach, building on the experience from Northamptonshire. We would want to consider alternative governance models in the short and medium term on the basis that any arrangement should enable and protect ongoing improvement, whilst giving both the Exeter and Devon Coast and Countryside authorities a 'seat at the table' through appropriate governance. Arrangements should be incorporated into the Improvement Directions going forward, so the crucial engagement with the Commissioner and Department for Education is maintained.

Our Modified four Unitary authorities' model will establish sovereign SEND services built on local delivery with control over SEND budgets to design and deliver services based on each area's unique geography and needs profile. This model will enable enhanced integration and strengthened partnerships which can be coordinated effectively on a unitary footprint to drive operational efficiency. Each Unitary will work collaboratively with schools and education providers including Multi-Academy Trusts (MATs) to support early identification of needs and development of inclusive learning environments. Early intervention will also be further supported through multi-disciplinary Teams Around Schools and Inclusion Support Teams to improve outcomes for children and young people.

In the longer-term local government reorganisation offers the opportunity to build transformation capacity, with an expanded Exeter unitary council able to leverage the University of Exeter and Exeter College to create structured pipelines into social care careers. Using local housing and economic development powers to provide affordable housing for social workers, educational psychologists and SEND caseworkers could directly address the workforce retention challenges that have hampered improvement across Devon.

Exeter City Council has already chosen to specialise in prevention with exceptional investment in discretionary services such as culture and leisure, social prescribing within Wellbeing Exeter and the Sport England sponsored Place Partnership. The Council has instigated a pilot project with Devon County Council to second social care staff into its housing needs team to design the conditions in which the system can better meet the needs of young people leaving care. Becoming an urban unitary council creates a unique opportunity to reset the system: hardwire prevention into local services, embed housing and community support into wider commissioning strategies, and building services that reflect the unique needs and strengths of local people.

By aligning education, housing, health and employment services under single strategic control, the authority would be well-placed to deliver the integrated "Family Help" services and Best Start Family Hubs mandated by the new Children's Social Care National Framework, ensuring comprehensive early intervention support. The three urban-centred unitary councils will build on existing centres, maximising opportunities of linking with leisure, library and housing services to delivery family support, in partnership with other partner agencies. For rural Devon, there will be enhanced opportunities to work with former district council services in Devon's many market towns to develop an enhanced network of family hubs.

The new authorities would develop locality-based children's services integrating early help, children's social care, youth services and SEND provision. These locality services would create accessible local presence across the authority's geography whilst maintaining sufficient scale for specialist expertise and management oversight. Working in partnership with schools, health services and voluntary sector organisations, locality teams would deliver coordinated multi-agency support with clear accountability.

The new authorities require strategic SEND planning to ensure appropriate local provision and reduce reliance on expensive independent sector placements. The new unitary authorities will enable comprehensive planning across education, social care and health, developing specialist resourced provision in mainstream schools, expanding local special school capacity where needed, and creating appropriate post-16 pathways. All four Devon unitaries would collaborate, where appropriate, to ensure effective specialist service delivery across the region.

Working in partnership with schools, parents and health colleagues, the new authorities would strengthen universal and targeted support whilst working across Devon to ensure appropriate specialist provision where needed. Unified planning enables effective quality assurance, strategic workforce development for SEND specialisms, and coordinated transitions between education phases and into adulthood.

## **Adult Social Care Services**

Adult Social Care (ASC) in England is a complex and evolving system, providing vital care and support to nearly 890,000 people every day. ASC supports adults aged 18+ who have care and support needs arising from disability, illness, age, or other circumstances.

ASC is by far the largest single element within any unitary council's budget. There are long standing challenges for councils in meeting demand, while managing the spiralling costs for commissioned services from the provider market. Alongside the established services required for older adults (65+) the emerging needs of younger adults including those with complex neurological conditions or physical support needs are defining a whole new approach to lifelong independence and the type of interventions required.

Nationally the ASC system is under intense and growing pressure, which has included a long-standing political challenge to address the underlying funding methodology for ASC and the degree of personal liability any individual should have for personal care fees. Combined with challenging efficiency targets within NHS budgets there will continue to be on ongoing pressure in the system regardless of local government reorganisation.

Current and Future challenges include:

- NHS Integrated Care Systems (ICSs) are evolving rapidly, with reconfigured NHS boundaries and new approaches to population health<sup>4</sup>.
- Ongoing financial pressure on ICS making it increasingly difficult to allocate resources to preventive or discretionary activities.
- CQC inspection of local authority ASC functions have been refreshed, with greater scrutiny of quality, outcomes and safety.
- Workforce pressures, provider fragility, and complex transitions from children's services all create demand for smarter commissioning and deeper local knowledge.
- Revolutions in the use of technology, data and predictive analytics present new opportunities in personalised care, within the need for security of personal data.
- The Casey Commission<sup>5</sup> is likely to recommend far-reaching changes and a National Care Service which could mean further change following LGR

## The Proposed Operating Model for Adult Social Care

Our Modified Proposal offers a coherent scale for service delivery in each of the distinct areas; with a clear transformation agenda we will be able to deliver the benefits of scale and localism by delivering services that reflect:

- How people they live their lives and their community networks that support them and their families.
- Where and how they can easily access advice and help.
- Where providers are based and operate.
- How systems can be joined up across housing, health, economic wellbeing, and care.

This approach adopts “*the conditions that underpin high -performing ASC systems*” (Impower) as core system building blocks.

1. Outcome focus and clarity of purpose
2. Strong leadership and strategic capacity
3. Skilled, supported and stable workforce
4. Resilient markets and intelligent commissioning
5. Focus on Prevention
6. Integration with housing, health and other services
7. Financial grip and realistic medium-term planning
8. Accountability and learning

This approach reflects the priorities outlined later in this section.



<b>Putting People First in Devon</b> <b>Proposed Operating Model for Adult Social Care</b>		
<b>Tackling local challenges</b>	<b>Developing locally owned solutions</b>	<b>Evidenced and insight-led practice</b>
Creating solutions in each locality that focus on prevention and the strengths and assets of local communities.	Strategies and plans define a clear agenda and encourage local action.	Integrating data to build rich pictures of local communities to better target demand and understand need.
<b>Delivering Adult Social Care</b>	<b>Strengthening Adult Social Care</b>	<b>Collaborating Adult Social Care</b>
<p>Effective place-based services: where services are tailored to local population needs.</p> <p>Building coherent, person-centered services that reflect real localities: delivering statutory ASC services</p>	<p>Neighbourhoods and community support: where trust relationships and prevention are built.</p> <p>Early intervention, prevention, wellbeing and inclusion and offer the best return on investment.</p>	<p>At the right scale to ensure sustainability, specialism or strategic coherence.</p> <p>Working together with NHS and other regional partners including other councils using scale to manage risk, achieve efficiency, and maximise influence where it makes sense to do so.</p>
<p>Social work, safeguarding, assessment and case management.</p> <p>Commissioning of care homes, domiciliary and day opportunities.</p> <p>Integration and partnerships with housing, leisure and public health Response to local demography and geography Service integration with NHS neighbourhood teams.</p>	<p>Asset Based Community Development (ABCD) delivering social prescribing: Community Builders and Connectors. (Wellbeing Exeter): Volunteer-led befriending and low-level support.</p> <p>Local adaptations, reablement and home improvement services. VCSE partnerships, parish-level innovation and micro-providers. Engagement with people, carers and families.</p>	<p>Market shaping and workforce strategy.</p> <p>Commissioning of specialist services: (e.g. complex autism, forensic mental health). Data analytics, assurance, and digital infrastructure.</p> <p>Joint procurement and shared back-office systems. Strategic relationships with NHS (e.g. at Integrated Care Board level).</p>

## Reorganisation: Priorities for Adult Social Care Services

Torbay Council's pioneering approach to integrated health and social care which has a well-established track record of speeding up hospital discharges and reducing staff shortages in the care sector. For almost twenty years, the model has proved itself despite their ageing demographic and socioeconomic challenges. Torbay's Integrated Care Organisation (ICO) has been described as "...a pathfinder and national leader", and there is much learning that can be built on across Devon.

As a unitary authority, Plymouth has developed sophisticated, integrated services that are already delivering for residents. Plymouth has created a social care model where users report levels of 'control over their daily life' Adult Social Care Outcome Framework (ASCOF Measure 4A) that are significantly higher than the national average. This demonstrates a clear capacity for high-quality, strategic delivery.

Devon's adult social care generally performs strongly: it has produced a comprehensive self-assessment for CQC. Devon scores exceptionally well on satisfaction measures. It undertook a peer review with the LGA in preparation for CQC and has made progress with its action plan.

The main area of weakness that it has been addressing is the waiting time for assessment: concerted action is bringing these down. This is linked to a further area of concern in reviews, where Devon's performance is below the England average of 58.77% (Short and Long-term Support, 2024, SALT).

The self-assessment displays strong, stable leadership and a consistent focus with a clear emphasis on a culture that supports professional social work and has the voice of people who draw upon care at the centre. Devon anticipates that this will be reflected in the CQC rating (expected early 2026).

In rural and coastal Devon there are challenges in delivering Adult Social Care due to the higher-than-average population of older people (particularly those aged 85 and over), low dependency ratio, geographic and housing challenges (Devon CC CQC Self-Assessment). However, Devon supports more of its adult population overall than the England or Comparator Group averages. This includes a significantly greater proportion of the 18-64 population than the England or Comparator Group averages. Some of this demand is attributed to the high numbers of young people coming to Adult Services from Children's.

DCC has adopted a service model with a focus on quality of life using a strengths-based approach, this model emphasises early information and advice, prevention, and good conversations. Overall, the consistency of this model is positive, particularly as it now shapes resources and informs the budget.

Overall, benchmarking shows, Devon Adult Social Care a mid-tier performer compared with England averages, with relatively good performance across a range of key performance indicators. However, drilling down to more a local level there is wide variation in performance is some localities with considerable areas of unmet need. For example, with increases in Extra Care and supported accommodation with a current over-reliance on residential care for many older adults in some areas and in Exeter in particular.

Further detail can be found in **Appendix 3: Adult Social Services in Devon.**

Devon CC has been successful over the last two financial years in achieving a near financial balance using the clear practice model. In its 2025/6 budget, the Council applied the full council tax increase, which includes the 2% adult social levy, equating to £10.9m. The council was able to increase spending in adult social care by 8.2% while achieving an £8m savings target through reshaping activities and it has less financial variation than many councils in England.

However, Devon's own needs analysis identifies that Devon will require increased provision of residential and community services for the projected 26% increase in adults with a learning disability between 2020 and 2030. With demand increasing and particularly those of younger adults and those transitioning from Children's Social Services, from December 2025, Devon are embarking on a programme to deliver a reduction in costs of £106,770,000 over the next 3 years.

The NHS carries significant risk in relation to its budget pressures: Devon County Council has historically benchmarked low per 100,000 population (18 and over) for its income from the NHS. This trend has continued in 2023-24: with Devon: £4.833m (up 14%) and England: £9.271m (up 4%). It is particularly relevant to local government reorganisation to compare the per 100,000 population income from the NHS with Plymouth and Torbay who have developed very different place-based models of integration with the local NHS which both generate higher levels of income from the NHS.

	Income from NHS - per 100,000 population (18 ad over)						
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	DOT
England	£6,100,000	£6,400,000	£9,094,824	£9,156,309	£8,914,000	£9,270,617	
South West	£6,300,000	£5,900,000	£10,107,991	£10,291,088	£9,222,000	£10,695,582	
Peer Group						£9,657,066	
<b>Devon</b>	<b>£3,300,000</b>	<b>£3,700,000</b>	<b>£9,928,468</b>	<b>£10,134,733</b>	<b>£4,136,000</b>	<b>£4,833,004</b>	
Plymouth	£9,600,000	£5,300,000	£7,649,446	£8,324,572	£5,704,000	£7,429,313	
Torbay	£8,400,000	£15,000,000	£21,124,278	£29,586,255	£23,812,000	£29,559,025	
ICB	£4,200,000	£5,300,000	£10,703,903	£11,979,240	£6,731,000	£8,170,979	

**Source Devon County Council September 2025**

Devon County Council's adult social care is based on four locality teams, each with an explicit link to one of the main hospitals (Exeter, Barnstaple, Torbay, and Plymouth). There is a range of specialist care and support services behind this, however this model is based on "NHS patient flows" and does not align with natural communities or even the boundaries of the NHS's own Primary Care Networks. Local government reorganisation provides a particular opportunity to develop a new neighbourhood model for the four new unitary councils developed in partnership with the local NHS, using the Neighbourhood Committees to engage communities in the design of health and social care across the Coast and Countryside and expanded Exeter Authority areas.

