



Exeter
City Council

Proposals for Local Government Reorganisation - Interim submission from Exeter City Council



Contents

Executive summary	3
Introduction.....	4
Our initial proposal	6
A strong Exeter and a strong Devon	7
Six principles for single tier local government.....	10
1.Growth, housing, transport, and connectivity.....	10
2. Urban and rural Issues – addressing inequality and local needs.....	12
3. Accessibility to public services	13
4. Sense of place and community	13
5. Balanced population size and demographics	14
6. Financial viability and delivering value for council taxpayers.....	14
Public service delivery	16
Addressing inequalities and delivering value for council taxpayers	16
Enhancing critical services through a seamless transformation	16
Working collaboratively towards the right solution	18
Engagement so far	18
Engagement in developing the full business case.....	18
Ongoing engagement.....	19
Financial assessment and implementation.....	20
Boundaries and councillor numbers	20
Indicative costs	20
Working in partnership across Devon	21
Programme management and developing the shared proposition	22
Areas for clarification	23

Executive summary

Successful local government reorganisation in Devon requires a holistic, evidence-led approach, considering the area's economic strengths, growth potential, and unique local identities. It must involve a critical assessment of how public services can be improved, ensuring better outcomes for residents while delivering value and financial sustainability.

This interim submission sets out our starting principles for developing a new unitary council that will include the city of Exeter and signals our commitment to working collaboratively with Devon's current district and unitary councils to seize this opportunity to deliver for Devon.

We are not pre-determining boundaries or proposing a set number of unitary authorities at this stage. Instead, our focus is on sharing our initial thinking, engaging with stakeholders, businesses, and communities, and ensuring that any proposal truly reflects the needs and aspirations of all Devon's residents.

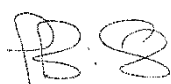
Exeter is one of the UK's fastest-growing cities, playing a pivotal role in driving economic and housing growth across the wider region. With a youthful, growing population and strong business and industry sectors, Exeter is well positioned to lead investment, innovation, and connectivity across Devon.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

Any proposal needs to reflect the diverse needs of urban, rural, and coastal communities. We are therefore proposing up to four unitary councils, each designed to serve a balanced population size while aligning governance structures with our economic strengths, infrastructure, and community identity. These new unitary councils will have a distinct focus on market towns and rural communities as well as Devon's two major cities of Exeter and Plymouth. This will benefit Devon by reflecting our communities' sense of place and identity and vitally, prioritising economic growth.

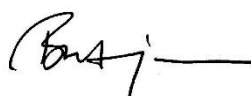
Our recommended approach is guided by six key principles:

- Growth, housing, transport, and connectivity
- Urban and rural issues – addressing inequality and local needs
- Accessibility to public services
- Sense of place and community
- Balance population size and demographics
- Financial viability and value for taxpayers

With these recommendations, the government and the new authorities for Devon, can take decisive steps towards a reorganisation solution that improves outcomes for residents, delivers value, enhances involvement in local decision-making, and supports the long-term journey towards devolution for the benefit of Exeter, Devon, and the wider South West.



Cllr Philip Bialyk, Leader of the Council



Bindu Arjoon, Chief Executive

Introduction

We are clear that local government reorganisation in Devon means change for all councils – those councils at county and district level and also the two unitary councils. New councils representing new geographical boundaries will emerge.

We share the government's ambition to simplify the layers of governance for the benefit of communities, businesses, and local people. We see that devolution and local government reorganisation present a unique opportunity to deliver improved outcomes for our communities, the residents of today, and for future generations, which is ultimately our purpose as a council.

This is a welcome opportunity to reconsider how we deliver public services – including those critical services such as adult social care, education, housing, homelessness, community safety, SEND and school transport – to deliver better value for money and improved outcomes for everyone.

A new unitary authority that includes the city of Exeter has been a long-held ambition of this council, we have been unwavering in our commitment to do what is right for Exeter and the rest of Devon.

In 2007, we submitted a business case for a unitary Exeter council and explained why unitary status was essential for our role as place shaper, driving the regional economy, enhancing local leadership and community empowerment, improving accountability, and delivering high quality, joined up, value for money services. We highlighted why a unitary council would be key to overcoming the issues of confusion, duplication, and inefficiency that pervade a two-tier system and hinder progress.

This business case was supported by government and legislation was laid down to introduce the new authority. The government recognised the constraints its existing boundaries placed on Exeter's influence in respect of growth and placemaking and proposed an extended boundary unitary taking in those growth areas to the east of the city. Unfortunately, there was not sufficient time to introduce this proposal, and government ultimately laid legislation to introduce a unitary Exeter based on existing boundaries. However, the reasons behind the government proposal to extend the city's boundaries then, remain as relevant today in enabling Exeter to drive and grow the economy for the benefit of citizens, but also for a significant part of rural Devon as well.

