

STRATEGIC SCRUTINY COMMITTEE

3 November 2025

Present:

Councillor Liz Pole (Chair)

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

Apologies:

Councillor K Mitchell

Also present:

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

In attendance as Portfolio Holder:

Councillors Asvachin, Bialyk, Vizard, Williams R and Wood

17 Declarations of Interest

No declarations of interest were made by Members.

18 Local Government Reorganisation

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Councillor Pole moved the recommendation from the Chair.

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

That the Special Strategic Scrutiny Committee:

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

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

The meeting commenced at 5.30 pm and closed at 7.23 pm

Chair