This would allow for the boundaries of these locality teams to be redrawn, whilst maintaining links to the main hospitals, yet recognising the diverse interests of different communities across the rural Devon and urban Exeter geographies.

In delivering our proposal we would seek to emphasise continuity and stability in Adult Social Care to enable continued progress in delivering effective service models. Whilst partnerships will be retained at a strategic level there is a clear requirement for these to be enhanced locally. Therefore, we would take an integrated, strategic approach which avoids fragmentation of partnership infrastructure to avoid adverse impact on social care. Building in the strategic capacity to manage and develop these relationships will be key.

Through the transition period processes, systems etc. service disruption will be minimised and post transition, the benefits of combining county and district services will be carefully realised through a transformation plan which minimises disruption.

The future locality model will be used as the basis on which to understand demand and manage supply in a market consisting of small local providers. This has the added benefit of helping to keep residents close to home. The locality model will be used to develop place-based understanding of local markets, working with providers to influence where facilities are built and strengthen buying power by maintaining a mix of self-funded and council funded placements.

Each authority will be able to use its scale, combined with local insights, to develop packages of development opportunities (for example extra care) that provide the scale and certainty to attract investment.

Work to date to maintain workforce capacity in the personal care market will be maintained and a strategic approach will be developed with neighbouring authorities to manage limited workforce capacity across the county and ensuring affordable housing for key workers.

Based on our financial assessment, expert subject matter advice; our distinct geographies, ambition and knowledge of place and community, our Modified four Unitary Proposal is for a fully disaggregated model for ASC. This offers good conditions for maintaining excellence such as the innovative partnership model in Torbay and the collaborative commissioning model in Plymouth whilst enabling Coast and Countryside Devon unitary council to focus on the needs of its aging rural population and an expanded Exeter unitary council to focus on urban issues particularly those of the growing number of younger adults requiring long term care and support including employment and housing.

## **Licensing and Environmental Health**

Our licensing and environmental health officers will be enabled to focus on the local issues of most concern to our communities. This should include closer working with Heart of the South West Trading Standards and more joint activities targeting underage sales of cigarettes, alcohol, vapes and knives and greater join-up of our regulatory powers to disrupt those that trade in counterfeit goods or sell to children. This statutory arrangement is well established in existing unitary councils of Torbay and Plymouth which will extend its coverage to encompass the expanded area.

In Exeter the taxi, alcohol, gambling, late-night entertainment and other licensing authority functions will be extended to incorporate applicants in the wider area. The well-established Nighttime Economy partnership approach to managing the night-time economy will roll out into neighbouring towns, addressing alcohol-related crime and disorder. New arrangements will be established for the Coast and Countryside council, which will be better tailored to the specific needs of dispersed rural communities, and towns.

## **Housing Services**

Exeter has an excellent track record of providing Housing Services in the city which goes above and beyond the remit of a district council. We have an ambitious construction programme to build new social housing in Exeter– the homes which have already been built have been built to Passivhaus standards. We have an award-winning retrofit programme that continues to cut our carbon footprint and reduce energy bills for our tenants. Our Extra Care scheme, Edwards Court continues to prove very popular and is at full capacity with a healthy

waiting list. We continue to support people who are facing homelessness or rough sleeping – our rough sleeping figures have dropped to an all-time low in Exeter. However, we are currently restricted by the two-tier system and moving to a single tier would provide more opportunities to improve the lives of people.

The new unitary authorities' model would bring together a wide range of services into a comprehensive, system-wide solution with "no wrong front door" which would enhance the prevention-focused model. This would significantly drive efficiency and improve service delivery to prevent homelessness, avoiding cost to the public purse and ensuring better outcomes.

Our vision for a four unitary authority structure would see housing, homelessness and commissioned based services rooted in prevention, building on examples of good practice that are well established and embedded in Torbay and Plymouth. It will focus on early, targeted intervention –using data sources to effectively triage and then then better support single adults and families to ensure a person centric service across a wide range of activities including housing, mental health, substance misuse and adult and children social care services. Operating statutory homelessness over four unitary councils would deliver efficiencies and increased resilience with larger more specialised teams.

## **Public Health**

Public Health functions in England are defined by the Health and Social Care Act 2012, assigning local authorities the statutory responsibility to improve health and reduce inequalities. Core statutory responsibilities include promoting healthier lifestyles, preventing disease, and addressing wider determinants such as housing, employment, and education.

The public health data-led preventative approach supports the wider operating model. The four unitary authority model proposes bringing together wider public health services such as housing, leisure, revenues and benefit services to ensure it is easier for people to get the help they need earlier.

A key requirement is appointing a Director of Public Health (DPH), who leads strategy and produces an independent Annual Public Health Report. Health protection duties involve preparing for infectious disease outbreaks and environmental hazards in collaboration with UK Health Security Agency (UKHSA) and Local Resilience Forums. There are currently three DPH's in Devon County and once government has decided on the preferred proposal, we will consider capacity and agree to joint arrangements where it makes sense to do so.

Public health leadership integrates with council governance via the Health and Wellbeing Board, Joint Strategic Needs Assessment, and Joint Health and Wellbeing Strategy, while collaborating closely with Integrated Care Systems (ICS). Services focus on health improvement (e.g., smoking cessation, mental health promotion), health protection, children's services, sexual health, substance misuse, and NHS commissioning support. Delivery is through a mix of in-house teams, NHS providers, commissioned external partners, and voluntary sector organisations, with strong cross-sector collaboration to address social determinants of health. Creating four unitary councils for Devon will better integrate these functions at a local level with housing and community health services to enable more joined-up and preventative approaches.

## **Leisure Services**

Leisure Services form part of the early intervention and prevention offer. Leisure centres can have a wider role in wellbeing and should help prevent ill health through inclusive offers, social prescribing and location of services.

In Exeter, where leisure services are provided in house, work continues through the Sport England Place Partnership promoting a vision in which local authority leisure moves beyond simply offering gym/swim classes to taking a broader approach to supporting people's overall wellbeing. This means integrating physical activity with health, social care, mental health, prevention and community outcomes.

Length of contract and provision of current leisure services will initially vary. In the formation of the new unitary council for Exeter and surrounding area and for the new Coast and Countryside unitary council but within a reasonable timescale each unitary would be able to enjoy a single leisure offer. Each new footprint will be able to offer a greater range of services. There will be good potential for longer-term savings after re-contracting at end of each contract term. There could also be savings using alternative delivery models including investment in concessionary access for those on the lowest incomes, leading to a significant impact on health and wellbeing outcomes.

### **Culture and Heritage**

Building on the strong current cultural, arts and heritage offer across the county, our proposal will support direct service delivery but also support cross-sector joint working, especially with the voluntary and community sector.

Cultural and heritage services will be delivered in each area, with models adapted to the needs of urban and rural populations and making best use of available assets, including outdoor venues. Using established locality-based working that is rooted in communities and already part of the voluntary and community sector network, they will continue to grow community capacity and a sustainable cultural offer that is flexible, modern and relevant to the communities being served.

Inclusive access, whether through peripatetic offerings to rural areas or reflecting demographic diversity in urban areas, will be at the heart of the service. Identity and belonging will be reflected in the service priorities, ensuring continuity for traditions that bring people together with a positive sense of place.

### **Community Safety**

The four unitary model will enhance the work of the Community Safety Partnerships, a statutory partnership brought together by the Crime and Disorder Act 1998 to identify local community safety priorities and developing plans to address them. This statutory arrangement is well established in the existing unitary councils of Torbay and Plymouth, which will extend its coverage to encompass the expanded areas.

There is an important intersection between community safety and child and adult safeguarding, and homelessness. As the area within the four unitary geographies with a high level of homelessness, Exeter has developed strong partnership arrangements with organisations and teams involved in managing behaviour and providing the right support. This close collaboration will continue under a unitary council for Exeter and the surrounding area, with parallel arrangements in the new Coast and Countryside council being developed, though proportionate to its levels of need.

### **Highways and Transport**

High-quality local transport infrastructure is vital for supporting growth and opportunity in Devon. The county's transport networks are significant both regionally and nationally, leading to high levels of use. With ambitious government housing targets and expected population

growth, further pressure on existing transport systems could negatively impact air quality, noise pollution, and resident health if not managed strategically. Devolution presents an opportunity to bring greater strategic oversight to the area's local transport networks, ensuring transport decisions aligned with climate change, housing, and health ambitions.

Transport and highways services are critical to the future prosperity and connectivity of Devon. As our population grows and changes, we will also need to plan for the infrastructure to support increasing numbers of homes and households. For example, Devon already experiences significant demands on its road network due to it being a key part of national and international transport links, as well as the location for nationally important roads such as the M5, A38, A30 and A303.

Our Modified four Unitary proposal will create councils with statutory responsibilities for local highways, network management, active travel, and public transport. A new unitary for Exeter and the surrounding area will, for the first time, enable a single authority to shape delivery around local priorities while aligning with county wide and regional strategies for growth, decarbonisation, and improved quality of life. The new unitary council for Exeter and the surrounding area will have a central role in planning and delivering an integrated, low-carbon, and inclusive transport network across the expanded Exeter area, the county's main economic and commuting hub. A functional, urban based unitary council, including the City of Exeter and surrounding area will underpin Exeter's strategic role at the heart of a major transport hub, vital for the economic growth of the whole of Devon. Exeter is only 2 hours by train from London and has the second largest Travel to Work Area (TTWA) in the UK. With an international airport, two highspeed train lines and the M5 motorway on its doorstep, Exeter connects Devon to the rest of the UK.

The proposed new unitaries in Exeter, and the coastal and rural Devon will, alongside the expanded unitary councils of Torbay and Plymouth will, contribute to and work with the wider governance structures of the Devon & Torbay Combined County Authority (DTCCA) and Transport Sub-National Transport Body, ensuring that local delivery aligns with regional and national strategy. Each new unitary council will become the Local Transport Authority for its own footprint, while the Devon & Torbay Combined County Authority will provide overarching strategic coordination, joint investment planning, and access to devolved transport funding.

These new arrangements will remove duplication between county and district functions, integrate transport with planning and economic development, and provide clear accountability to residents and businesses for decisions that directly affect the quality and reliability of local travel.

The new unitaries will integrate highways and transport with planning, regeneration and climate functions. The aim in the unitary council for Exeter and the surrounding area will be to establish a cross-cutting policy and strategy function, allowing the development of joined-up responses across planning, housing, economic development, highways and transport functions to Exeter's distinctive urban challenges around an expanding population, the development of new housing and the pursuit of inclusive and sustainable economic growth.

A dedicated Highways Team - with the capacity to exercise greater control of workflows and priorities for the Term Maintenance contract - will develop annual cyclical and planned maintenance programmes that better align to the objectives of *Liveable Exeter* and residents' concerns; and advocate for the new council's interests and priorities in the development of regional strategies and plans, and at the same time develop approaches that support the skillful exercise of direct responsibilities for planning and service delivery.

## **Waste and Recycling**

Waste management services are a core aspect of consideration, due to their: geographic and logistical characteristics; the apportionment of collection and disposal responsibilities between district & County Councils, and that the service provides a direct link to the householder and is therefore one of the most public facing of all the council services.

Our Modified Four Unitary model has strong integration and efficiency benefits for the waste management service, offering short, medium and long-term improvements to residents. Efficiencies for waste management services in Devon from the proposed Four Unitary model will come from improved use of infrastructure and rationalisation and strategic location of depots and tipping points to meet local requirements providing opportunities for the use of strategic sites for waste management purposes, building resilience in responding to the circular economy and waste policy changes. It will also facilitate close collaboration across Devon to share data, procurement opportunities and best practice, for example Exeter's UK leading approach to closed loop recycling of plastic film and its pioneering marine plastic reduction initiative. will expand with the expanded Exeter region, leveraging environmental and financial savings, helping to mitigate against challenges within the industry relating to rising disposal costs, Emissions Trading Scheme liabilities and recycling market volatility.