We are an active member of the [Key Cities Network](#), a cross-party network of 24 local authorities representing cities and urban areas across England and Wales. This network collaborates with other cities, towns, and organisations across local government and beyond to deliver prosperity, protect the environment and raise standards of living across the UK.

Exeter plays a key role in this network with the Leader of Exeter City Council holding the national portfolio for transport. This role leads the development of the wider network's position and priorities for transport, demonstrating Exeter's commitment to addressing challenges that go beyond the remit of a district council. Addressing the challenges for cities similar to Exeter in relation to local government reorganisation is being collaboratively addressed by the Key Cities Network and our interim submission has been influenced by our learning from other cities across the country with whom we will continue to collaborate in the production of our full business case.

At the beginning of February, the Leader of the Council, like other leaders of two-tier councils and unitary councils in Devon received a letter inviting councils to work together to develop a proposal for local government reorganisation.

It is our public service duty to respond to this with a well-thought through, evidence-led, financially viable proposal that has been carefully developed in collaboration with our peers across the county and the wider region.

Devolution and local government reorganisation present a unique opportunity to:

- **Deliver improved outcomes for our area** – unitary governance is a positive step towards unlocking economic and housing growth, for our cities, towns, parishes, and the county and importantly, the wider South West region.
- **Ensure value for money** – by identifying a more sustainable and efficient approach to governance and public service delivery.
- **Reimagine service provision** – working collaboratively with local communities and valued partners to co-design public services that meet the needs of today and the future.

We recognise this as an opportunity for communities across Devon, in the urban area we currently serve and in the rural localities. It will be a step change in shaping the county's future growth through cultural identity; tourism; emerging environmental and health technology start-ups yet also addressing the deep-rooted challenges of urban and rural inequalities.

Our initial proposal

Devon is a large geographical area with small, dispersed populations. Within the county are two major urban areas, Exeter and Plymouth. We feel that any proposals for reorganisation must reflect the unique characteristics of cities that drive growth for the benefit of the whole county. We contend the best way of achieving this is through unitary councils for Devon with a distinct focus on market towns and rural communities as well as Devon's two major cities of Exeter and Plymouth.

There is broad agreement locally that a single, Devon-wide unitary authority is not the right approach, which is why we want to take an evidence-led approach that reflects our communities' sense of place and identity but equally importantly, prioritises economic growth. We intend to work with the other authorities in Devon over the coming months to identify a model that is right for Devon.

We also cannot support the proposed 1-5-4 model that the remaining Devon district councils have proposed. We regret that this proposal has been developed without input from Exeter as this has taken away our opportunity to explore with them what seems to be an illogical approach that Plymouth – as one of Devon's two cities – deserves unitary status, but not Exeter, which is one of the fastest growing cities in the UK with significant growth potential and connectivity across the county and beyond. We feel that the model is unable to identify benefits for Exeter's residents, having not involved the current council responsible for the city in developing the proposal.

It is our intention to develop a full business case for a unitary authority that will include the city of Exeter and some areas around, engaging proactively with stakeholders and communities to ensure their voices are heard and their priorities understood in the design of this new authority. The unique urban nature of Exeter demands an authority that can dedicate its energy and resources to realise the community, cultural and environmental potential of the area and create a resilient economic hub at the heart of its wider rural setting.

We have not drawn an arbitrary map at this stage nor set out any proposed boundary as, with only six weeks to prepare our interim submission we have not yet been able to engage with those communities in parishes and wards surrounding Exeter.

We remain committed to continuing to collaborate with Devon, Plymouth, and Torbay unitaries and hope to be able to re-engage with the other Devon districts.

A new unitary council, based on Exeter and recognising the mutual connections for areas around it, is as an essential step towards unlocking economic and housing growth for Exeter, Devon, and the wider region.

Our interim submission sets out our initial rationale for this approach and our plans for developing a business case by November 2025.

At this point, we are not proposing a specific number of unitary authorities for Devon. Within this interim submission, we set out a case for a council based on the Exeter area. We need to work with the other councils in Devon to establish what best works for local government services across the rest of the county.

This approach will create sensible economic areas, each with an appropriate taxbase, and does not create an undue advantage or disadvantage for one part of the area. This approach would also create sensible geographies that will enable a focus on rural and urban growth, help to significantly increase housing supply, and meet local needs.

These unitaries would be best placed to capitalise on the region's established strengths to drive future prosperity for Devon and the South West. It aligns with the government's devolution ambitions, as outlined in the recent English Devolution White Paper, "Power and Partnership: Foundations for Growth."

We believe this will lay the foundation for a stronger, more resilient model of local government, one that is sustainable, responsive, and equipped to serve Devon effectively for the long term. We remain dedicated to fostering a spirit of cooperation and shared purpose, working in line with the core aims of local government reorganisation and devolution to strengthen local decision-making, enhancing democratic accountability, and improving service delivery for all residents of Devon.