### **Shared Services and Devon-wide Collaboration**

Whilst Torbay Council's groundbreaking partnership with the NHS speaks for itself, there is a long history of shared and joined-up services across Devon. This is at every current tier of local government, with statutory partners and with the community, voluntary and social enterprise sector.

A range of upper tier functions are already shared or joined up across Devon - Trading Standards for Devon, Plymouth and Torbay is delivered by the Heart of the South West Trading Standards Service; library services are delivered by Libraries Unlimited (a Community Interest Company) on behalf of Devon County Council and Torbay Council; and, across Devon, the majority of waste that isn't reduced, reused, recycled or composted is sent to one of two energy recovery facilities either in Exeter or Plymouth.

With Devon County Council and Torbay Council having developed a Joint Local Transport Plan in the past, the Devon and Torbay Combined County Authority is now the Local Transport Authority. The Plymouth and Southwest Devon Joint Local Plan was adopted by Plymouth City Council, South Hams District Council and West Devon Borough Council in March 2019. A stand-alone company owned and controlled by the three councils; Strata is a partnership which shares Digital Transformation and IT services between East Devon, Exeter and Teignbridge District Councils. Devon Building Control Partnership provides Building Control Services across three existing district councils covering over 1,000 square miles.

Once Government has chosen its preferred proposal, we will work across Devon to identify opportunities for continuing shared arrangements during the transition phase and beyond where it makes economic and service delivery sense to do so.

### **Summary Public Services in Devon: A Cohesive and Ambitious Future for All of Devon**

Whilst all four new councils will have a relentless focus on safeguarding and preserving the improvement journeys for children's and adult services, our Modified Proposal also allows each unitary to focus on the specific needs of its local areas. It also ensures the right size geographies to reduce avoidable travel and 'hand off' costs, improve workforce stability and enable local market shaping that lowers unit costs over time.

### **Expanding Plymouth - Continuing improvement and Innovation**



The expanded Plymouth authority creates a unified structure that eliminates service fragmentation whilst extending Plymouth's proven capabilities across crucial services to benefit all residents. Plymouth's leadership in social care innovation, children's services development, SEND provision, homelessness prevention, planning, and economic development creates substantial opportunities for the extended area.

**Children's Services Improvement:** Plymouth City Council is demonstrating significant improvement in children's social care services, with Ofsted confirming in January 2024 that services "require improvement to be good". The improvement journey includes strengthened practice in case summaries, supervision, visits, and plans. The City Council has a clear transformation plan in place to develop, sustain and embed good practice. By extending Plymouth's boundary, greater consistency in children's services will be created across what is functionally a single community. The expanded boundary will support better early help provision by enabling a more unified approach to family hubs and preventative services, addressing one of the key improvement areas identified by Ofsted.

**Strategic Response to the Housing Crisis:** By setting the Local Planning Authority (LPA) across a larger area, an expanded Plymouth authority will deliver a far more effective and strategic response to the region's housing crisis than is possible through the current arrangements.

Decisions about the form and location of new development will be able to be made in the context of understanding the city's functional area and its relationship to surrounding rural settlements and the countryside. This will help the new LPA to meet the area's housing requirements in a manner which is the most sustainable, safeguarding the special characteristics of the rural environment and optimising the use of land in the city. Through coordinated planning and delivery across a more sensible planning area, there will be considerable opportunities for a more strategic approach to infrastructure delivery, supporting the provision of services to ensure that new and existing homes have the facilities and accessibility they need.

**Highway Service Excellence and Innovation:** Residents will benefit from the extension of a best-in-class highways service, which already maintains local A, B and C roads to a standard better than the regional average. The expansion of Plymouth presents significant opportunities for highways and transport integration through strategic coordination and economies of scale.

Key highway assets including condition monitoring systems, emergency response capabilities, and technical expertise can be extended across an expanded Plymouth, providing enhanced service delivery to rural communities whilst maintaining Plymouth's established standards for the resilience network that supports the city's economic functions. Plymouth's highway service has demonstrated innovation through development of commercial opportunities, including CCTV monitoring services. With the current Southwest Highways contract period ending in 2027, there are opportunities to adopt more dynamic approaches including potential trading company models that could reduce costs whilst increasing commercial opportunities.

**Environmental Infrastructure:** The delivery and coordination of environmental infrastructure is illustrated by Plymouth's leadership of the Plymouth and South Devon Community Forest a new project that will see thousands of new trees planted across the city. It will stretch from the heart of the city to the edge of the moor, encompassing 1,900 hectares of land to form a mosaic of different forest habitats. The City Council is also leading on other environmental programmes working closely with the National Trust, the Environment Agency, and South West Water.

**Environmental Management:** Plymouth's highly proactive approach to supporting a more sustainable and net zero city will be able to be rolled out across the wider area, enabling it to benefit from being part of Plymouth's Net Zero Partnership and wider initiatives to deliver environmental and decarbonisation outcomes. The strategic approach includes comprehensive environmental monitoring, coordinated biodiversity enhancement, and integrated approaches to sustainable development that support both environmental protection and economic growth.

**Strategic Transport Investment:** Plymouth's role hosting the sub-national transport body positions the council as a regional leader in transport planning and delivery. The authority will build on the area's high bus usage, which currently stands at 15.5 million passenger journeys a year, using its £311.4 million Bus Services Improvement Plan to improve connectivity for all. Combined with the £706.3 million strategic transport infrastructure investment, this demonstrates the scale of transport transformation already underway.

The Enhanced Bus Partnership with local operators creates a proven model for public transport coordination that can be extended across the enlarged area, improving connectivity whilst reducing car dependency and supporting sustainable development patterns.

### **Expanding Torbay - Balancing Opportunity with Risk Management**

The expanded Torbay authority presents significant opportunities to build on the council's impressive track record of innovation and high performance, offering the potential to scale a proven model of integrated service excellence across a wider South Devon geography, whilst requiring careful management to preserve the achievements that make Torbay a national exemplar.

**Preserving Integrated Care Excellence:** Central to Torbay's success is its twenty-year pioneering approach to integrated health and social care. The Integrated Care Organisation (ICO) has been described as "a pathfinder and national leader" in delivering seamless services maintaining exceptional delayed transfer of care performance that ranks among the best nationally.

Whatever the outcome of reorganisation, this model must be protected. Expansion offers opportunities to extend this nationally recognised approach across a wider coastal geography facing similar demographic challenges. The ICO model's integrated neighbourhood approach, community support model which diverts residents from statutory services, and close relationships with the voluntary sector could benefit a larger population whilst maintaining the localised delivery that has been fundamental to its success.

However, expansion would require careful planning to ensure the model remains coherent and effective at larger scale. The authority would need to maintain strong NHS partnership arrangements whilst extending them to cover additional Primary Care Networks, creating seamless care pathways across the enlarged area without diluting the integration that characterises Torbay's achievement.

**A Centre of Excellence for Children's Services:** As the only authority in the area rated 'Good' by Ofsted, the expanded Torbay could become a recognised centre of excellence for children's services. The council's transformation journey, built on restorative practice and workforce engagement, has achieved remarkable results with notably low social worker vacancy rates. In February 2023, Torbay became the first UK local authority awarded Registered Restorative Organisation status by the Restorative Justice Council. The Learning Academy's "grow your own" approach to recruiting and developing social workers offers potential to benefit children and families across a wider South Devon geography.

The opportunity to extend this excellence requires balanced consideration. Expansion would enable Torbay's restorative practice framework to benefit a larger cohort of children and families, with the Learning Academy model creating career development pathways across the enlarged area. However, protecting current performance during any expansion requires careful transition planning, maintaining workforce stability, and ensuring the restorative culture can be embedded across new teams. The authority would need to preserve the focused leadership and clear accountability that has been fundamental to Torbay's improvement journey.

The authority demonstrates strong cost control in children's services despite high demand pressures. Through the Safety Valve intervention programme, Torbay is successfully addressing High Needs Block pressures with a clear deficit recovery plan, progress that could be maintained within stable boundaries. Strategic SEND planning across a larger geography could create additional opportunities for sufficiency planning and local provision development, whilst requiring coordination to maintain progress on deficit reduction.

**Environmental Leadership:** Torbay demonstrates exceptional environmental stewardship with zero municipal waste going to landfill compared to regional and national averages, alongside significantly lower greenhouse gas emissions per capita than both the Southwest and England averages, performance that could be extended across an expanded area. The unified authority could develop comprehensive environmental strategies addressing coastal erosion, flood risk and biodiversity protection at a scale matching ecological boundaries.

### **Exeter - A Strategic Hub for Sustainable Communities**

A unitary council based on Exeter and the surrounding area would bring together Exeter's strategic role as a major transport hub and UNESCO City of Literature with the surrounding market towns and communities across East Devon, Mid Devon and Teignbridge that form its natural catchment.

**Integrated Service Delivery Model:** The unitary council for Exeter and the surrounding area would operate through a multi-level service delivery model combining strategic functions at authority level with place-based delivery through locality teams. This structure addresses the area's diverse characteristics, from the dense urban core of Exeter to market towns and rural communities. The council would develop clear neighbourhood governance arrangements in line with the English Devolution and Empowerment Bill, building on existing parish and town council structures whilst creating new capacity for community engagement in urban and semi-urban areas.

**Strategic Housing and Growth Coordination:** A unitary authority for Exeter and the surrounding area could accelerate delivery of significant housing growth, coordinating the Liveable Exeter programme within the city with strategic growth sites east and southwest of Exeter. By bringing housing, planning, transport and infrastructure under single strategic control, the authority could overcome the fragmentation that has hindered the Greater Exeter Strategic Plan, ensuring new communities receive the schools, health services and transport connections needed from day one.

The new council's unified planning powers enable strategic infrastructure delivery across the entire functional area. Major transport corridors, strategic drainage, education provision and healthcare facilities can be planned holistically, creating conditions for sustainable growth that meets housing need whilst protecting environmental assets. The Housing Delivery Test confirms Greater Exeter's strong recent performance at 108% delivery against target for 2020/21 to 22/23, providing a foundation for continued delivery at scale.

**Opportunities to Address Critical Service Gaps:** Exeter and the surrounding area has significant opportunities to develop adult social care strategically through integration of housing, planning and commissioning powers in adult social care that a unified authority would be well-positioned to address. The area requires substantial additional care home capacity to support older people with complex needs and dementia, with the majority of this need concentrated in East Devon and Exeter. The area also faces considerable Extra Care housing deficits. A new authority could integrate housing, planning and social care powers to strategically commission and deliver Extra Care housing, embedding provision within city regeneration schemes and brownfield developments.

The authority could leverage the established community infrastructure to develop neighbourhood-based adult social care aligned with NHS Primary Care Network boundaries, addressing current over-reliance on residential care placements. Through integrated commissioning with NHS partners, the authority could strengthen hospital discharge pathways and expand reablement services focused on maintaining independence.

The projected population growth in older age groups, particularly those aged 75 and over, requires proactive investment in Extra Care housing, enhanced domiciliary care capacity and specialist dementia services. The unitary council's integrated housing and planning powers enable strategic provision embedded within new developments from the outset rather than as an afterthought. Working with developers, housing associations and care providers ensures new housing growth includes appropriate care infrastructure.

**A Catalyst for Children's Services Transformation:** Devon County Council's children's services have been rated Inadequate by Ofsted since 2020, with recent reinspection in September 2024 finding the authority still inadequate. The creation of four new unitary councils across Devon would provide a necessary catalyst for transformation, enabling a fresh start with revised models of delivery.

Local government reorganisation offers the opportunity to build transformation capacity, with the authority able to leverage the University of Exeter and Exeter College to create structured pipelines into social care careers. Using local housing and economic development powers to provide affordable housing for social workers, educational psychologists and SEND caseworkers could directly address the workforce retention challenges that have hampered improvement.

By aligning education, housing, health and employment services under single strategic control, the authority would be well-placed to deliver the integrated "Family Help" services and Best Start Family Hubs mandated by the new Children's Social Care National Framework, ensuring comprehensive early intervention support.