A strong Exeter and a strong Devon

The historic city of Exeter lies at the heart of our area, acting as the driver for economic growth and the retail and cultural hub for the surrounding districts. Exeter is a young, vibrant, and increasingly successful city. New home-grown enterprises based on local strengths are emerging. Many of its businesses, communities and individuals are active participants in the city's success.

Its world-renowned university has been the catalyst for a fast-growing knowledge-based economy, which is helping to raise prosperity and boost graduate retention.

The GVA for Exeter is on par with York, Oxford, Portsmouth, and Bristol; and considering these other cities have larger populations, Exeter performs considerably well.

Within the UK, Exeter is in the top ten locations for new businesses opening. This supports graduate retention and is building clusters within the city, such as environmental science.

We have been ranked as one of the best performing district councils by Climate Emergency UK for acting towards becoming Net Zero. Our council continues to lead on an ambitious programme to successfully decarbonise our operations, delivering over twenty-three energy saving and renewable projects, comprising over 3.4MW of Solar PV on our own corporate assets, and Solar Canopy PV on top of our city centre car parks. Last year, we generated a total of 2,389,060.15 kWh from our solar estate (Sep 2023 – Sep 2024), equivalent to 506.48 tCO₂e saved.

Through our work with the Exeter Partnership, made up of anchor institutions across the city, we are working collaboratively with our partners and communities to develop plans around nature/biodiversity, adaptation, travel and buildings.

Our state of the art Leisure Centre, St Sidwell's Point, is built to ultra-energy saving efficient Passivhaus standard. With a 70% on average annual energy and carbon saving potential, the building is a grand design and has been modelled to withstand predicted change in climate up to 2080.

The city has an impressive cultural offer that bring its public spaces to life. Our Royal Albert Memorial Museum attracts thousands of visitors each year and houses world-class collections and provides an ambitious programme that reaches out to communities across Exeter and beyond.

Some of Exeter's institutions and initiatives are internationally important and widely recognised:

- The world class research in environmental intelligence and climate science at the University of Exeter, the Met Office Hadley Centre, and Exeter Science Park all contribute to uniquely positioning Exeter as a global leader in tackling the climate emergency and achieving net zero.
- Exeter has regional credentials in culture and creativity recently achieving UNESCO City of Literature status.
- Exeter's ambitious Liveable Exeter programme of brownfield regeneration has secured government backing on the Garden Communities programme.

As one of the fastest growing cities in the UK, in recent years Exeter has seen an 8% growth in new businesses with 5,147 registered for business rates; a 3% growth in jobs; and a 10% growth in population. In terms of economic productivity, despite its challenges, projections from the 2024 UK Powerhouse report forecast the Exeter Gross Value Add (GVA) to soar to is £5.5bn placing it amongst the top 10 UK cities for GVA.

With a rapidly growing population exceeding 130,800 in 2021, Exeter is at the heart of a travel to work area of over 499,800 residents with around 35,000 people commuting into Exeter daily. The city's wider catchment area includes much of the district council areas of East Devon, Teignbridge, and Mid Devon. 297,000 of these residents are of working age and 249,400 are employed. Well over half the workforce is well qualified, substantially higher than the national average.

- **As a flourishing city, Exeter is well placed to accelerate growth in the South West and the UK.** Exeter is a thriving base for business and industry developing key knowledge and health economy sectors that brings resilience to the UK and strengthens the region against economic shocks.
- **Exeter lies at the heart of a major transport corridor connecting the region to the wider UK.** Connectivity is vital for economic growth and Exeter is at a pivotal position within Devon with strong links across the South West and to London.
- **Our approach reflects the rural nature of Devon and champion's Exeter's distinctive urban character.** Exeter is the regional capital and acts as the engine for growth of our dynamic and diverse urban and rural area. Therefore, we have located

strategic growth across our area where it can support investment in our important market towns alongside the growth of Exeter.

- **It is vital to empower communities in urban and rural areas to benefit from regeneration and a more innovative approach to public service delivery.** We must maximise the opportunity through reorganisation to reshape critical public services to improve outcomes for all residents, addressing inequalities, and delivering value for money. We will need an unrelenting understanding and focus on communities to build a local economy that creates local community wealth and opportunities for sustained prosperity.

Six principles for single tier local government

Our proposal has been built upon six principles which we have shared and discussed with stakeholders. 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.

- Growth, housing, transport, and connectivity
- Urban and rural issues – addressing inequality and local needs
- Accessibility to public services
- Sense of place and community
- Balanced population size and demographics
- Financial viability and value for taxpayers

We are taking an evidence-led, collaborative approach to developing our proposal for a new council that will include the city of Exeter, and as such, we have started to gather data to inform the development of geographical options using these six underpinning principles.