**Locality-Based Children's Services:** The unitary council for Exeter and the surrounding area would implement locality-based children's services integrating early help, children's social care, youth services and SEND provision. These locality teams would create accessible local presence across the authority's geography whilst maintaining sufficient scale for specialist expertise and management oversight. Working in partnership with schools, health services and voluntary sector organisations, locality teams would deliver coordinated multi-agency support with clear accountability.

The authorities' access to the University of Exeter, Exeter College and other educational institutions creates opportunities for structured social work pipelines and workforce development. Strategic use of integrated housing and economic development powers can support affordable accommodation for key workers, addressing retention challenges where high housing costs create recruitment barriers.

**SEND Service Development:** A unitary council for Exeter and the surrounding area requires strategic SEND planning to ensure appropriate local provision and reduce reliance on expensive independent sector placements. The unified authority enables comprehensive planning across education, social care and health, developing specialist resourced provision in mainstream schools, expanding local special school capacity where needed, and creating appropriate post-16 pathways.

Working in partnership with schools, parents and health colleagues, the authority would strengthen universal and targeted support whilst ensuring appropriate specialist provision where needed. Unified planning enables effective quality assurance, strategic workforce development for SEND specialisms, and coordinated transitions between education phases and into adulthood.

Further detail can be found in **Appendix 4: Children's Social Care, SEND and Education Services in Devon**

### **Devon Coast and Countryside - Tailored Services for a Unique Landscape**

This new authority would provide a bespoke solution for Devon's vast rural and coastal communities, designed to address the distinct challenges of an aging population across dispersed geography while building upon established strengths in adult social care and environmental services.

**Locality Model for Rural Delivery:** The authority would operate through a locality model explicitly designed for dispersed rural and coastal geography. Locality teams based in key market towns would provide accessible local presence for residents whilst maintaining the scale needed for specialist capacity and resilience. These teams would integrate services currently split between county and district councils, creating coherent delivery across housing, planning, adult social care, children's social care and community services.

The locality structure enables services to be shaped by and responsive to local communities rather than imposed from distant centres. Working extensively with town and parish councils, voluntary sector partners and community organisations, the authority would harness local knowledge and community connections that are essential for effective rural service delivery. Each locality would develop place-based approaches flexing to meet the varying needs across different communities, from coastal towns to moorland villages, from commuter settlements to agricultural heartlands.

Strategic authority-wide functions would provide consistency, specialist services that benefit from scale, and infrastructure supporting local delivery. This includes commissioning of specialist adult social care and children's placements, strategic workforce development, emergency planning, and major infrastructure projects that serve the whole authority area.

**Responding to Demographic Realities:** The authority would serve a substantial population with significant projected growth in older age groups, particularly among the oldest residents. This aging profile, combined with higher dementia prevalence in coastal districts and higher long-term residential care admission rates in more rural districts, requires a service model fundamentally different from urban areas. The authority could focus investment on preventing costly residential placements by expanding Extra Care Housing, reablement, and community support that enable people to live independently longer, with potential for significant annual savings.

**Building on Devon's Adult Social Care Strengths:** Devon County Council's adult social care performs strongly, with comprehensive CQC self-assessment underway and strong satisfaction measures. The council has achieved consistent financial performance with a clear practice model emphasising quality of life, strength-based approaches, and early prevention.

Any future Devon Coast and Countryside authority should build on these foundations, minimising disruption whilst realising benefits of integrating district council housing and community services functions.

The authority's scale enables strategic commissioning working effectively with Devon's predominantly small and medium-sized care providers who offer essential hyper-local knowledge and community connections. Rather than favouring large national providers, the authority can develop the local care market through strategic partnerships, quality development support, and fair pricing recognising genuine costs of rural delivery.

**Hyper-Local Service Delivery Model:** A "hub-and-spoke" model could ensure specialist services reach key market towns while deep partnerships with town and parish councils deliver truly local responsiveness. The authority could develop place-based commissioning strategies that work with Devon's predominantly small and medium-sized care providers, who offer hyper-local knowledge, to build market resilience and ensure the right care is available close to home.

The locality model would integrate housing, social care, and community services with NHS and voluntary sector partners where beneficial. This approach would address the reality that domiciliary care costs in Devon are among the highest in the Southwest due to rurality and travel distances, requiring innovative solutions like expanding Shared Lives placements, which offer substantially lower costs compared to residential care while promoting independence.

**Children's Services Improvement:** For children's services, local government reorganisation provides an essential opportunity to address the sustained failure that has persisted in Devon County Council's provision.

A rural-focused authority could concentrate on building the necessary capacity for improvement without the distraction arising from the higher levels of need and demand in urban centres. This would enable implementation of the National Framework's preventative approach adapted specifically to rural community contexts.

## **Building on our Strengths**

Our case for reorganisation is about building on our strengths, learning from our experiences and unlocking potential across the county. In Devon there are many examples of outstanding service delivery, innovative partnerships and nationally recognised success, however capitalising on these strengths is often constrained by our complex and fragmented local government structures.

Central to our proposal is maintaining and improving services for the most vulnerable in our communities. Crucial services such as social care, children's services, SEND and homelessness are vital to ensure that all our residents have the best outcomes in life. The transformation and improvement journeys which are underway across Devon will continue, with the opportunities for further integration and transformation maximised.

As a unitary authority, Plymouth City Council has developed sophisticated, integrated services that are already delivering strong outcomes for residents. Plymouth's approach demonstrates how unified structures create the conditions for innovation and high-quality service delivery. Their Planning services have achieved national recognition through multiple Royal Town Planning Institute awards, including three Silver Jubilee Cups, a distinction no other authority has matched, whilst the joint health and social care model with Livewell Southwest has received positive assessments in recent Care Quality Commission (CQC) reviews.

Torbay Council provides definitive proof of what a focused smaller-scale unitary council can achieve. Its Children's Services are rated 'Good' by Ofsted, a testament to a successful transformation that now delivers strong outcomes. In adult services, its innovative model for managing the interface with the NHS has resulted in performance on 'delayed transfers of care' that is dramatically better than the national average.

Within the two-tier system Exeter City Council has built (to ultra-energy saving efficient Passivhaus standard) and operates an award-winning 53-unit Extra Care Housing scheme. The council has recently selected a lead developer for its Clifton Hill site comprising a 100% affordable rent 72-unit Extra Care Housing scheme and is finalising a further deal for 1000-unit greenfield affordable housing scheme.

Devon County Council has established a clear strategic success in supporting older people. Its adult social care service achieves significantly lower rates of permanent admissions to care homes than the national average (ASCOF Measures 2A & 2B), demonstrating a successful focus on helping people to live independently in their own homes for longer.

The challenge we face across Devon is one of geography. Historic administrative boundaries constrain Plymouth, Torbay and Exeter's ability to extend proven models across the natural community and economic areas. Reorganisation will break down these barriers, allowing us to build a future for all of Devon based on our best and most successful service delivery models designed around the specific needs of local communities.

There is a long history of shared and joined up services across Devon – at every current tier of local government, with statutory partners and with the community, voluntary and social enterprise sector. We will build on our existing strengths and explore further collaborative working and joint commissioning. This model balances local responsiveness with the opportunity of longer-term service budget savings through working together at the right level.

Our Modified four Unitary Proposal creates a council focused on coastal, rural, national park, towns and village communities each with their own identities, priorities and challenges. Separating out the distinct urban needs will allow a rural and coastal Devon council to focus on developing a new model of service delivery focussed on localities and community engagement. It will be able to harness local knowledge and insights about specific communities to shape how services are delivered in that area to meet local needs.

Whilst Plymouth City Council and Torbay Council, with expanded boundaries, will be able to build on their current integrated service delivery models, reorganisation presents a unique opportunity for Exeter on an expanded boundary to enhance its 2023<sup>3</sup> strategy to become a Council that is digital by design, encouraging residents and local businesses to go on-line and self-serve where they are able. Exeter will further develop its 'assisted digital' model to provide local face to face access points to help digitally excluded communities access services and learn new digital skills.

The new unitary councils will be well placed to further improve customer experience, by harnessing collective data and insight across a breadth of local government services. Exeter has already, (through our IT services company Strata Services Solutions Ltd, shared with two other councils), developed an innovative data warehouse and common digital platform that will allow the new councils to better understand and respond to customer needs, for example through tailored online services, or better commissioning and targeting of preventative services and Technology Enabled Care. A simpler customer experience will offer:

- **A stronger citizen voice** - feedback, comments and complaints will be captured in a consistent way meaning this will have a louder voice in service improvement.

- **A single citizen view** - by bringing data from across systems to enable more efficient interactions.
- **Better insight and intelligence** - the better use of data and artificial intelligence provides greater potential for transforming how demand is managed and how better decisions are made whilst protecting the integrity of customers' data.



# Devolution in Devon: Unlocking the benefits for people and places

## **The Devon and Torbay Combined County Authority (DTCCA)**

The DTCCA came into being on 5 February 2025 and is one of only two non-mayoral Combined County Authority's in the country. Its remit includes key economic growth levers and powers in transport, housing, adult skills and inward investment.

The DTCCA has six clear priorities focused on these areas:

1. A strong and sustainable local economy.
2. Delivering investment in Devon and Torbay.
3. Meeting net zero ambitions.
4. Improving local transport.
5. Addressing housing pressures.
6. Maximising economic potential.

## **Delivering system coherence within the strategic tier**

The four unitary council's will act as key pillars for devolution and a more prosperous, sustainable and fairer Devon and Torbay. We will work as part of an evolved governance framework allowing political leaders from each unitary authority and partners to collaborate at a greater scale around strategic issues facing Devon, including lack of affordable housing, transport and other infrastructure, which are recognised as barriers to economic growth and prosperity.

Together, we will strengthen existing arrangements under the DTCCA through collaborative leadership, strategic clarity, and by delivering tangible benefits for people and places.

Working collaboratively with the DTCCA, each new unitary authority will be empowered through our functional economic geographies, and capable of driving delivery, shaping strategy from the ground up. We will give Devon a voice at the top table, and in partnership with government, drive the dynamism of our region and achieve our goal of a Mayoral Strategic Authority (MSA).

## **Our commitment to working with the DTCCA to deliver a devolved governance model for Devon, fit for the future**

Under our model, all four unitary authorities, alongside the DTCCA will be equal, accountable partners in devolution, with the powers and scale to enable Devon to compete on a national and global stage – supporting growth that benefits the whole economy.

Our model secures Devon to be one of the next generation of MSAs, led by poly-urban areas and a strong coastal and countryside authority, each with distinct identities. We believe a new Devon MSA must have strong, empowered city-led unitaries – who understand local needs, can convene partners, and lead delivery.

## **Evolved governance arrangements**

# Governance Arrangements



Each unitary authority will coordinate with the DTCCA through a joint Leadership Board, and shared programme boards which support the CCA's missions on economic growth, transport, skills, housing, net zero and investment, creating a single devolution framework.

The current governance structure for the DTCCA fails to address the key barriers to economic growth and prosperity in Devon and does not tackle inequalities, including the lack of affordable housing, transport, and other infrastructure. Exeter and Plymouth's important position as drivers for growth and housing delivery is not properly reflected, and we have no voice at the table. We are contributing to the development of its first Corporate Plan, but without proper 'buy-in' from all three urban areas, it will not serve as a tool for building trust with strategic partners, and stakeholders. We are also supporting four key strategic workstreams: the Local Growth Plan, the Local Skills and Future Workforce Plan, the Local Strategic Housing Plan, and the Local Transport Plan. However, without factoring in the roles of Exeter and Plymouth, this will not result in a strategic policy framework for a devolved Devon.

The four unitary councils for Devon will assume full responsibility for local government functions across each of their geographies, including planning, economic development, education, housing, and social care—creating clarity of accountability and enabling joined-up policy development and delivery. This would represent a more effective configuration for each area and where the three urban authorities in particular already function as integrated housing, economic, transport and service catchments. Framed in this way, all four new unitary councils become enablers for wider Devon objectives.