1. Growth, housing, transport, and connectivity

Growth

Exeter is one of the fastest growing economies in the country¹, and the main growth hub for the South West, with specialisms in science, tech, big data, and significant assets, such as higher and further education institutions, which are vital to skills generation, innovation and productivity growth.

50% of our workforce live outside of the city, so the connection between the city and our rural communities is vitally important. We have strong skills, with over 48% of the workforce qualified to degree level or above (compared to 41% for the UK). Recruitment levels across the city have recovered to well above pre-pandemic levels – there is confidence in the city.

Several growth areas are planned for Devon assigned to the northeast of Exeter, to the southwest of Exeter, to Plymouth and to the north of Devon. A key consideration in defining unitary proposals is the ability of the options to promote economic development in the county. The fastest growing sectors across the region are around digital technologies, professional services, specialised manufacturing, environmental science, advanced engineering, and healthcare.

Understanding Exeter's distinctive identity and economic growth potential is vital to forging a path to a new economy that will successfully embrace surrounding areas, offer genuine opportunities for access and advancement to all residents. This principle of inclusive growth is central to our plans for the city, region, and county.

¹ Sources: Centre for Cities Outlook Report 2025 [Cities-Outlook-2025.pdf](#) and *Respublica: devolution for Exeter and the South West* (March 2021)

Exeter has a high employment rate, which has risen by almost 3% from 2023-24 and a low unemployment rate compared to national average (79.4% employment rate).

The city supports vocational learning with a greater proportion of apprenticeships than nationally (**'City of Apprenticeships'** awarded by City and Guilds in 2020) and supports the construction sector through a collaborative partnership Building Greater Exeter.

The University of Exeter is ranked 101-150 in the Academic Rankings of World Universities 2022 placing it between 9th and 16th in the UK. It has the best vocational student survey results in the Russell Group and is a leading provider of degree apprenticeships, with high retention rates. In the first Teaching Excellence Framework, it was ranked as Gold.

Exeter College serves as the further education college for learners at secondary schools in Exeter. This multiple award-winning highly innovative college attracts 40% of students from Exeter and 60% from all parts of Devon delivering significant benefits for the city and the economy of the wider region. It was ranked Gold in the first Teaching Excellence Framework and graded by OfSTED as 'Outstanding.'

The Exeter Mathematics School was one of the first two Mathematics specialist schools in the country and was formed through a partnership between University of Exeter and Exeter College.

A new unitary council that will include the city of Exeter and adjacent areas offers numerous opportunities for growth, driven by its economic assets and strengths these include:

- **Innovation and R&D:** Exeter is developing high-tech industries with strong links to Higher Education Institutions, particularly the University of Exeter. The Science Park is a premier R&D asset, and the city outperforms the UK in patent applications.
- **University of Exeter:** The university injects over £540 million into the local economy and supports thousands of jobs. It offers strong research capacity in various fields, contributing to innovation and growth.
- **Exeter Science Park:** Home to businesses in STEMM fields, the Science Park is projected to grow significantly, potentially employing 3,500 people by 2035.
- **Met Office:** Located in Exeter, the Met Office's investment in environmental High-Performance Computing is expected to deliver substantial socioeconomic benefits.
- **Visitor economy:** Enhancing Exeter's cultural and shopping experiences can grow the visitor economy, leveraging the city's historical and natural assets.
- **Digital connectivity:** Improving broadband and 5G infrastructure will support business growth and attract knowledge-based industries.
- **Green growth:** Promoting renewable energy and sustainability can drive economic benefits, leveraging the region's competitive advantage in green technology.

These opportunities, combined with strategic investments and support from the government, can help Exeter realise its full potential and drive inclusive growth across the region.

Housing

The Exeter Housing Market Area (HMA) neatly dovetails with the functional economic market area, which effectively covers the same area. This has strong links to the travel to work area which has steadily grown in recent decades and is now the second largest in the country after Cambridge.

This is reflected in the well-established, cross-district partnership working which supports strategic planning across an area far larger than the current city's administrative boundary. This is demonstrated by the current development strategies for the councils in and around Exeter. Through the Exeter Plan, we are meeting housing requirements on strategic brownfield sites in the city.

In addition to the 14,000 new homes planned in Exeter by 2041, the neighbouring districts of Teignbridge and East Devon have allocated strategic areas for development on the boundaries of the city totalling 30,500 new homes. Functionally, these areas effectively operate as part of the city with residents identifying with Exeter as where they live.

In summary, a new unitary council including Exeter and adjacent areas follows a well-established and recognised functional housing and economic geography also reflecting the identity of local communities and the structures of economic investment.

Transport and connectivity

There is a major transport corridor, reflecting the road and rail network, along a northwest-southeast transport axis that connects Exeter to Somerset, Plymouth, and Torbay. This complements what we believe is a second route, a north coast semi-circle, which connects the north-west to the east of Devon.