When the DTCCA begins to exercise its powers as the Local Transport Authority from April 2026, we will work collaboratively to build on the objectives of the Local Transport Plan, and improve accessibility across Devon and Torbay, and crucially enhance the quality of public transport, for the high growth areas, connecting them to Exeter, Plymouth and Torbay. This approach mirrors successful city-regional models elsewhere, such as the West of England, where authorities retain local autonomy but align strategically through a combined governance mechanism. Over time, this could evolve into a MSA, offering further opportunities for devolution and long-term investment planning.

## Alignment with National and Regional Objectives

Our proposal aligns with government ambitions for streamlined local governance and place-based growth. It positions Devon as a credible partner in future devolution discussions, with a functional authority structure that supports delivery of the government's Plan for Change objectives, the UK Modern Industrial Strategy, and net zero commitments. The new structure will support the four key strategic priorities of the DTCCA for economic growth and investment, skills and employment, strategic housing, and transport. Our proposed unitary council for Exeter and the surrounding area will align its policies and strategies with the DTCCA's Local Growth Plan, the Local Skills and Future Workforce Plan, the Local Strategic Housing Plan, building on the work of the Devon Housing Commission and the Local Transport Plan. This will provide the strategic foundation for the authority's work within Devon and ensure coherence across its core areas of responsibility.

## Mayoral Strategic Authority

In terms of the opportunities that devolution will bring in the future, we believe that our region presents a compelling case for a mayoral devolution model that would enhance local control, drive economic growth, and improve outcomes for our residents and businesses. We believe that the existing Devon and Torbay Combined County Authority should be retired upon commencement of a MSA being established.

While we recognise that the ongoing local government reorganisation may result in changes to constituent authorities, as described above, we have continued to work collaboratively across a range of strategic programmes and now believe the time is right to explore a more comprehensive devolution agreement that brings our communities together under a MSA.

Our combined strengths in environmental intelligence, marine autonomy, advanced manufacturing, clean energy, and tourism create an economic powerhouse that could accelerate the government's growth mission. Together, we represent a population of 1.2 million people, a diverse economy worth over £25 billion annually, and host world-class research institutions and innovative business clusters.

A coordinated approach across Devon and Cornwall would enable us to:

- Maximise the potential of our exceptional environmental assets and internationally significant research capacity to position the UK as a leader in environmental intelligence and clean marine innovation.
- Leverage our significant tourism economy (worth over £2 billion annually) more effectively through coordinated investment and promotion. The visitor economy in Devon and Torbay supports nearly 33,000 local jobs.
- Address the specific housing pressures faced by our communities with a strategic approach to housing affordability and availability.
- Create an integrated transport network that connects rural and coastal communities with our urban centres and beyond.
- Develop coordinated skills provision that meets the needs of our key growth sectors and addresses productivity challenges.
- Support the vital national security role of Devonport dockyard, which maintains the UK's Continuous at Sea Nuclear Deterrent capability and will see £4.4 billion of investment over the next decade as part of the MoD's long-term commitment.

We would also like to emphasise that our approach is inclusive and forward-looking. Whilst Cornwall Council has indicated that they would not wish to be part of an MSA with Devon at

this time, we believe that a MSA would be stronger with their involvement, and therefore we will be leaving the door open for them to join in the future.

If we are to harness the opportunity to reshape public services, tackle inequality and deliver better value for money, it will be imperative that Exeter and the surrounding area has a seat at the table of any future MSA that is formed.

Our ambition is for the MSA to be created at the earliest opportunity so that we can drive change particularly with respect to aligning public services and deploying more effectively devolved funding and powers to the benefit of local people and businesses.

We want to grasp the huge opportunities this will create linked to the ambitious growth agendas of the constituent authorities by requesting Government proceeds with a SMA comprising an expanded Plymouth, an expanded Exeter, an expanded Torbay, and a reconfigured Devon, leaving the door open for Cornwall.

A MSA Mayor promoting at the Council of Nations and Regions how Exeter, Plymouth, Torbay and a coast and countryside Devon could play a greater role in helping to deliver national growth will play a significant part in delivering on the government's objectives set out in the "Power and Partnership: Foundations for Growth" White Paper. Equally, a Mayor will promote the interests of the South-West, including cross-regional working on strategic issues such as connectivity and infrastructure as well as advocating for more powers, decision-making, and funding to be devolved closer to local communities.

Creating a MSA presents an opportunity to unify public services across the wider region. The South-West is a robust economic area with a Gross Value Added (GVA) of £47.597 million as at 2023. Initially the SMA would bring enhanced powers and responsibilities for local transport, strategic planning, housing, infrastructure coordination, climate change, skills and driving economic development.

Included within the sections below are some examples of early joint investment priorities for de-carbonisation, skills hubs, and major transport corridors, to show readiness for devolution.

## **Local Transport**

A MSA would become the Local Transport Authority for public transport functions enabling better strategic management of the whole network which is currently spread across four authorities with differing priorities. It would also be responsible for public transport provision, including bus and rail services. By developing a single, peninsula-wide Local Transport Plan greater integration and inter-operability is possible, with multi-ticketing and other service enhancements such as introducing electric buses and other decarbonisation measures.

We have recently collaborated with the DTCCA, and districts on two critical transport infrastructure schemes that are essential to unlocking the strategic housing and economic growth that is important across our region: the M5 Junction 28 Improvement Scheme – Cullompton and A379 Bridge Road Resilience Scheme – Exeter.

Both schemes are fundamental to successfully delivering some of the region's strategic housing sites, supporting inclusive economic growth, and ensuring a resilient transport network. Their delivery will:

- Unlock thousands of new homes across Mid Devon, Exeter, East Devon, and Teignbridge.
- Support major employment sites and town centre regeneration.

- Improve safety, reduce congestion, and enhance journey time reliability.
- Strengthen the resilience of the regional transport network.

The delivery of these transport investments will help sustain that momentum, enabling further growth in strategically important sectors such as clean energy, photonics, and environmental technologies, with benefits being felt in communities across Devon.

We believe that by improving connectivity and resilience, these schemes will directly support the creation of a South West Innovation Spine and contribute to the region's long-term productivity.

## **Strategic Planning**

With the provisions of the Planning and Infrastructure Bill likely to receive Royal assent in late 2025/early 2026, the MSA would become responsible for Spatial Development Strategies which will set the strategic patterns and scales of development, provide a spatial strategy that guides Local Plans and enables growth, identify strategic locations for development, include policies on the use and development of land that are of strategic importance to the area, and identify key infrastructure requirements to enable the spatial strategy to be implemented (e.g. transport, energy and economic infrastructure).

A Devon and Cornwall Spatial Development Strategy, digitally enabled with a 30-year time horizon, and linked in with the National Infrastructure Strategy produced by National Infrastructure and Service Transformation Authority, could be prepared over a 24-month period to drive the nationally significant scale of growth envisaged for the area.

During 2025, Exeter and the other seven District Councils in Devon, have been working closely with Homes England, and the DTCCA to establish a single Devon pipeline of strategic housing sites. This work has resulted in a robust and tested dataset that will enable the new unitary councils and an MSA to promote their priority housing sites, aggregate, classify and prioritise opportunity sites against agreed criteria and agree senior buy in from within each authority.

## **Housing**

The housing crisis facing England is particularly acute in the south-west region due to the attractiveness of the area to second homeowners and the impact of tourism. This manifests itself in acute shortages of affordable housing, especially social-rented accommodation, and significant increases in homelessness. The seriousness of this situation is compounded by new affordable housing completions decreasing in the South West by 8.9% since the introduction of the National Planning Policy Framework in 2012 and 2023/2024.

Total supply of new affordable housing in Cornwall, Devon, Plymouth, and Torbay in 2023/24 was 1,487. With high levels of new housing required across the whole area from the government's Standard Method, the MSA will be able to take a more strategic approach to housing, working closely with Homes England and its Strategic Partners. The Mayor would have control over grant funding for housing deliver and regeneration allowing more effective use of these resources to target local housing needs as set out in the Spatial Development Strategy, including, where appropriate setting up Mayoral Development Corporations and using acquired Compulsory Purchase Order powers.

Over the past 5 years, we have worked extensively with MHCLG and Homes England, to develop a model for a new development fund, which if implemented will accelerate delivery of high quality, affordable homes in Exeter and the surrounding area. The Exeter Development Fund, is backed up by a full business case and could be readily tailored and applied as part of the new MSA, unlock public sector land for future housing development and regeneration.

## Health and Wellbeing

Local government devolution in the UK has increasingly included health-related powers, with the aim of integrating services, addressing health inequalities, and linking health outcomes to economic growth.

Greater local government involvement in health point to several potential benefits:

- **Tackling wider determinants of health** - Local authorities already hold powers related to areas like housing, education, employment, and transport, which are critical determinants of public health. Devolution allows for a 'health in all policies' approach, integrating health goals into these wider policy areas. This allows for this cross-council approach to tackling core determinants of health and address inequalities that impact upon health.
- **Addressing health inequalities** - Evidence suggests that enhancing localised control can be more effective at reducing regional health inequalities, particularly by investing in preventative initiatives and shifting resources towards primary and community care.
- **Service integration** - Closer alignment between local government (which manages social care and public health) and the NHS (which runs clinical services) can lead to a more seamless and integrated experience for patients. Plymouth for example, is already on this journey.
- **Innovation** - Devolution can create "innovation zones" and allow local leaders the freedom to experiment with new models of care that are better suited to their specific population needs. This is already being addressed through the Plymouth approach to our neighbourhood health model and participation in the national Test, Learn, Grow programme.

## Infrastructure Coordination

There are some fundamental strategic weaknesses in relation to the transport infrastructure of the South-West derived in large measure from its peninsula geography: resulting in single points of potential failure in both the Strategic Road Network and the rail network into and out of the region. A SMA will be able to raise these strategic connectivity issues with Government and National Infrastructure and Service Transformation Authority NISTA to ensure the objectives of the National Infrastructure Strategy are aligned so that it supports the delivery of growth in the region.

## Climate Change

The MSA will be responsible for developing the Local Environmental Improvement Plan which will support the government's Environmental Improvement Plan. A SMA will be able to also use the Spatial Development Strategy to continue to address decarbonisation legislative and local commitments, strengthen resilience, address the decline in biodiversity, and ensure new infrastructure responds to the latest evidence on climate change.

## Skills

The MSA will be able to coordinate the delivery of skills across a wider-than-local basis through its Local Growth Plan. This will enable more targeted strategic interventions in skills bespoke to each constituent authority. For example, in Plymouth, the focus will be on developing defence, marine, green/blue and digital technology, construction, civil engineering, and health

care skills reflecting the government's investments in HMNB Devonport, Derriford Hospital and the designation of Plymouth as the National Centre for Marine autonomy.

The MSA will be able to maximise opportunities while directing interventions and initiatives to areas where the demand is greatest and which ties in with the governments' "Plan for Change" missions.

### **Driving Economic Development**

By developing a Local Growth Plan, the MSA will be able to use its enhanced devolved powers and funding resources to drive growth and innovation, market the region nationally and internationally, tackle known areas of economic inequality, specifically by developing inclusive growth initiatives, and ensure that benefits from major projects such as the defence investments at HMNB Devonport and Derriford Hospital can be felt across the region.

# Stakeholder Engagement: Understanding local views

We know that residents and local stakeholders want to be more involved in shaping council services. In December 2024, as part of our annual budget consultation respondents ranked 'more engagement with residents when making decisions and improving services' the most important priority for the council<sup>9</sup>.

Our stakeholder engagement process for reorganisation was guided by the Councils Consultation Charter and key Gunning<sup>10</sup> principles. We were clear that we were informing stakeholders about local government reorganisation in Devon and that their views would be used to inform our final proposals.

In preparing for our initial submission in March 2025 we had already held a series of discussions with political group leaders, senior councillors and other district council leaders, and key stakeholders, including weekly meetings with MHCLG and the District Councils' Network (DCN). The Exeter Partnership, a broad representation of interests in the Exeter area had participated in a two-hour engagement session to provide a forum for questions on devolution and local government reorganisation as well as a facilitated discussion on the starting principles and to exchange of views on future trends and external drivers to shape our thinking. This resulted in a consensus on a set of principles to underpin our approach:

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. Financial viability and value for taxpayers
6. Balance population size and demographics

## Stakeholder Engagement Approach

We crafted our strategy on the basis that different stakeholders would want different levels of information and engagement about reorganisation in Devon and the members would want to know different things from different types of stakeholders using our 6 principles for local government reorganisation as a baseline.

## Stakeholder Engagement Process

The engagement process ran for 6 weeks during August and September 2025 and ran for a 6 week and included:

- Online survey for residents based on a common questionnaire developed in collaboration with other Devon councils
- Enhanced representative survey for the residents in the rural and coast wards in our proposal, conducted by external market researchers both in person and by telephone
- Key stakeholder conversations including with Steve Race MP, Devon & Somerset, Fire and Rescue Service and Devon & Cornwall Police.
- Focus groups for VCSE groups representing seldom heard voices

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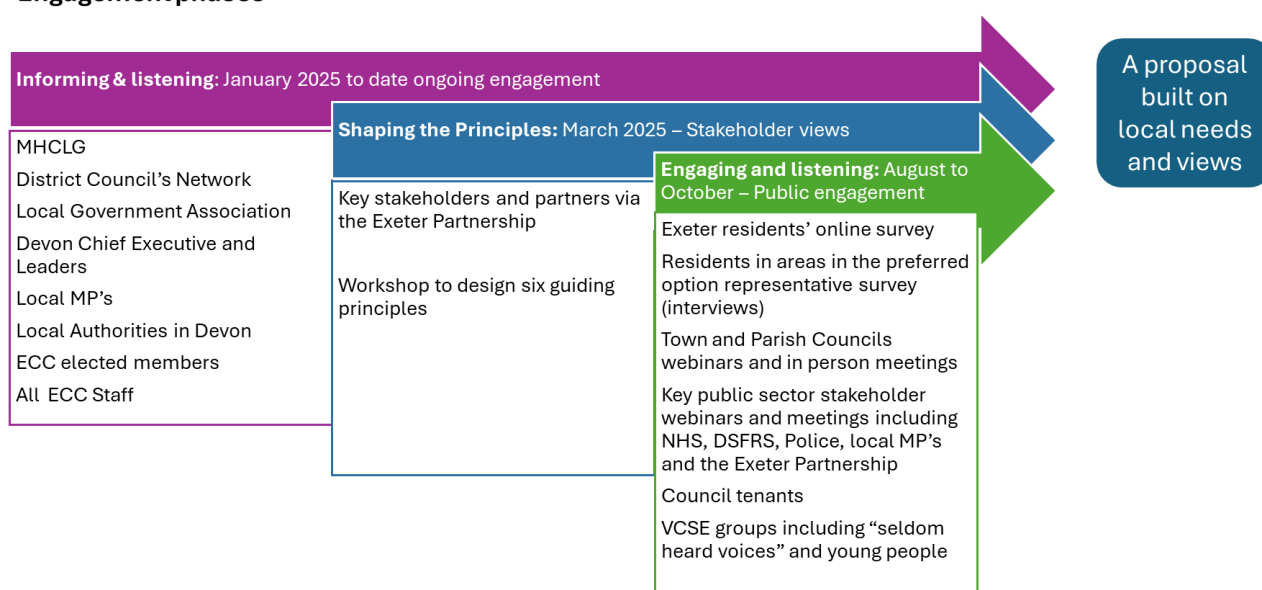
<sup>9</sup> Budget Consultation – Exeter City Council, January 2025

<sup>10</sup> They were coined by Stephen Sedley QC in a court case in 1985 relating to a school closure consultation (*R v London Borough of Brent ex parte Gunning*). Prior to this, very little consideration had been given to the laws of consultation. Sedley defined that a consultation is only legitimate when the four principles are met



- Series of webinars and some in person meetings with Town and Parish Councils included in the proposed new unitary
- Business breakfast for local leaders
- Webinars for NHS partners
- Briefings, webinars and newsletter updates for Exeter City Council staff and members
- Website offering information and resources
- Communications and social media campaign to encourage participation in events and surveys
- Explanatory brochure with information about LGR
- Articles in the Citizen newspaper – delivered to over 65,000 homes and businesses

## Engagement phases



## Stakeholder Engagement Outcomes in Numbers

- 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
- 50 business leaders & 10 senior NHS and Police attending meetings
- 49 Parish Councils represented at webinars
- 500+ staff attended briefings in Feb and 320+ in Aug
- 35 adults participated in focus groups (more to come from YP)
- 134,884 social media reach
- Media engagement – BBC Radio Devon, Devon Live
- 5 themed webinars with ECC Councillors

## Stakeholder Engagement Outcome Surveys

The purpose of the surveys was to:

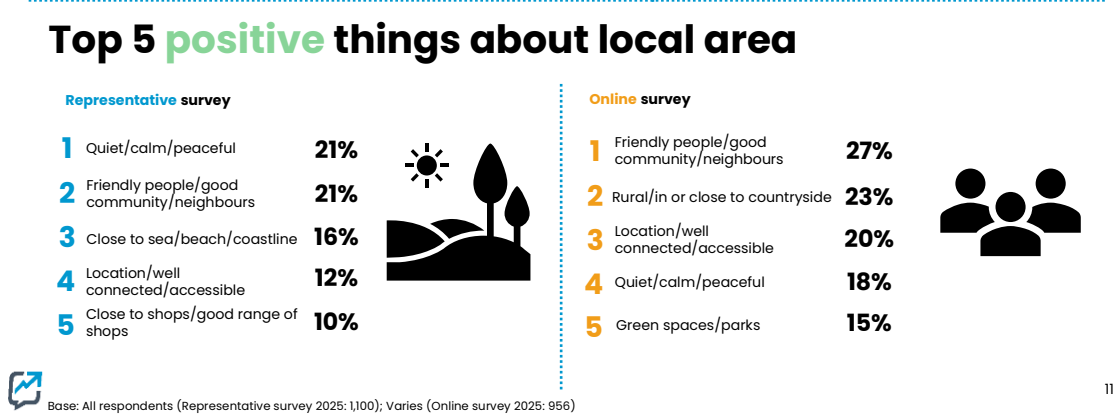
- Understand what matters most to residents in relation to their local area and local services
- Gather views to help inform discussions about potential changes to local government structures
- Ensure that a wide range of residents from affected areas can have their say

Undertaking a representative sample survey was important to us as we have insights from our annual Residents and Budget consultations that show marked differences in findings between representative and self-selected respondents. Our members want to ensure their decisions are informed by insights that are as representative as possible of the whole community and not just interested groups. However, we also want to encourage people to give us feedback so we have developed a twin-track approach to surveys, on critical issues so we can consider all views and where possible we engage market research expertise to ensure a quality outcome.

A representative survey was carried out with people living in Exeter and the surrounding areas (i.e. within the boundary area in the Councils proposal). **A total of 1100 people took part** in the representative survey. The representative survey was delivered primarily over the phone, but also face-to-face, to ensure that representative participant quotas were reached. Throughout the geographical areas surveyed, the quotas of interest were age and sex, measured against the population sizes of the different geographical areas, broken down to ward level.

A self-referral online survey was also conducted over the six-week engagement period. This was delivered using Sanp Survey software. **A total of 956 people took part in the self-referral online survey.** The survey was made available online via the Exeter City Council website advertised on Exeter City Council's website and social media channels (Facebook, LinkedIn, X, Next Door). The online survey was advertised in print media (The Exeter Citizen) and via network emails to partners including the VCSE.

Key Survey findings



## Valued aspects of how local councils serve the community

Most valued in **representative** survey by mean score (out of 5)<sup>1</sup>



Representative respondents ranked each aspect from 1-5



Base: All respondents (Representative survey 2025: 1,100)

## Impact of local government reorganisation

Most important impacts of LGR in **representative** survey by mean score (out of 5)

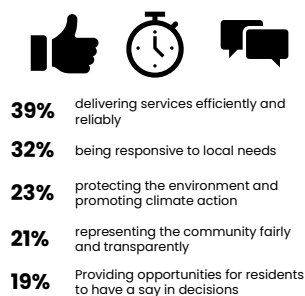


<sup>1</sup> See slide 6 'Interpreting the survey results' for an explanation about how mean scores are calculated

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## Valued aspects of how local councils serve the community

Most valued in **online** survey (top 5)



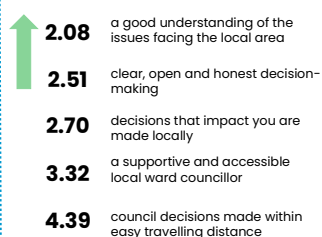
Online respondents could select up to three answers



Base: All respondents (Online survey 2025: 956)

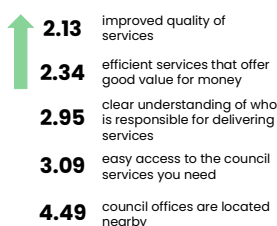
## Impact of local government reorganisation

Most hoped for impacts of LGR in **online** survey by mean score ranking<sup>1</sup>



<sup>1</sup> See slide 6 'Interpreting the survey results' for an explanation about how mean scores are calculated

Most hoped for improvements to council services in **online** survey by mean score ranking



Question wordings differed to representative survey

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## Priorities for shaping the future of local government services

How important do you think each of the following should be when shaping the future of local government in Devon?

Most important in **representative** survey by mean score (out of 5)



Base: All respondents (Representative survey 2025: 1,100)

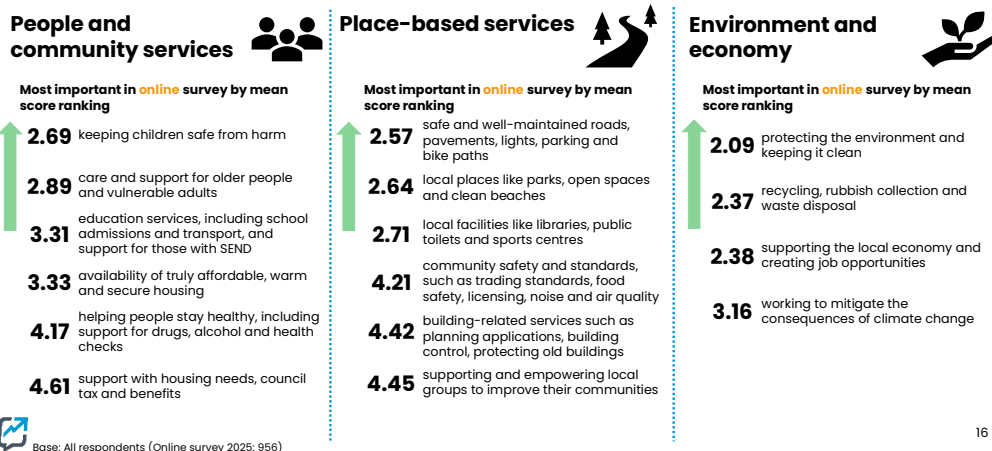
How important do you think each of the following should be when shaping the future of local government services?

Most important in **representative** survey by mean score (out of 5)



15

## Priorities for shaping the future of local government services



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For more detail refer to the full report from **Enventure Research** in **Appendix 5**.

### Stakeholder Engagement Outcome Focus Groups

A series of five focus groups were carried out with users of community-based services, many of whom intersected with users of local and county council services. The aim was to better understand the views and opinions of seldom heard from people. To access service users, we contacted local VCSE groups and invited them to assist in organising focus groups with seldom heard service users. We had a very positive response, and the following groups were facilitated by the council:

- ECC tenants and lease holders
- [Inclusive Exeter](#) (ethnically diverse group of service users)
- [Westbank](#) (volunteers supporting a range of service users around health and wellbeing, including carers in an around Exeter)
- [Common Ground](#) (people with lived and ongoing experience of homelessness, mental health challenges, substance misuse and recovery)
- [Age UK Exeter](#) (older people accessing Age UK services and support in and around Exeter)

Focus groups took place in settings used frequently by the VCSE groups and lasted between 1.5 and 2 hours. The focus groups were limited to a maximum of 10 attendees to ensure smooth management and running, allowing time for all attendees to participate effectively. Information was provided to participants in advance and at the end of each focus group, attendees were told how their insights would be used to help shape our final submission to Government.