The city serves as a major employment hub for Devon, with a large travel to work and study area. Our travel to work catchment is 500,000 by population and the catchment for travel to study is even higher. Population sizes for these travel to work areas show the Greater Exeter area with the largest population of the three.

A review of strategic transport connections in Devon (from the Devon and Torbay Local Transport Plan consultation of October 2024) confirms the pattern observed in relation to travel to work areas. Aligned with Exeter's growth trajectory and its strategic assets, there is a clear strength emerging from this important transport corridor.

We believe that reorganisation should recognise the economic geography of Devon, which, as the travel to work area shows, is strongly based on grouping around Plymouth and Torquay, but most predominantly an area that will include the city of Exeter.

Reorganisation allows local government to fully harness future growth potential of areas. In the current economic climate, we firmly believe that the role of local government is to enable growth, inward investment, and support our local economy to thrive.

We welcome this and, alongside the rapid growth of Exeter's population, there is a genuine opportunity to take forward transformation projects through the flexible use of capital receipts and the efficiency savings that will be possible through reorganisation.

2. Urban and rural Issues – addressing inequality and local needs

Like all areas, Devon has areas of prosperity and pockets of entrenched deprivation within isolated rural areas and within the cities of Exeter and Plymouth. Reorganisation brings a renewed opportunity to address inequality and develop new service delivery models that are fair and responsive to all needs.

Reconsidering boundaries will allow us to focus on natural communities, empower town and parish councils, local networks, and grassroots voluntary organisations to respond to the issues swiftly and more effectively.

Exeter is the economic powerhouse of our area, and an extended geography for a new council that includes the city, will allow this growth to cascade beyond the current local government lines to help address inequalities.

3. Accessibility to public services

A simplified and streamlined approach to governance will be created as new structures, focussing on critical areas such as homelessness, are formed.

Building on strong partnerships with public sector bodies for health and policing for instance, a new style of unitary local government will be able to reconsider service delivery.

The new authorities will work in collaboration with stakeholders across these partnerships and our local communities to co-design new models for service delivery that truly reflects local community needs and have an unrelenting focus on achieving outcomes.

See Public Service Delivery for more information.

4. Sense of place and community

We are motivated by the opportunity to reorganise to respond to the natural communities, historical alliances in a cohesive area that present clear opportunities to improve outcomes for residents. This is a point that needs careful consideration. We believe that localities face greater problems on this agenda when the size of populations being served increases. If localities are drawn too wide, it risks loss of community identity and cohesiveness.

Exeter, the city, is in a commanding position to step up. Exeter has a growing population and is a youthful city with a median age of 35, second only to Bristol in the South West.

A cathedral city, once the sixth largest in Britain, Exeter continues to be a regional beacon with a significant catchment area. Our university is a major strength supporting and sustaining an established public sector and commercial base.

Devon's rural and coastal identity is prized across the country and beloved for its medieval towns, picturesque beaches, and harbours. The Exe Estuary extends for some 12 kilometres and plays host to an active boating and water sports community as well as being recognised as being of international importance to wildlife. There are five national landscapes in Devon, North Devon Coasts, East Devon, and South Devon, and two Tamar Valley and Blackdown Hills.

Rather than overlook the differences across our area, this is a chance to embrace a new landscape that will make sense for the 2030s and beyond.

As part of a wider devolution agenda, this is a chance to really strengthen and empower the might of the South West as a distinct region driving the UK's economy.

Of course, there are many barriers to overcome, but recognising that both devolution and local government reorganisation will in the long-term bring significant benefits to our

communities, we are ready to start these conversations with Devon's unitaries, district councils and nearby town and parish councils, to enable us to understand opportunities and issues for their perspective and which will enable us to co-produce a realistic and viable boundary for an new unitary that will include the city of Exeter and adjacent areas.

5. Balanced population size and demographics

The Ministry of Housing, Communities and Local Government (MHCLG) has an aspiration that unitaries each have a size of population of the order of 500,000 or where possible, are built around existing council boundaries. However, MHCLG has also stated it would consider changes to population size and district boundaries, provided a clear and logical case is made setting out the benefits that disaggregation would offer a local area.

Our early thoughts are a new council that will include the city of Exeter, will serve a population of between 300,000 and 350,000, expanding the current city council boundary into wards and parishes surrounding the city. We recognise that there is a need for critical mass to ensure resilience and sustainability – we have taken soundings on this from other areas across the country – and recognising the increasing population within Exeter coupled with the growth potential of the primary transport corridor, points to a strong case for a viable and deliverable proposal of urban and rural unitary authorities for Devon.

We will develop our full business case taking into account the Local Government Boundary Commission for England ('the Commission') criteria and "Council Size Submission: Guidance". At this stage it is impossible to set out potential governance arrangements for the new unitary including the roles and number of elected members, but the commission guidance highlights the range of issues that it considers when determining council size and this will help us in making strong and well-evidenced submissions.

With this guidance in mind, as we develop our business case over the coming months, we will continue to assess the ability of geography and population size on the proposed Exeter based unitary to deliver high quality public services as this emerges through our engagement with town and parish councils, other local authorities and public sector partners in Devon.

However, there is consensus that the current two-tier system is not agile or focused enough to collectively evolve to serve and provide services for the changing needs of its residents and businesses. It does not connect with natural communities, nor reflect the differences within the area which make it special, and the level of co-ordination needed across multiple local authorities creates an unnecessary overhead diverting the focus on frontline action.

6. Financial viability and delivering value for council taxpayers

Against an uncertain economic backdrop, resilience and sustainability must be cornerstones for reorganisation. We know that council taxpayers expect savings and value for money. We want to work with councils across our local area to find an overall proposition that is the simplest and most effective for citizens.

The overhead cost of administering multiple organisations when the functions can be delivered by one does not offer value for taxpayers and in the digital age, having multiple

councils continues to create confusion for residents about who to contact or where to look for information about local government services.

By creating new unitary authorities, we will reduce duplication and waste and will provide better value for money for taxpayers by significantly reducing spend in areas such as:

- Senior management
- Corporate services
- IT
- Accommodation
- Contractual efficiencies
- Service consolidation

See Financial Assessment for more information.

Public service delivery

The reorganisation of local government presents a unique opportunity to transform the delivery of public services in our area. This transformation will be guided by a commitment to high-quality, sustainable public services, with a relentless focus on prevention and early intervention.

The structure, values, governance, and processes of new unitary authorities in our area will prioritise the delivery of high-quality and sustainable public services.

Our new structures will create strategic federations for services designed around the needs of citizens, not organisations, that will cut red tape, avoid wasting of tax-payers money, free up money that can be spent on resolving local issues and create new opportunities for residents to have a real say about their own community. We will collaborate with key public service strategic partners such as the NHS Integrated Care Board and the Devon and Cornwall Police and Crime Commissioner to ensure we design our new unitary authorities' structure to maximise integrated commissioning and delivery of public services to reduce fragmentation, invest in prevention, and improve outcomes.

Addressing inequalities and delivering value for council taxpayers

Up to four unitaries will deliver stronger leadership and significant savings and actively pursue the devolution of services and assets to city, town, and parish councils for better place shaping. The governance of new unitary authorities will be delivered in partnership with town and parish councils and will ensure evidenced based decision making and priority setting, achieving outcomes that reduce inequalities by:

- Caring for our most vulnerable residents
- Delivering improved life chances for our children and young people
- Delivering the housing and community infrastructure each community needs
- Boosting economic growth, jobs, and apprenticeships
- Investing in a sustainable environment and mitigating climate change
- Improving public safety, community resilience and celebrating Exeter's culture

Taking the learning from our pioneering Asset Based Community Development Programme, Wellbeing Exeter, and Sport England Place Partnership Programme, our unitary authority will set up a series of new Local Community Networks (LCNs) that will give local people real power and influence over the decisions that affect them the most. This locality approach will help tackle the inequity that can remain hidden from those “not on the ground” and ensure every part of the new authorities will have a real say in how to mitigate climate change and improve their own environment.

Enhancing critical services through a seamless transformation

Through new unitary authorities there will be significant opportunities for transformation of critical services such as adult social care, SEND, education, housing, homelessness, school transport, and community safety. Transformation savings would include those that result from changes to strategy, integration of services, public sector partnership working,

deployment of digital, robotics, AI, and customer engagement, underpinned by a working with partners to achieve a relentless focus on prevention and early intervention. Creating new unitaries based on the unique characteristic of place offer further opportunities for transformation in the design and delivery of centralised urban-centric services or dispersed rural community-based models.

Working collaboratively towards the right solution

Our aim is to be collaborative and transparent as our business case takes shape.

This reflects MHCLG's desire to see councils working together in coming to a view that meets local needs and is informed by local views. We acknowledge there may be some reluctance to accept the need for reorganisation which can stem from political positions and stakeholders who may have differing views on the necessity and benefits of reorganisation. To address this, we will continue to engage in open dialogue with all stakeholders, providing clear evidence of the benefits and addressing concerns to build consensus.

All councils in the area will be encouraged to participate in the hope that we arrive at an aligned business case that has been subject to critical challenge and meaningful debate. With a clear focus on an approach that is evidence-led, robust and demonstrably delivers value for our citizens, a broad engagement programme is essential.

Engagement so far

We know that local people would like to be more involved in shaping council services. In this year's budget consultation, respondents ranked 'more engagement with residents when making decisions and improving services' the most important priority for the council².