The following themes were explored in each of the focus groups

- Understand experiences of council services (local and county council)
- Exploring and understanding unmet local needs (e.g. in service provision)
- Potential benefits/ challenges of more joined up services in the future
- Potential benefits/ challenges of more local decision making in the future
- How to ensure a stronger voice for the local area

<b>Access, Inclusion &amp; Equity</b>	<b>Service Integration &amp; Bureaucracy</b>	<b>Housing, Homelessness &amp; Development</b>
<p>Barriers due to language, digital and low IT literacy. Need for culturally inclusive services and non-digital options.</p> <p>Preference for face-to-face support, especially among older and ethnic-minority communities.</p> <p>Concerns about accessibility in transport, housing, and services.</p>	<p>Fragmented service delivery across councils and sectors. Confusion over current roles and responsibilities for services.</p> <p>Calls for joined-up working, simplified service pathways, and clearer guidance.</p> <p>Bureaucratic hurdles in accessing support (e.g., disability equipment, housing).</p>	<p>Lack of transparency in housing systems and banding.</p> <p>Frustration with temporary housing and supported living transitions.</p> <p>Desire for community-focused building development and clearer housing strategy.</p>
<b>Health, Community &amp; Early Intervention</b>	<b>Local Governance &amp; Representation</b>	<b>Transport, Infrastructure &amp; Environmental Concerns</b>
<p>Fear of individuals falling through the cracks, especially in rural and underserved areas.</p> <p>Need for joined-up services to identify and support vulnerable people earlier.</p> <p>Collapse of key services and lack of emergency support, particularly around mental health.</p> <p>Social isolation across all age groups has far reaching consequences for health and wellbeing.</p> <p>Importance of grassroots initiatives and volunteer networks.</p>	<p>Strong desire for local voices to be heard and represented in decision-making.</p> <p>Concerns that larger unitary structures may dilute representation, especially for tenants and people living urban and rural communities.</p> <p>Concerns about job losses for existing ECC staff, leading to a loss of expertise, provision of services and local voice.</p> <p>Confusion over boundaries and council responsibilities.</p>	<p>Poor public transport access, especially in rural areas.</p> <p>Accessibility issues with buses and taxis.</p> <p>Desire for eco-friendly transport and standardised recycling.</p> <p>Frustration over unclear infrastructure responsibilities.</p> <p>Broad support for more joined-up planning and delivery</p> <p>Strong interest in housing, transport and economic development</p> <p>Concerns about democratic accountability and local voice</p> <p>Desire for clarity on how change will affect services and funding</p>

## Stakeholder Engagement Outcome Town and Parish Councils

In total, 49 Town and Parish Councils were included in our proposed geography for LGR, served by 377 Parish Councillors. All 49 Councils were contacted to make them aware of the webinars and to register their interest in attending. There were three webinars held in total. Of the 49 Town and Parish Councils invited, 24 attended and 25 did not attend, meaning we engaged with 49% of the Parish and Town Councils we targeted.

### Key Interests:

1. Maintaining strong local representation and avoiding dilution of their voices.
2. Ensuring financial sustainability and equitable service delivery.
3. Preserving existing boundaries and respecting local area and neighbourhood plans.

4. Strengthening relationships with upper-tier councils and exploring opportunities for greater local service provision.
5. Addressing concerns about urban-rural balance and the impact of development on rural areas.

Themes Arising from Questions and Answers		
Engagement & Communication	Benefits & Opportunities	Governance & Structure
Desire for earlier and more in-person engagement. Importance of meaningful consultation and ensuring all voices are heard. Concerns about how insights will shape the final proposal.	Interest in the benefits of the proposal for Town and Parish Councils. Concerns about smaller parishes being overlooked in a larger council. Questions about the potential transfer of locally based assets to Town and Parish Councils.	Questions about the role of Neighbourhood Area Committees and their relationship with existing councils. Clarification on whether parish boundaries or structures will change.
Financial & Service Delivery	Boundaries & Geography	Strategic & Regional Issues
Concerns about financial sustainability and service delivery in rural areas. Questions about efficiency gains, financial shocks, and funding for services like social care and transport.	Questions about how boundaries were determined and the inclusion/exclusion of specific areas. Concerns about splitting closely connected communities. Clarification on the timeline for boundary changes.	Interest in how the new council will interact with Devon-wide strategic authorities. Concerns about the impact on existing partnerships and regional collaboration. Questions about the potential for a mayoral devolution model.
Housing & Development	Support for Service Provision	Town-Specific Concerns
Concerns about housing development in rural areas and its alignment with local plans. Questions about the impact of the proposal on urban sprawl and rural character.	Interest in support for parish councils taking on new services. Questions about staff transfers and capacity building for service delivery.	Specific questions about the inclusion of towns like Chudleigh and their relationship with Exeter. Concerns about preserving the rural character of certain areas while addressing development needs.

For more detail refer to the full **Stakeholder Engagement report Appendix 6.**

### **Stakeholder Engagement Outcome Business and wider Public Sector**

From the wide range of webinars, in person meetings and telephone conversations with the Chief Executive and Leader of the Council the key themes discussed were:

- How Government will assess proposals
- What happens if the Government doesn't approve of the preferred Exeter model
- Is Exeter big enough to be a standalone unitary authority
- How could Exeter's voice be protected in a larger unitary council
- How the new model could address planning and infrastructure bottlenecks
- Real opportunity for NHS and the new councils to work better together on prevention

## **Stakeholder Engagement Conclusions**

### **From our survey work we have found that:**

Overall, the findings reveal a consistent picture of residents who value strong, efficient and transparent local government, expect high standards of service delivery, and want councils to balance economic care, community wellbeing and economic opportunities in shaping Devon's future.

Our research highlight that residents value the character and community feel of their local area, particularly its peaceful environment, friendly people, proximity to green and coastal spaces, and accessibility to other locations. Exeter' is most frequently identified by survey respondents as their local area, suggesting a strong sense of local identity.

All aspects of how local councils serve the community were viewed as valuable by representative survey respondents. Delivering services efficiently and reliably and being inclusive and accessible to all residents were rated most highly.

When asked how they hope local government reorganisation will impact themselves and their community, survey respondents ranked a good understanding of the issues facing your local community most highly, followed by clear, open and honest decision making, and decisions being made locally.

When considering how local government reorganisation could impact themselves and their community, survey respondents rated efficient services which offer value for money the most important factor, followed by easy access to council services.

While many residents are content to be kept informed, there is evidence of interest in greater participation in decision making with people expressing an appetite for involvement through consultations, focus groups, forums, town and parish councils, and community organisations.

For people and community services, the safety and protection of children, older people and vulnerable adults are seen as the most essential priorities in the representative survey, followed by education and SEND support. Again, all aspects were rated highly with little variation between mean scores. Building-related services was ranked lowest.

Online respondents had similar priorities, citing the same top three priorities relating to supporting children, older and vulnerable people, and education and SEND, when asked what the top priorities should be for shaping future people and community services for Devon. Helping people stay healthy and support with housing needs were ranked slightly lower than the other priorities.

All listed aspects for shaping the future of local government in Devon were ranked highly by representative survey respondents, with little variation in mean scores. However, local places like parks, open spaces and clean beaches were rated most highly and working to mitigate the consequences of climate change was rated lowest. Roads and pavements, public transport and street cleanliness are the most frequently suggested improvements by



respondents in our surveys. Safety, traffic/congestion, shops and parking were also commonly cited.

### **From our qualitative work we have found that:**

People who are using critical services are expressing a strong desire for local voices to be heard and represented in decision-making. They have concerns that larger unitary structures may dilute representation, especially for council tenants and they have concerns about democratic accountability and the loss of local voice for people living in both urban and rural communities.

People who use critical public services are frustrated by fragmented service delivery across and are confused about who is responsible for services. People want to see joined-up working, simplified service pathways and fewer bureaucratic hurdles in accessing support (e.g., disability equipment, housing).

People want joined-up services to identify and support vulnerable people earlier. They are concerned about social isolation across all age groups and worry about the far-reaching consequences for health and wellbeing. People recognise the importance of grassroots initiatives and volunteer networks.

People are concerned about the “collapse” of key services and lack of emergency support, particularly around mental health. People want to know more about how local government reorganisation will affect services delivery and they are worried about more funding cuts.

There is a strong interest in housing, transport and economic development: with broad support for more joined up planning and housing delivery although they are frustrated over unclear infrastructure responsibilities. There is a desire for community-focused building development and clearer housing strategy.

People perceive access to public transport to be poor especially in rural areas and they have concerns about accessibility issues with buses and taxis. There is a desire for eco-friendly transport and standardised recycling practices.

### **From listening to Town and Parish Councils we have found that:**

Town and Parish councillors want early and meaningful engagement in the reorganisation process and they are interested in the benefits of the proposal for Town and Parish Councils including the potential transfer to community assets. Although they have concerns about smaller parishes being overlooked in a larger council.

Town and Parish councillors are interested in how the new councils will interact with Devon-wide strategic authorities and in the role of Neighbourhood Area Committees and their relationship with existing councils. There have concerns about housing development in rural areas and future alignment with local plans and they do not want to see closely connected communities split in boundary changes.

### **How our Modified four Unitary Proposal has been informed by the stakeholder insight**

Our proposal removes the current fragmentation, duplication and waste of the existing two-tier system of local government in Devon. It creates four unitary councils that will have clearer lines of accountability, a stronger focus on the urban and rural communities they serve, stronger voices for local people and financial sustainability.

Our proposal will create councils that are based on geographies that reflect natural communities and the way people live work and access services and removes historic constraints that prevent effective strategic planning,

Our proposal creates local councils that will be resilient and able to deliver improved outcomes while maintaining the distinct identities that make this part of the world so special and will bring clarity and simplicity for local people and local businesses through integrated, joined up services.

## Working Collaboratively: Creating the Right Solution for Devon

We share the Government's view that truly effective transformation can and should only be achieved through councils working together in coming to a view that meets local needs and informed by local views. This has been at the heart of our approach since we embarked on the process of developing our proposal earlier this year.

This has not been straightforward. Devon is a diverse region served by 11 councils all equally committed to finding the "right solution" and trying to balance the differing needs and priorities of rural communities with those in urban centres. What we have learned during the engagement process is that one size does not fit all.

Equally, throughout our engagement with partners, stakeholders and residents we have heard different perspectives on the necessity and benefits of reorganisation, as well as understandable concerns about the potential risks of disaggregating critical services such as Adult Social Care and Children's Services. It is clear there are challenges to address but also many opportunities to embrace through Local Government Reorganisation.

To better understand local needs and views, we initiated a broad programme of engagement designed to provide clear information about LGR, listen to what stakeholders and residents had to say and share our plans as they took shape. Alongside this formal engagement, we have been actively involved in:

- MHCLG and LGBCE meetings, briefings and webinars
- District Council's Network and Local Government Association webinars and briefings
- Regular meetings with local MP's
- Regular meetings with other Leaders and Chief Executives
- Regular meetings with key partners and stakeholders

In July 2025, all councils across Devon signed a joint letter to Government calling for the creation of a Mayoral Strategic Authority (MSA) uniting around a shared vision of what devolution might look for the county.

On a practical level, we have collaborated with the County, other two Unitary Authorities and the Districts to create a shared data resource and developed a common questionnaire used to survey residents across Devon. More directly, Exeter has been working closely with Plymouth and Torbay, identifying much common ground as urban centres with similar ambitions to drive growth for the entire region.

This, together with what we have heard and learned through the engagement process, has culminated in Exeter, Plymouth and Torbay successfully creating a shared vision - one which proposes a new model of local government built around a simple principle: better services for residents, delivered by councils designed for the communities they serve.

Whatever the outcome of the Minister's decision, we remain committed to working with all Devon councils during the next phase, to ensure a smooth transition for residents.

# Transition and Implementation

Our transition plan will focus on the following key areas of work. Initially an informal Implementation Team will be established which would report to our Audit and Governance Committee to provide independent review and assurance. If our Modified Proposal is approved by Government, a Statutory Joint Committee and Formal Implementation Team will be created to deliver this work as part of the overall Transition and Implementation Plan.

The framework can be applied to all four proposed unitary councils, but each new unitary would remain responsible for its own detailed implementation plan.