Additionally, this consultation showed that 76% of respondents agreed with encouraging growth, regeneration, and inward investment³. This aligns with our starting principle of growth, transport, and connectivity.

Over the last few weeks, we have taken the opportunity to clearly communicate and seek input on the starting principles for our business case. This includes:

- Discussions have taken place 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).
- City-wide stakeholders have been invited to participate via the Exeter Partnership, a broad representation of interests in the Exeter area. A dedicated two-hour engagement session was held in early March to provide a forum for questions on devolution and local government reorganisation as well as a facilitated discussion on the starting principles for our area and an exchange of views on future trends and external drivers.
- In this formative stage, as ideas are being put forward for a range of proposals it is important that we offer all current councils in Devon the chance to understand our starting principles. We will be sharing our interim submission with all leaders and chief executives in Devon.

Engagement in developing the full business case

Starting in Spring 2025, our engagement programme will include:

² Budget Consultation – Exeter City Council, January 2025

³ Budget Consultation – Exeter City Council, January 2025

- Sharing our initial thinking through clear communications that explain the context for change; outline the benefits for individuals, for the city and for the entire region; and provide an opportunity for questions to be answered.
- Using the LGA toolkit and resources, we will continue to convey key messages relating to devolution and reorganisation for all audiences including residents, elected members and members of staff. This is vital to help everyone understand the need for change.
- We will facilitate a series of thematic workshops with key stakeholders, organisations, town and parish councils and networks across the region to further develop ideas for the business case. These will take place throughout May and June and will likely expand on the six principles.
- Resident engagement will continue with succinct survey questions that will be shared in late spring to encourage everyone to share their views on the opportunities and concerns presented through reorganisation. Using our principles, we will invite local people to explore priorities for service delivery which will help us better understand how these might be framed under a future proposal.

In Autumn 2025, we will present a full outline inviting all stakeholders to join consultation sessions to ask questions and share views which will enable us to develop a final business case for November.

Throughout this year, we will continue a regular rhythm for virtual briefings and Q&A sessions with all leaders and chief executives from the area to ensure we are sharing all insights as they are gathered and provide an opportunity for comment and input on our emerging business case.

We recognise that the uncertainty and changes associated with reorganisation can impact employee morale and retention. Starting as we develop this business case, we recognise that it is vital to keep employees motivated and engaged throughout the process to ensure continuity and quality of service delivery. We will implement clear internal communication strategies to ensure council employees, and the unions are kept up to speed and involved in the engagement programme.

Ongoing engagement

We intend to embrace the opportunity reorganisation presents to establish greater involvement with local communities and residents. MHCLG has been clear that new unitary structures should enable stronger community engagement and deliver a genuine opportunity for neighbourhood empowerment.

Building on what we hear as we work towards a business case, we will work with the other unitaries to involve stakeholders, councillors, businesses, voluntary sector, and residents in co-designing a new service delivery model.

Unitary councils for Devon would enhance community leadership by ensuring local voices are heard and needs are effectively met. This would also provide a powerful voice at regional level with the establishment of a strategic authority for the area. This reflects the government's vision of devolving power to local communities and tailoring governance structures to local priorities.

Financial assessment and implementation

We have undertaken an initial financial assessment to support this interim submission considering MHCLG's criteria for the right size to achieve efficiencies and withstand financial shocks.

We have commissioned Pixel to undertake some initial financial assessment work, and their approach has been to set the proposed unitaries in the context of the existing single-tier authorities in England. They have explained that there are 132 such authorities, and other than the smallest unitary authorities, they have found no indication that scale is a systemic challenge for these authorities, even where their population is substantially lower than 500,000.

Devon districts have also commissioned Pixel to undertake some high-level financial modelling disaggregating Devon County Council funding using the model adopted for the County Councils Network based on the 2025/26 settlement and using the formula underpinning the current distribution of funding, which was largely set in 2013/14. This is a helpful start to the detailed work needed to be undertaken between now and the final business case in November 2025. Further work will be undertaken to assess the financial health of all the authorities in the area and to review financial viability as the options develop. Our intention is that this work takes place in collaboration with all the authorities in the area.

The section 151 officers of the county council and districts are committed to working together and sharing information to ensure that all bids are based on uniform financial information. In addition to the high-level work undertaken, the section 151 officers have agreed to shared detailed plans and information around reserves, debt, and future liabilities, as well as the breakdown of financial costs – as best as possible – to enable differing options to be considered.

Boundaries and councillor numbers

As we have set out above, our early thinking is that a new unitary council that will include the city of Exeter, will serve a population of between 300,000 and 350,000, expanding the current city council boundary into wards and parishes surrounding the city.

We have not drawn an arbitrary map at this stage nor set out any proposed boundary as with only six weeks to prepare our interim submission we have not yet been able to engage with those communities in parishes and wards surrounding Exeter.

At this stage it is impossible to set out potential governance arrangements for the new unitary including the roles and number of elected members, but the Local Government Boundary Commission "Council Size Submission: Guidance" will help us in making strong and well-evidenced submissions.

Indicative costs

Where possible, we intend to use existing officer time and supplement this only with specialist skills that are not available within the council. We have allocated £100,000 in the budget for the financial year 2024-25 to resource the development of the full proposal. Initial

costs in 2025-26 are currently estimated in the region of £500,000 which is a combination of existing officer resources and external expertise which we will need to draw on as the business case develops.

As these are significant changes for the delivery of public services across Exeter and beyond, it is essential that decisions on structures for local government reorganisation are properly backed up by evidence.

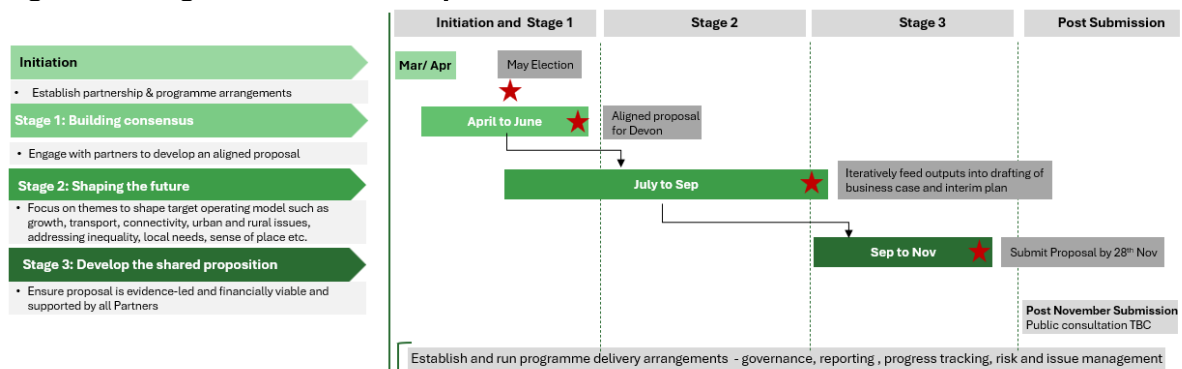
A significant programme of work is required to fully develop the business case, and we have outlined below our programme delivery arrangement.

Working in partnership across Devon

We are committed to working collaboratively with partners across Devon to develop a shared business case that is transparent, inclusive, and effective. We will engage with council leaders, chief executives, and section 151 officers, who already work together in existing forums, and support the formalisation of a collaborative governance framework.

This framework will outline clear roles and responsibilities, ensuring that all councils contribute meaningfully to the reorganisation process. Our aim is to create a partnership that promotes accountability, transparency, and strong communication, helping us arrive at a proposal that works for all.

Figure 10: High-level milestone plan



Programme management and developing the shared proposition

We will establish a robust programme management and governance framework to oversee the development and delivery of the business case. This structure will provide clear direction, facilitate collaboration, and manage risks effectively, ensuring that we meet the government's criteria and deadlines.

Our approach will be evidence-led and well-coordinated, drawing on our own resources while working closely with councils across Devon to develop a detailed business case. By maintaining strong governance and oversight, we will ensure that our final submission is comprehensive, credible, and delivers long-term benefits for all communities.

Areas for clarification

We have carefully considered the barriers and challenges that we will face in developing a business case for November and established a risk register to guide our process.

There are several areas where further clarification and input from MHCLG would greatly support our work. These include:

- **Initial feedback on this Interim Submission**

To enable us to continue in developing the full business case by November 2025, it will be important to receive detailed feedback on this March submission to understand any specific concerns or capture suggestions from the MHCLG team.

- **Criteria for changing boundaries and population size**

As our interim submission, and others for the region, demonstrate there are different ways of considering the boundaries and appropriate population size with a lack of evidence on the rigour of the 500,000 benchmark in terms of financial viability and the ability to deliver quality public services. It would be helpful in the development of our business case if MHCLG could indicate the criteria it would apply to proposals that fall short of the preferred 500,000 and those that identify proposals not aligned to current district council boundaries.

- **Role of cities and major urban centres in unitary authorities**

As explained throughout this submission, we believe that as economically significant cities, Exeter, and Plymouth have prominent roles to play as unitary authorities to guide the growth, regeneration, and inward investment that is so central to the ambitions of reorganisation. We have also highlighted our work with Key Cities Network, and we would like further clarity on MHCLG's approach to the specific issues faced by small cities in the context of local government reorganisation.

- **Guidance on the framework or template to support the November business case**

A template or guidance on the structure for the full business case will help us prepare a comprehensive and structured proposal that meets the required standards and expectations.

- **Guidance on funding to support business case development and transition**

We would like confirmation of whether government funding will be available to support the development of the business case and delivery of any agreed transition.