- **Democracy and governance:** Developing the constitutions, establishing the leadership to steward the new organisations and running the elections for new councillors who will govern the unitaries. This also includes setting up shadow council arrangements as part of the transition.
- **Service design:** Developing the detailed future operating models that lay out how each service within each new authority will work.
- **Budgets and finance:** Apportioning the existing budgets to each new unitary in a fair and transparent way, as well as dealing with other key financial policies such as council tax harmonisation.
- **Workforce and organisational change:** Supporting the existing officer workforce with the changes and staff transfer to the new organisations. This will also entail other workforce considerations such as union engagement, staff consultation, redeployment issues, and culture and practice changes.
- **Data and technology:** Ensuring that all data we hold is accurate and complete, before it is safely transferred to the correct unitary. Managing the systems which hold this data and support service delivery falls within this element.
- **Procurement and contracts:** Identifying which contracts are novated to each unitary. This may involve contract variations and negotiations with suppliers, as well as preparation for decommissioning and re-procurement.
- **Partnerships:** Ensuring that the strong working relationships with partner organisations are maintained, as well as setting up new arrangements that align with both unitary aspirations and regional goals.
- **External delivery bodies:** Councils have set up a variety of delivery vehicles (arm's length companies and joint ventures) to support strategic objectives. We will need to work through decisions around the future of these vehicles and ownership of them.

## Governance during LGR Transition

Robust governance arrangements will be established to ensure political oversight, strategic leadership, and operational delivery are aligned and effective.

Initially, an informal Implementation Team will be established in each authority to oversee preliminary planning work and to recommend terms of reference to the statutory joint committees when they are established. This will ensure critical preparatory work continues during the consultation and decision-making phase, through Autumn 2025 and early 2026.

During the period up to the Structural Change Order (SCO), a Leaders Oversight Board will provide collective political direction and assurance, while an LGR Programme Board comprising current Chief Executives will oversee strategic alignment, risk and interdependencies.

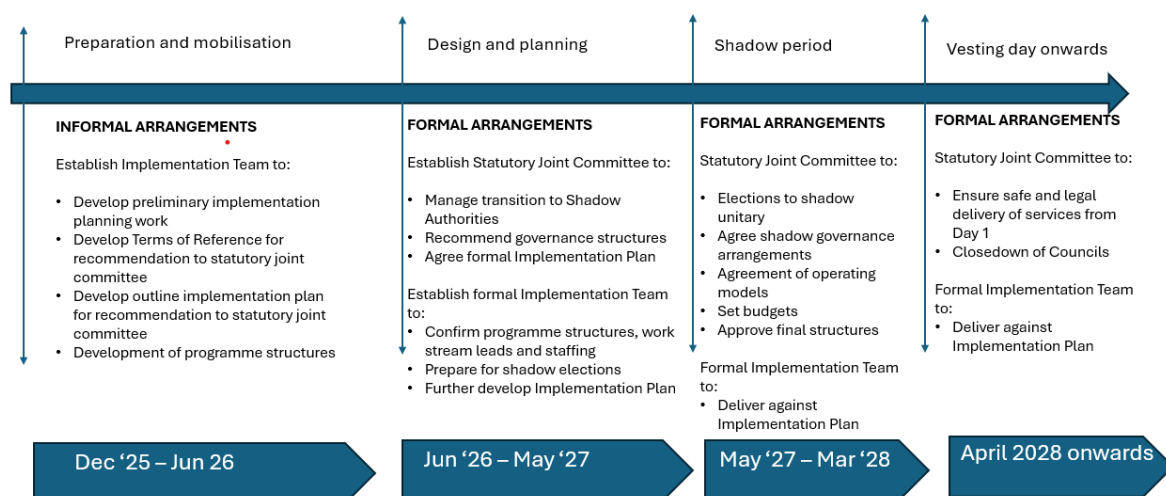


After the SCO is made, a Joint Committee will be established, and a formal Implementation Team will be created to take forward the management of the Implementation Plan through to vesting day. It is important that all predecessor councils should have equal representation on the new Joint Committees to ensure:

- Future councils are set up to deliver genuine public service transformation and transformation across all the services the existing councils deliver
- District councils' strengths in prevention and place-based approaches, aligning with government ambitions for local government reform are embedded in new councils
- Early integration and creating a shared culture are essential and this is best achieved by giving all predecessor councils an equal voice from the start.

After May 2027 elections, new Shadow Authorities will assume responsibility for implementation planning.

## Proposed Timeline



## Children's Services and Education: achieving a "safe and legal" transition

We will use our three phased approach to implementation to enable delivery of our vision recognising that the co-production of solutions with children and families, providers and strategic partners will take time. There are risks in disaggregating Children's Services and Education including:

- Financial – this is the second largest area of spend of top tier authorities, with the greatest volatility and demand and complexity continue to grow. Cumulative Dedicated Schools Grant Deficit currently stands at £165.5m
- Demand – population and demographic trends all point towards increases in demand in the foreseeable future.
- Quality assurance – social care relies on a broad range of services; many delivered in peoples' own homes and out of sight (that might take place e.g., in a hospital).
- Market capacity and capability – reliance on a market of independent sector providers.
- Staff recruitment and retention
- Reputation – including risks related to compliance with legal frameworks.

Using learning from other councils, actions to mitigate risks include:

- A carefully managed transition process that builds confidence, with a clear joint narrative for staff, local people, partners, and the provider market – focused on outcomes.
- Ensuring safety and stable transfer on day one – 'safe and legal' – and the operational details such as a safe transfer of case management systems.
- Developing shared ambition about opportunities to transform and improve services in the medium term.
- Pragmatic, flexible approach to what each unitary does alone and what together – form should follow function (clear government messages).
- Building links to other council services within the new unitary e.g., housing, benefits. Ensure strong working with statutory and non-statutory partners.
- Retaining integrated arrangements that add value and improve outcomes and engage with partners now about future opportunities.

## **Adult Social Care: achieving a "safe and legal" transition**

Our exciting vision for service transformation will take time to co-produce with people who use services, local communities and delivery partners and we will use the proposed three-phase approach set out earlier in this proposal document.

There are risks in disaggregating ASC services including:

- Financial – this is the single largest area of spend of top tier authorities and demand continues to grow.
- Demand – population and demographic trends all point towards continuing increases in demand in the foreseeable future.
- Quality assurance – social care relies on a broad range of services; many delivered in peoples' own homes and out of sight (that might take place e.g., in a hospital).
- Market capacity and capability – reliance on a market of independent sector providers.
- Staff recruitment and retention
- Reputation – including risks related to compliance with legal frameworks.

Using learning from other councils there are some key themes to address in mitigating risks including:

- A carefully managed transition process that builds confidence, with a clear joint narrative for staff, local people, partners, and the provider market – focused on outcomes.
- Ensuring safety and stable transfer on day one – 'safe and legal' – and the operational details such as a safe transfer of case management systems.
- Developing shared ambition about opportunities to transform and improve services in the medium term.
- Pragmatic, flexible approach to what each unitary does alone and what together – form should follow function (clear government messages).
- Building links to other council services within the new unitary e.g., housing, benefits. Ensure strong working with statutory and non-statutory partners.
- Retaining integrated arrangements that add value and improve outcomes and engage with partners now about future opportunities.

## Risks during transition and implementation

Description	Mitigations
Boundary Commission or other objections (High Court) could lead to a delay in establishing the new unitary authorities	Consult legal experts regularly and maintain ongoing engagement with MHCLG and LGBCE. Develop a robust Transition and Implementation plan including interim governance arrangements with built in contingency for any delays.
Proposed boundary modifications are challenged.	Legal experts consulted and advice received stated boundary changes are permitted under Government criteria. MHCLG consulted and confirmed that proposals must be for a single, clear proposal for a base case on existing boundaries and any modifications justified. MHCLG confirmed modified boundaries are allowed if the base case does not meet criteria OR if modification would better meet the criteria. Maintain regular contact with LGBCE, MHCLG and legal advisors.
Critical services such as Adult Social Care or Children's Services are impacted by reorganisation which results in failure to meet statutory obligations.	Establish dedicated workstreams for both Adult Social Care and Children's Services. Develop detailed operational plans covering staff training, ICT and data alignment, safeguarding protocols, and service delivery models to ensure a safe and legal transition. Harmonise commissioning with neighbouring authorities and align with Integrated Care Boards. Prioritise these services to ensure leadership, statutory systems, and local delivery infrastructure are fully in place for vesting day.
Operations or "business as usual" are disrupted during transition due to changes in processes, systems or staff readiness.	Develop detailed operational transition plans for all service areas, including staff training, ICT and data alignment, and harmonisation of service delivery and performance models across legacy authorities. Ensure that each service has effective leadership, statutory systems, and local delivery infrastructure fully in place for vesting day.
Risk of failure or delay in data migration, including data loss or system incompatibility.	Audit ICT systems across critical services and key providers to ensure compatibility, data protection, and continuity. Establish dedicated workstreams with clear plans and contingencies. Prioritise key systems for vesting day, aligning others based on contract timelines.
Scale and complexity of transition results in poor coordination across Devon.	Establish a cross-authority Leaders Oversight Board with agreed terms of reference and a clear decision-making process.
Low staff morale may cause workforce migration which puts pressures on business continuity and results in loss of corporate knowledge, skills and experience.	Continue staff engagement and provide regular updates as the LGR process moves forward. Monitor staff survey responses and feedback. Include planning around developing a shared culture and values. Engage with trade unions at the earliest opportunity.



# Our Asks of Government

We would like government to confirm:

1. Approval of ministerial modification of our Baseline Proposal, based on whole districts in accordance with Section 2 of the Local Government and Local Involvement in Health Act 2007.
2. That the Structural Change Order makes explicit that Exeter's City Status will be preserved by way of Charter Trustees until such time as a Community Governance Review can be undertaken.
3. The transitional flexibilities that have been previously applied regarding council tax capping to facilitate council tax equalisation are able to be applied to support council tax harmonisation in Devon, if required.
4. National guidance is provided for the division and re-distribution of balance sheet assets and liabilities arising from the reorganisation of council boundaries and resultant absorption of balances, assets and liabilities from predecessor authorities.
5. To what extent any further work is required in the implementation phase of local government reorganisation in relation to the government's health system reforms insofar as they relate to the creation of the proposed four unitary council's and the devolution plans for a Strategic Mayoral Authority for Devon and potentially Cornwall.
6. That the Structural Changes Order contains all the standard provisions used in other reorganisations including precise ward and parish schedules, clear maps, transfer of property rights, liabilities, and staff, the actual vesting date and any necessary provisions on Section 24 controls and electoral arrangements.
7. That standard flexibilities will apply in relation to the use of capital receipts for transformation that will allow the four new unitary councils to deliver the transitional arrangements at pace.

## Conclusion

Our proposal sets out a bold, evidence-led vision for a stronger, simpler, and more sustainable system of local government in Devon.

By creating four unitary councils aligned to functional economic geographies, we unlock the potential of our cities while safeguarding the character of our rural and coastal communities.

This model delivers financial resilience, clearer accountability, and tailored services that meet the distinct needs of people and places.

- It establishes a **single tier of governance** across the county, removing duplication and confusion.
- It creates councils of the **right size and financial resilience**, balancing urban and rural needs while ensuring sustainable tax bases.
- It prioritises **high-quality, integrated public services**, designed around people and place, not bureaucracy.
- It strengthens **collaboration and responsiveness**, building on proven partnerships and aligning with functional economic geographies.
- It provides the best foundation to **support devolution**, enabling a strong, balanced voice for Devon within a future Mayoral Strategic Authority.
- Finally, it enhances **community engagement and neighbourhood empowerment**, preserving local identity while introducing new models of participatory governance.

This is not just a structural change - it is a strategic investment in Devon's future prosperity, resilience, and democratic strength. We urge ministers to approve this proposal and unlock the full potential of our county for generations to come.

We look forward to discussing our proposal with MHCLG in due course.

# Appendix

Appendix One:	Financial Sustainability: Approach and Assumptions
Appendix Two:	Putting People First in Exeter and Devon
Appendix Three:	Adult Social Services in Devon
Appendix Four:	Children's Social Care, SEND and Education Services in Devon
Appendix Five:	Exeter LGR Survey 2025 Final Report Oct 2025 (Enventure)
Appendix Six:	Local Government Reorganisation Analysis of Engagement Activities Nov 2025
Appendix Seven:	Exeter and MHCLG LGR meeting note 3 Sep 2025